

Nigeria

Value Chain Development Programme Supervision Report

Mission Dates: 25 May to 20 June 2020
Document Date: 21/08/2020
Project No. 1100001594
Report No. 5480-NG

West and Central Africa Division
Programme Management Department

Abbreviations and Acronyms

| | |
|-----------------|--|
| AWBP | Annual Work Plan and Budget |
| ATIC | Agricultural Transformation Implementation Council |
| ADP | Agricultural Development Project |
| BCR | Benefit Cost Ratio |
| BP | Business Plan |
| CAF | Commodity Alliance Forum |
| CASP | Climate Change Adaptation and Agribusiness Support Programme |
| COP | Conference of Parties |
| COSOP | Country Strategic Opportunities Programme |
| GALS | Gender Action Learning System |
| GHG | Green House Gases |
| ESMP | Environmental and Social Management Plan |
| FGN | Federal Government of Nigeria |
| FFB/BS | Farmer Field/Business School |
| FMARD | Federal Ministry of Agriculture and Rural development |
| FO | Farmer Organization |
| GAP | Good Agricultural Practice |
| GPS | Global Positioning System |
| GIS | Geographic Information System |
| IITA | International Institute of Tropical Agriculture |
| IRR | Internal Rate of Return |
| LGA | Local Government Area |
| LOP | Life of Programme |
| MG | Matching Grant |
| MIS | Management Information System |
| MTR | Mid-term Review |
| M&E | Monitoring and Evaluation |
| Mt | Metric tons |
| MoU | Memorandum of Understanding |
| NAIC | National Agricultural Insurance Corporation |
| NAN | News Agency of Nigeria |
| NCAM | National Centre for Agricultural Mechanization |
| NIMET | Nigerian Meteorological Agency |
| NPMU | National Programme Management Unit |
| NRCRI | National Root and Crop Research Institute |
| O&M | Operations and Maintenance |
| PO | Producer Organization |
| PPPP/4Ps | Public-Private-Producer Partnership |
| RUFIN | Rural Finance Institution Building |
| RIMS | Results and Impact Measurement System |

| | |
|---------------|--|
| SECAP | Social, Environmental, Climate Assessment Procedure |
| SOE | Statement of Expenditure |
| SON | Standard Organization of Nigeria |
| SPMU | State Programme Management Unit |
| TOHFAN | Tractor Owners Hiring and Finance Association of Nigeria |
| ToT | Training-of-Trainers |
| USAID | United State Agency for International Development |
| UNFCCC | United Nations Framework Convention on Climate Change |
| VCAP | Value Chain Action Plan |
| VCDP | Value Chain Development Programme |
| VCSC | Value Chain Steering Committee |
| WA | Withdrawal Application |

A. Project Overview

| | | | |
|-------------------|------------------------------------|------------------------------------|---|
| Region: | West and Central Africa Division | Project at Risk Status: | Not at risk |
| Country: | Nigeria | Environmental and Social Category: | B |
| Project Name: | Value Chain Development Programme | Climate Risk Classification: | 2 |
| Project ID: | 1100001594 | Executing Institution: | Ministry of Agriculture and Rural Development |
| Project Type: | Agricultural Development | Implementing Institutions: | not available yet |
| CPM: | Nadine Gbossa | | |
| Project Director: | Ameh Onoja - Programme Coordinator | | |
| Project Area: | not available yet | | |

| | | | |
|----------------------------------|-------------------|---------------------------|------------|
| Approval Date: | 03/04/2012 | Last audit receipt: | 29/06/2019 |
| Signing Date: | 23/08/2012 | Date of Last SIS Mission: | 20/06/2020 |
| Entry into Force Date: | 14/10/2013 | Number of SIS Missions: | 11 |
| Available for Disbursement Date: | 14/10/2013 | Number of extensions: | 1 |
| First Disbursement Date: | 19/09/2014 | Effectiveness lag: | 18 months |
| MTR Date: | 12/05/2018 | | |
| Original Completion Date: | 31/12/2019 | | |
| Current Completion Date: | 31/12/2022 | | |
| Financial Closure: | not available yet | | |

Project total financing

| | | |
|-------------------------------------|------------------------------------|----------------------|
| IFAD Financing breakdown | IFAD | \$50,000,000 |
| | IFAD | \$89,097,000 |
| | West and Central Africa Division | \$471,788 |
| | IFAD | \$74,380,562 |
| Domestic Financing breakdown | Beneficiaries | \$8,068,690 |
| | National Government | \$15,600,041 |
| | Beneficiaries additional financing | \$11,696,000 |
| | National Government (add) | \$27,800,000 |
| | Private sector local | \$18,520,000 |
| Co-financing breakdown, | To be determined | \$0 |
| | Co-financiers | \$6,800,000 |
| Project total financing: | | \$302,434,081 |

Current Mission

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|--------------------|------------------------|
| Mission Dates: | 25 May to 20 June 2020 |
| Days in the field: | Remote supervision |

Mission composition: Nadine Gbossa (Country Representative), Ben Odoemena (Country Programme Officer), Jonathan Agwe (Lead Regional Technical Specialist, Rural Finance, Markets and Value Chains), Sene Amath Pathe (Regional climate and environment specialist), Isaac Mensah (IFAD Consultant M&E), Uzoamaka Joe-Nkamuke (UNV Programme Analyst), Paul Picot (Lead Consultant, Private Sector and Financial Inclusion), Francis Nwilene (Production and Productivity Enhancement Consultant), Guy Augustin Kemtsop (Rural Infrastructure Consultant), Mayowa Fasona (Environment/Climate Change Consultant), Chiqui Arregui (Gender and Social Inclusion consultant), Monica Kwame- Greene (Financial Management Consultant), Franklin Ibemessie (Procurement Expert)

Field sites visited: Not applicable

B. Overall Assessment

| Key SIS Indicator #1 | Ø | Rating | Key SIS Indicator #2 | Ø | Rating |
|---|---|--------|--|---|--------|
| Likelihood of Achieving the Development Objective | | 5 | Assessment of the Overall Implementation Performance | | 4 |

| | | | |
|--|----------|---|----------|
| Effectiveness and Developmental Focus | 5 | Project Management | 4 |
| Effectiveness | 5 | Quality of Project Management | 4 |
| Targeting and Outreach | 5 | Knowledge Management | 4 |
| Gender equality & women's participation | 5 | Value for Money | 4 |
| Agricultural Productivity | 5 | Coherence between AWPB and Implementation | 4 |
| Nutrition | 4 | Performance of M&E System | 4 |
| Adaptation to Climate Change | 3 | Requirements of Social, Environmental and Climate Assessment Procedures (SECAP) | 4 |

| | | | |
|---|----------|---|----------|
| Sustainability and Scaling-up | 5 | Financial Management and Execution | 4 |
| Institutions and Policy Engagement | 5 | Acceptable Disbursement Rate | 5 |
| Partnership-building | 6 | Quality of Financial Management | 3 |
| Human and Social Capital and Empowerment | 5 | Quality and Timeliness of Audit | 4 |
| Quality of Beneficiary Participation | 5 | Counterparts Funds | 3 |
| Responsiveness of Service Providers | 4 | Compliance with Loan Covenants | 4 |
| Environment and Natural Resource Management | 4 | Procurement | 4 |
| Exit Strategy | 6 | | |
| Potential for Scaling-up | 5 | | |

| | |
|------------------|----------|
| Relevance | 5 |
|------------------|----------|

C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

The 8th joint Federal Government of Nigeria (FGN) / International Fund for Agricultural Development (IFAD) supervision mission of the Value Chain Development Programme (VCDP) was conducted between 25 May to 20 June 2020.

The Value Chain Development Programme was designed to support the Government of Nigeria in tackling two major challenges: (i) meet domestic food requirements, and (ii) address the issue of low productivity by modernizing an input system and farming model that is largely inefficient.

The Main Objective of VCDP is to enhance the incomes and food security of poor rural households engaged in the production, processing and marketing of rice and cassava in targeted states on a sustainable basis". Rice and cassava are both high priority in the National Agricultural Investment Plan (NAIP) with the potential to enhance the income of smallholder farmers and significantly contribute to poverty reduction and food security. While Nigeria is one of the largest producer of rice in Africa, it is also one of the largest rice importers in the world. The country is also the largest producer of cassava in the world. Most of the cassava produced in Nigeria is consumed domestically with little or no value addition. Nigeria's inability to effectively tap into the rice and cassava market reduces the opportunity for smallholder farmers – and in particular rural women – to expand their income base and improve their livelihood. It also reduces the opportunity to provide services that translate to decent jobs for the youth.

VCDP is implemented in nine states: Anambra, Benue, Ebonyi, Enugu, Kogi, Nasarawa, Niger, Ogun and Taraba. The primary target groups for the programme are rural smallholder households engaged in cassava and rice value chains. This includes asset-poor farmers owning or cultivating up to 5 ha of land, small-scale processors, traders and local dwellers engaging in the provision of services required by the three key stakeholders (producers, processors and traders). Given the VCDP market approach, it specifically targets poor rural households with potential for surplus production and market linkages. The entry point for VCDP is through the farmer groups. It aims to strengthen their production and market knowledge as well as linked the farmers to sustainable market outlet to sell their produce.

VCDP is structured around 3 components:

- Component 1: Agricultural market development, to enhance the profitability of smallholder farmers and small/medium-scale agro-processors by improving their access to markets and their capacity to add value to raw materials. The component is divided into two sub-components, i.e. (i) Support to value addition and market linkages, and (ii) Support to value chain infrastructure.
- Component 2: Smallholder Productivity Enhancement, to enhance smallholder farmer productivity on an economically and environmentally sustainable basis to increase incomes and employment, improve food security and reduce poverty. The component has two subcomponents: (i) strengthening of Farmers Organizations (FOs); and (ii) support to smallholder production.
- Component 3: Programme coordination and management.

VCDP is in its seventh year of effectiveness. VCDP original loan came to completion on 31 December 2019 with closure on 30 June 2020.

In December 2018, at the request of the FGN, IFAD approved additional financing of USD89.1 million (AF1) to:

1. a) Extend and expand VCDP coverage to additional 3 LGAs in each participating states and increase its outreach to 3 new states (Nasarawa, Kogi and Enugu). VCDP will work in 5 LGAs in each of the new states.
2. b) Increase the number of beneficiaries from 53,480 to 100,000.
3. c) Embed financial inclusion in the Programme strategy, mainstream nutrition and climate change adaptation measures, support resolution of conflict between farmers and herders, and enhance participation of youth in agriculture.

VCDP AF1 was effective since 4 March 2019 with a completion date of 31 December 2022 and a closure date of 30 June 2023. In December 2019, IFAD approved a second additional financing of USD50 million to VCDP (AF2), bringing IFAD's new financing to VCDP to a total of USD 140 million with an extension of the completion date to 31 December 2024 and closure date to 30 June 2025.

In addition to the above, the objectives under VCDP AF2 are:

1. To increase the number of beneficiaries to 135,000.
2. To make VCDP gender transformative and increase women participation to 49%.
3. To reinforce mainstreaming actions on financial inclusion, nutrition and climate change.
4. Address the issue of low performance of the cassava value chain in terms of access to markets.

The updated financing agreement for VCDP reflecting the second additional financing is pending signature at the Federal Ministry of Finance, Budget and Planning.

These 2018 and 2019 additional financings will bring the total budget of VCDP to USD329.5 million (IFAD loan USD213.5 million, IFAD Grant USD 0.5 million, Other co-financiers USD40.3 million, Beneficiaries USD21 million, Borrower / counterpart USD54.2 million).

The 8th joint Federal Government of Nigeria (FGN) / International Fund for Agricultural Development (IFAD) supervision mission of VCDP was conducted remotely between 25 May to 20 June 2020 following outbreak of COVID-19 pandemic. As the original loan for VCDP is completed, implementation and supervision are now covering targets under AF1. The main objectives of the mission were to (i) assess the implementation progress and achievement of outputs by component and outcome indicators as per the Log-frame, (ii) identify bottlenecks and challenges in the implementation of the original and additional financing and provide solution to resolving them, and (iii) discuss and agree on a set of actions to be implemented in the short-term to improve performance. A specific attention was given to the impact of COVID19 on the programme activities, target groups and partners, and measures taken by the Programme to address pandemic related issues, as well as the status of nutrition, climate change/environment, financial inclusion and gender mainstreaming in line with the Additional Financing design.

Following movement restriction policy of the government to mitigate the spread of COVID-19 pandemic, the joint supervision was conducted remotely. The team reviewed various reports and documents provided by the Programme. The mission met with Government officials at Federal and State levels, Programme staff at NPMU and SPMU levels, service providers and representatives of the programme beneficiaries using various digital telecommunication tools. Meetings were held with executives of Commodity Alliance Forums (CAF), limited number of direct programme beneficiaries and partners: Offtakers (Olam, Stallion and Onynx for rice and FTK for cassava), Financial Service Providers (LAPO MicroFinance, NAIC).

Key Mission Agreements and Conclusions

Key mission findings, agreements and conclusions

VCDP is in its 7th year of implementation with 99.9% disbursement for the original financing. As per IFAD records, disbursement for AF1 as at 31st March 2020 stood at 6.73%. This is as a result of the Initial Deposit (Advance) made to the project of USD 6 million to ensure liquidity for start-up of AF1. There was an overlap in the implementation of the original financing and AF1 from March 2019 to Dec 2019. During this period, VCDP focused on implementation readiness for activities under AF1 including farmers awareness creation, sensitization and mobilization of farmers, formation and training of groups amongst others.

As of 31 March 2020, 63,088 individuals are receiving services from the Programme, which represents 63% of AF1 LOP target (36% women, 49% youths), including 14,153 new beneficiaries under AF1 since March 2019 (36% women, 67% youth). In absolute term, VCDP has networked 21% of the extra 46,520 beneficiaries expected to join the programme during AF1 implementation. In general, apart from mobilization of the 21% of the expected new farmers, achievements in other logframe indicators for AF1 are lagging behind for most of the indicators^[1]. The key staff for the 3 new states are yet to come on board. The mission attributed this delay to (i) the outbreak of COVID19 pandemic, (ii) late approval of 2020 AWPB, (iii) changes in the leadership of the FMARD, and (iv) re-assignment of the NPC to another position outside VCDP. In practical terms, AF1 is not effective, if operations have not started in the 3 new States.

VCDP has developed efficient approaches to mitigate impact of the COVID19, mostly using digital tools, including use of social media platforms to pass information to staff and beneficiaries. Many farmers also relied on the Agricultural Market Information System (AMIS) platform to access market information. The members of the CAF were used as agents to facilitate awareness creation regarding the mitigation measures of COVID-19. VCDP has repurposed its activities as reflected in the 2020 AWPB with priority activities to respond to the FMARD's COVID19 strategic plan of short-term and medium-term measures. These priority activities include new activities or approaches to address COVID19 impact like provision of PPE/Hand wash/Sanitizers, fumigation of processing centers/markets/aggregation centers, awareness creation on the COVID-19 prevention measures & Issuance of ID/ PASS, and provision of production inputs with reduction of matching grant ratio for the beneficiaries, amongst others. The mission acknowledges the relevance of VCDP design in taking into consideration some of the measures that feature in the Government's COVID-19 response strategy.

Performance of Component 1 – Support to value addition and market linkages

The objective of this component is to increase value addition and realize market access by smallholder farmers including small producers as well as small and medium-scale processors. The mission has noted an achievement rate of 82% and 53% of AF1 LoP physical targets, respectively for subcomponent 1.1: Support to value addition and market linkages, and subcomponent 1.2: Support to value chain infrastructure. During the original financing, VCDP promoted the establishment of an innovative market-led 4P model, through the establishment of the Commodity Alliance Forums (CAF), which is a forum of key private and public stakeholders to facilitate business transaction, knowledge sharing, conflict resolution and policy dialogue. VCDP has continued with this approach under AF1 to enhance farmers access to reliable market and services, building on lessons. The mission noted the good level of ownership of the CAF and concluded that CAF has become an exit strategy for VCDP. The market led model linking smallholder farmers with private offtakers is providing an adequate and sustainable response to the needs of both the farmers and offtakers. Achievements for the rice value chain continue to be remarkable. Access to market for cassava producers however remains an issue in many States due to

limited market outlets.

VCDP has also continued to support government policy through promotion of standard weight and measure during the period under review. This executive order of some state governments to adopt the use of standard weights and measures in across all commodities was maintained during the period under review.

VCDP performance regarding support to climate resilient infrastructure has been significantly affected by the outbreak of COVID19 and late approval of 2020 AWPB, with few new infrastructures (established during the period under review). However, evidence of completion of design leading to award of contracts for infrastructure works was established.

One of VCDP key achievement is its impact on job creation. About 12,797 jobs (5,042 for women, 5,321 for youths), including 1,297 under AF1, have been created along rice and cassava value chain. Some of the youth have gone ahead to recruit other youth to scale their performing agribusiness.

The key recommendations of the mission are (i) to carry out location specific studies on cassava value chain to identify opportunities to address market access issue. The outcome of this study will be used to identify communities and their respective areas of comparative advantage in terms of available production, processing and market linkage as well as potential production, processing and market linkage. The study will unravel strategies to unlock market linkage potential to facilitate market access and stimulate production. It will specifically, identify the cassava product/s that present the best opportunity, in term of profitability and access to market for the farmers in each community. It will also identify potential off-takers / processors that will service as reliable market outlet for the farmers. It will develop business strategies for establishing small-scale garri processing clusters/centres that will create a market pull and jobs for youth in garri processing areas, (ii) continue to strengthen the capacities of the CAF executives, document the CAF model and organize knowledge sharing events to upscale it and ensure its sustainability, (iii) Operations and Maintenance (O&M) capacitate the committees for infrastructures to ensure sustainability of the infrastructures; and (iv) a strategy for Feeder road management should be developed, including all IFAD-funded programmes in the country.

Performance of Component 2 – Smallholder productivity enhancement

The main objective of this component is that production and productivity of smallholder rice and cassava farmers in the programme areas are increased. The mission noted an achievement rate of 50% and 71% of AF1 LoP physical targets, respectively for subcomponent 2.1: Strengthening of farmers' organizations and subcomponent 2.2: Support to smallholder production. VCDP reports an outstanding achievement in agricultural productivity due to adequate provision of production inputs (rice seed/cassava stem cuttings, fertilizers and herbicides) to farmers through matching grant arrangement and its extension approach, involving the use of Farmer Field School (FFS) to promote Good Agricultural Practice (GAP).

Under AF1, VCDP supported farmers to increase their rice yields from 4 t/ha to 4.5 t/ha in wet season (90% of AF1 LoP target), and from 5.0 to 5.5 t/ha in dry season (110% of AF1 LoP target), and cassava yields from 20 t/ha to 25 t/ha (125% of AF1 LoP target), further improving significant gains observed during the original financing (baseline being respectively 2t/ha for rice and 10t/ha for cassava). There are many cases where VCDP has recorded 8ton/ha for rice and 35tons/ha for cassava. In terms of contribution to food security, VCDP is significantly contributing to Nigeria's domestic food basket by increasing production for rice from 12,128 MT in 2015 to 495,720 MT in 2019, and for cassava from 17,138 MT in 2015 to 653,843 MT in 2019. VCDP has contributed to Nigeria's economy from sales of rice paddy from USD 2.38 million in 2015 to USD 243.90 million in 2019, and from sales of cassava from USD 0.53 million in 2015 to USD 46.20 million in 2019. 84% of the beneficiaries have increased their agricultural incomes by an average of 25%.

The use of private sector extension service delivery is key to the high performance of VCDP in productivity and production enhancement. Women and youth are the most active actors in rice and cassava value chains - hence the need to increase focus on them. The delayed commencement of input support to farmers during the cropping season due to rigorous procurement and budget approval processes is a challenge, especially in Ogun, Anambra, Ebonyi, and Enugu States, which experience early rain annually.

The key recommendations of the mission are: (i) fast track the procurement and budget approval processes for input support to farmers in line with VCDP repurposing against COVID-19, (ii) integrate climate smart technologies in FFS training modules and enforce technical uniformity across the 9 states, (iii) deploy more women extension service providers and (iv) explore the use of e-extension service delivery and look for private sector embedded extension model in order to facilitate sustainability as well as help to strengthen the national extension delivery system.

Performance of Component 3 – Programme coordination and management

VCDP experienced a little shake-up in management composition during the reporting period. The NPC was re-assigned to head the CPAT in January 2020 to provide advisory services to all IFAD-assisted programmes. The market-development died in January 2020. The procurement coordinate became the national programme coordinator for the LIFE-ND. During this period, there were only 4 senior management staff, namely: Financial Controller, M&E Advisor, Production Coordinator and Youth and Gender Coordinator. The fourth senior level staff (Financial Inclusion) was less than 8 months old, as time of the remote mission. The changes affected implementation, as programme management fell on the financial controller who held the ship for 6 months. Engagement with states was at lowest ebb. The steering committee did not met

and no new partnership was facilitated. In addition to the vacancies at the NPMU, the 3 new states were not yet on board. The entire scenario created an atmosphere of instability in VCDP for about 6 months until an Ag National Programme Coordinator assumed duty in June. Apart from this, VCDP demonstrated commitment in delivering result-focused implementation. Internal management coordination and technical review meetings were held and mandatory reports produced. The ICO should provide a quick management and technical orientation to the new team for a good take-off.

Key recommendations of the mission are: (i) PCU should competitively fill all the vacant positions in VCDP to allow the programme remain on track; (ii) NPMU should immediately mobilize the new states to start implementation; and (iii) IFAD should organize an orientation workshop to the three new SPMU, which will also serve as a refresher training for the old staff to get the programme to speed.

Performance of gender, nutrition and climate change and environment mainstreaming, and financial inclusion

One of the main features of AF1 is to improve women participation and properly mainstream nutrition and climate change in VCDP. At present, VCDP performance on women participation is 36% of total beneficiaries since inception, over the 35% target. VCDP will need to increase its focus on women to ensure that it reaches AF2 target of 66,000 women (49% of the total beneficiaries). A gender and youth strategy has been developed but needs to be strengthened. VCDP will also need (i) to ensure that vulnerable women headed households are given due attention, (ii) to monitor and increase the outputs and profitability of income generating female activities, and (iii) to adopt a comprehensive framework to become gender transformative, including developing a manual for GALS and implementing it at scale. Getting more specialised staff on board is also essential to meet gender transformative commitments.

VCDP has substantially incorporated nutrition support to practices that enhance nutrition value in processed rice, promotion of Vitamin A fortified cassava variety, provision of water and related sanitary measures. The programme engaged a national consultant to develop a 100-day action plan for nutrition that guided its operations in nutrition mainstreaming. However, the absence of dedicated technical staff and of a clear roadmap for implementation has hindered progress. A long-term roadmap needs to be produced for nutrition interventions.

VCDP is a category B project with high climate risk. The strategic documents (SECAP and ESMF) have been produced and are being implemented under AF1. A 100-day Action Plan to catalyze ESMF implementation was implemented during March - June 2019. However, the achievements of the plan were not followed up and very little progress was made during July 19 – March 20. VCDP needs to develop a climate and environment action plan for execution until full mainstreaming activities come on-stream in AF2.

Good developments was observed for financial inclusion, including the partnership with GIZ / Agfin Project for financial literacy training of farmers and access to finance from Agfin partner FIs. Experience of VCDP highlights that various and complementary financial services for VCDP beneficiaries should be promoted (savings, payments, loans and insurance) from various providers based on their respective comparative advantage: offtakers and inputs suppliers, FIs and FOs. This requires the development of a well-designed financial inclusion strategy.

The Country Programme Advisory Team (CPAT), which is to provide quality technical support in mainstreaming areas to all IFAD programmes in Nigeria has not been fully established.

Key recommendations of the mission are: (i) PCU should finalizethe engagement of the CPAT; and (ii) the CPAT should assist VCDP to prepare and / or improve the strategies and action plans for all the mainstreaming areas, and train the respective VCDP staff.

Fiduciary aspects

The quality of Financial Management arrangements maintained by the NPMU's finance team is deemed adequate and can be relied on to produce correct financial information for key stakeholders. The finance department is however inadequately staffed and recruitment of two Finance Officers recommended by the mission over a year ago is still outstanding. The current team consist of a Financial Controller and an Accountant. This is not adequate for segregation of duties within the finance function. The Internal Auditor has to step in to support disbursement activities to complement the finance unit instead of providing independent reviews to strengthen systems for administrative processes.

VCDP has not received counterpart contributions from the FGN for implementation of AF1 in its first year of implementation. States contributions to AFI stands at USD0.184m which is less than one percent of USD18 million expected. No duty or tax exemptions were granted to the VCDP either by FGN or States.

The Programme's performance in terms of procurement planning, contract administration and records retention was assessed good. Some errors were however noted in the generation and editing of bidding documents, and in the evaluation process, especially for the SPMUs.

Key recommendations of the mission are (i) the NPMU should complete the recruitment of 2 finance officers, (ii) VCDP management should engage with the Federal Government to ensure that adequate provision is made in the National Budget for the release of counterpart fund, (iii) States should meet their counterpart obligations, and (iv) All beneficiary contributions should be quantified, computed and reported.

[1] Using latest version of the Logframe, updated for AF1 and AF2. See detailed analysis in the Sub Section on Effectiveness under the Section E. Project implementation.

D. Overview and Project Progress

A. Overview and Project Progress[1]

VCDP is in its 7th year of implementation with 99.9% disbursement for the original financing. As per IFAD records, disbursement for AF1 as at 31st March 2020 stood at 6.73%. This is as a result of the Initial Deposit (Advance) made to the project of USD 6 million to ensure liquidity for start-up of AF1. There was an overlap in the implementation of the original financing and AF1 from March 2019 to Dec 2019. During this period, VCDP focused on implementation readiness for activities under AF1 with the implementation of some appreciable level of activities, including farmers identification and profiling, sensitization, formation of groups in line with VCDP requirements, provision of trainings to reorient the groups on VCDP, amongst others.

VCDP has developed efficient approaches to mitigate impact of the COVID19, mostly using digital tools, including use of social media platforms to pass information to staff and beneficiaries. Many farmers also relied on the Agricultural Market Information System (AMIS) platform to access market information. The members of the CAF were used as agents to facilitate awareness creation regarding the mitigation measures of COVID-19 (for adoption of WHO and NDC guidelines on control of COVID19 and use of Personal Protective Equipment (PPE). VCDP's has repurposed its activities as reflected in the 2020 AWPB with priority activities to respond to the FMARD COVID19 strategic plan of short-term and medium-term measures. These priority activities include new activities or approach to address COVID19 impact like provision of PPE/Hand wash/Sanitizers at Processing centers/markets/meeting places, fumigation of processing centers/markets/aggregation centers, storage support, deployment of digital technologies, awareness creation on the COVID-19 prevention measures & Issuance of ID/ PASS to profiled VCDP Smallholder Farmers/Processors/Marketers and provision of production inputs with reduction of matching grant ratio for the beneficiaries[1].

Targeting and outreach: As of 31 March 2020, 63,088 individuals are receiving services, which represents 63% of AF1 LOP target, (36% women, 49% youths), including 14,153 new beneficiaries under AF1 since March 2019 (36% women, 67% youth). During this period, VCDP also profiled 46,075 members in 2,732 FOs for 2019 and 2020 planting season. A total of 31,021 youth has been reached (9,521 under AF1, 124% of AF1 LoP target). A Youth and Gender Strategy was developed in 2019 but needs to be strengthened to provide inactive activities and outcomes from various actions.

Below is a detailed review of VCDP progress by component and subcomponent and for mainstreaming areas, including status of implementation for AF1 as at 30 March 2020, challenges faced, lessons learnt and recommendation.

Component 1: Support to value addition and market linkages

VCDP's objective under this component is to enhance the profitability of smallholder farmers and small/medium-scale agro-processors by improving their access to markets and their capacity to add value to raw materials. This is achieved by (a) facilitating the linkages between FOs and value chain operators and (b) easing critical infrastructure constraints to the production, processing, storage, handling and marketing of farm produce and their processed products. The component is divided into two sub-components, i.e. (i) Support to value addition and market linkages, and (ii) Support to value chain infrastructure. Activities follow a beneficiary demand-led approach. Support is provided through FOs, value chain organizations, private sector/Business Membership Organizations (BMOs) and selected MSMEs.

Sub component 1.1: Support to value addition and market linkages

Expected outcome is Increased value addition and access to markets realized by beneficiary small and medium-sized producers and processors.

VCDP interventions under this subcomponent consist of an integrated set of activities at macro, meso and micro levels. At the macro level, VCDP supports (a) the improvement of the policy and regulatory framework for value chain development, (b) the establishment of quality control, grading and standardization systems, and (c) the expansion of Agricultural Market Information Systems (AMIS). At the meso level, the programme (a) fosters linkages between smallholder farmers and agro-processors and market operators, (b) strengthens the business management capacity of value chain organizations, and (c) links agro-processors and market operators to financial service providers and/or existing agricultural and rural finance projects. At the micro level, the programme promotes the adoption of improved processing, storage, packaging and handling technologies.

Status of implementation

The table below presents status of achievement of the physical targets as at 31 March 2020, which shows an average achievement rate of 82%.

| Indicator | Status as of March 2020 | AF1 LoP target | % AF1 LoP target | Achievement March 2019 – March 2020 |
|--|-------------------------|----------------|------------------|-------------------------------------|
| Number of AMIS users | 22,177 | 50,000 | 44% | 3,733 |
| Number of farmers formally linked to offtakers | 29,070 | 70,000 | 42% | 3,678 |
| Number of processors trained in recommended technologies | 6,972 | 8,000 | 87% | 2,289 |
| Number of innovative platforms established (CAF) | 47 | 24 | 196% | - |
| National and State trade promotions organized | 26 | 65 | 40% | 4 |

A total of 3,733 new AMIS users have been recorded under AF1, resulting in an achievement of 44% of the AF1 LoP target. The AMIS enables access to market information and facilitates business transactions through Whatsapp. VCDP has planned to upgrade the system through a web-based platform for better access, monitoring and tracking of the data and transactions, and to capacitate CAF leaders to take ownership of AMIS for sustainability.

VCDP intensified its effort in partnership engagement to enhance farmers access to reliable market and services. There were attempts to explore new partnerships for new farmers in new locations during the period under review. A total of 3,678 new farmers have been formally linked to offtakers under AF1, resulting in an achievement of 42% of the AF1 LoP target. 475 MoUs have been signed under AF1, resulting in a cumulative achievement of 3,767 MoU and 476 contracts signed (contracts being more formal and binding than MoUs and usually covering a wider range of services than the MoUs). Achievements for the rice value chain continue to be remarkable, with partnership models with some big processors like Olam showing great potential for sustainability of key services to the farmers (access to remunerative markets, technical support for good agricultural practices, credit for inputs, secured payments through bank accounts and mobile banking, etc).

A total of 2,289 processors have been trained in recommended technologies under AF1, resulting in an achievement of 87% of the AF1 LoP target. A total of 28 processing centers have been established, all under ownership of and management by the FOs. Experience has shown that this FO based management is less efficient than a private based management. In this context of overall poor performance of collectively managed enterprises, VCDP will support under AF2 a private-based management model. Depending on the locations – culture/social setting and business environment, – two models would be eligible; (i) Model 1: A complete line of processing activities, owned/managed by one entrepreneur, and (ii) Model 2: Different business segments in the processing chain owned or managed by separate individual entrepreneurs. Although AF2 is not yet effective, it is important that the NPMU integrates now this revised approach for the additional processing centers to be supported.

A total of 24 CAF has been established and are operational, including 6 CAF at State level and 18 local representations of the CAF at LGA level. The CAF are innovative 4P forums of key stakeholders (FOs, private offtakers / processors, input suppliers, financial institutions and public sector) that facilitate business transactions between value chain actors, knowledge sharing, conflict resolution and policy dialogue. Membership of CAF contributes to empowerment of the smallholder farmers in their business relations with offtakers, inputs suppliers and financial institutions. CAF is also a forum where the farmers can express their views and influence agricultural sector policies. The Programme has facilitated learning routes for the different CAF to learn and adopt best practices, and trained the CAF executives on leadership, business ethics, price negotiation strategy and team building. The mission noted the good level of ownership of the CAF by the executives and concluded that CAF has become an exit strategy for VCDP. Some CAF have developed innovative initiatives like linking farmers to inputs suppliers for input credit, secured by the market linkage with offtakers.

On policy support, VCDP has also continued to support government policy through promotion of standard weight and measure during the period under review. This has led some State governments to issue an executive advice to farmers to adopt the use of standard weights and measures in commodity marketing. The mission confirmed government effort to scale-up the campaign on the use of standard weight and measure during the period under review.

Lessons learnt

- The market led model linking smallholder farmers (SHF) with private offtakers is providing an adequate and sustainable response to the needs of both the farmers and offtakers. There is evidence that the linkage is more sustainable when offtakers provide a wide range of services to the SHF in addition to access to market. Priority should therefore be to identification of and partnership with large and well-structured offtakers with the capacity to provide a wide range of services to the farmers.
- The CAF is proving to be an effective platform to sustain outcomes of VCDP. They have been an agent of service delivery to members, especially during the COVID-19 when project staff were unable to reach farmers due to governments restrictions on movement. There is however need to further support the CAF to develop a sustainable governance and business model, building on the best practices of the existing CAF. Level of understanding and ownership of the CAF by the farmers, as well as their assessment of the quality of the services provided however needs to be better known, for further improvement of CAF organization and services.
- The promotion of the use of standard weights and measures, quality control and grading system contributes to more transparent transactions and trust between value chain players.

Challenge

Significant progress has been made under AF1 regarding access to market for the cassava producers, with actual and prospective engagements with offtakers, and processing groups supported to better meet markets requirements. Access to markets however remains an overall issue for the cassava value chain, engagements with some offtakers having for instance failed to materialize.

Recommendations

The key recommendations of the mission are:

- In line with the last supervision mission and MTR review recommendation, the Programme should carry out location specific studies on cassava value chain to identify opportunities to address market access issues. Outcomes of this study will allow in particular to identify which cassava product (garri, starch, flour, ethanol, etc) present the best opportunities for profitability and access to market for the farmers, and to identify potential offtakers / processors for linkages with and provision of services to the farmers.
- The Programme should continue to strengthen the capacities of the CAF executives, document the CAF model and organize knowledge sharing events to upscale it and ensure its sustainability.
- The new processing centers to be established should be designed under one of the two private based management models specified in AF2 design.

Sub component 1.2: Support to Climate Resilient Value Chain Infrastructure

Expected outcome is demand-driven infrastructure for improved access to markets are realized and sustainably managed by the beneficiary communities.

VCDP supports the improvement of (a) feeder roads connecting production areas to market and processing outlets by rehabilitating the existing feeder roads and constructing critical new ones, (b) market, processing and storage facilities through the construction/ rehabilitation of agro-processing and marketing infrastructure (stalls, stores, structures for agro-processing units and related ancillary works), and (c) water supply through provision of safe, adequate and sustainable water supply to these processing and market facilities by constructing new schemes and rehabilitating existing ones.

Status of implementation

Logframe' targets for AF1 include: 723 units for market, processing or storage facilities constructed or rehabilitated (comprising of 60 markets, 148 processing centres and 515 commodity stores/bulking centres; stalls are not included), 420 km of feeder roads and 158 solar-powered boreholes

The table below presents status of achievement of the performance targets as at 31 March 2020, which shows an average achievement rate of 53%.

| Indicators | Status as of March 2020 | AF1 LoP target | % AF1 LoP target | Achievement March 2019 – March 2020 |
|----------------------------------|-------------------------|----------------|------------------|-------------------------------------|
| Km of feeder roads rehabilitated | 174 | 420 | 41% | 0 |

| | | | | |
|---|-----|-----|-----|----|
| No of market, processing or storage facilities constructed or rehabilitated | 391 | 723 | 54% | 33 |
| Water supply (solar-powered boreholes) | 100 | 158 | 63% | 27 |

ND: Non Determined (information not available)

NA: Not Applicable

Climate resilient market and storage facilities

VCDP has continued to mainstream climate change in its engagement during the reporting period including making the market and production infrastructure climate smart.

Under AF1, NPCU reports having achieved the following: i) 9.3 km (5.3% of LoP) of feeder roads (3 roads) under rehabilitation (30 to 70% physical execution); ii) stand-alone road structures (22 culverts and 9 mini bridges) constructed to spot improve 67.45 km of roads (no LoP); iii) 46 blocks of markets (76.6% of LoP) are constructed/rehabilitated (works on-going on 33) iv) 28 processing units (18.9% of LoP) are built (3 are under construction) and; v) 317 storage/bulking units (61.5% of LoP) are built (works on-going on 222).

Existing BoQs for buildings contributed to save time and money in the process. No completed facility is handed-over (hence used) yet to recipients. For all facilities under construction, contracts periods are out of dates and payments are delayed.

Water supply. A total of 27 solar-powered boreholes (17% of LoP) are reported built and provided as component of a package to market facilities. No completed facility was handed over to final recipients.

Ancillaries to market/storage facilities were built (no LoP): 7 drying slabs; 3 discharges; 3 bio-digesters (10,000 litres each); 2 medium voltage lines connecting 2 processing centres to national grid (wiring and 300/500 KVA transformers).

New LGAs and States. To anticipate on activity extension in new LGAs and States, PCUs (Federal and State) have identified (some are surveyed) a series of facilities to be developed, based on a need assessment carried out following a participatory approach.

Lesson learnt

VCDP relied on services providers (consultants for survey/design/supervision and contractors for works) in the construction / rehabilitation process of all targeted facilities. As reported by PCU (Federal and States), no major incident has been recorded with regards to the intervention of those. Performance of service providers is highly satisfactory and contractors are said to be efficient, based on the timeliness and quality of results obtained.

Challenges

In an attempt to ensure that investments in market infrastructure development activities are sustained, VCDP' PCU reported having set up O&M committees around each facility, whose members participated throughout the construction/rehabilitation process of the facilities they will be responsible for. Yet, the formed committees haven't been capacitated.

On the other hands, if for building funds can be generated by the O&M committees to finance all maintenance needs, resources for feeder road maintenance management are the missing link and serious threat as far as sustainability is concerned. Feeder roads fall under State' responsibility, whose resources (human, finance and equipment) remain very limited to expect adequate and sustainable management of rehabilitated roads.

The mission noted that there are inconsistencies in reporting achievements for buildings (single stores and aggregation units are considered equal though they are of different capacities/sizes) and double counting (markets and stores/stalls are counted separately as different facilities through the first consists of the second).

Recommendations

The mission recommends that:

- (i) all completed facilities be handed over to final recipients for immediate use;
- (ii) O&M committees to be capacitated (with provision of maintenance tools) for sustainability of the infrastructures;

(iii) a strategy for Feeder road management (including a Community-based maintenance system) should be developed, including all IFAD-funded programmes in the country, and (iv) The NPMU to review modalities of reporting for building to ensure consistency in the reporting and avoid double counting.

Component 2: Smallholder Productivity Enhancement.

The component objective is to enhance smallholder farmer productivity on an economically and environmentally sustainable basis to increase incomes and employment, improve food security and reduce poverty. The component has two subcomponents: (i) strengthening of FOs; and (ii) support to smallholder production.

Subcomponent 2.1- Strengthening of farmers' organizations

Expected outcome is that FOs in programme areas effectively serve their members (facilitating access to inputs, improved technologies, credit and information).

Under this sub-component, VCDP supports FOs in the preparation of Value Chain Action Plans (VCAP) and capacity building. Main programme activities are: (i) selection of FOs and support for VCAPs through participatory needs assessment and prioritization of activities; (ii) capacity-building of FOs in the areas of group dynamics, good governance, enterprise planning and management, participatory monitoring and evaluation and functional literacy; (iii) support for registration and development of by-laws for FOs, and (iv) support for apex organizations including women's organizations.

Status of implementation

The table below presents status of achievement of the performance targets as at 31 March 2020, which shows an average achievement rate of 50%.

| Indicator | Status as of March 2020 | AF1 LoP target (No) | % AF1 LoP target | Achievement March 2019 – March 2020 |
|--|-------------------------|---------------------|------------------|-------------------------------------|
| No. of supported producers' organizations reporting new or improved services | 2,289 | 4,550 | 50 | 513 |
| No. of rural producers' organizations supported | 2,289 | 4,550 | 50 | 513 |

Under AF1, VCDP has continued to invest in farmer groups as the entry point to implementation. Mobilization and profiling of new groups were undertaken in the new states and LGAs. The programme has supported 513 FOs in improved production inputs (quality rice seed/cassava stem cuttings, fertilizers and herbicides), equipment and agricultural extension service delivery to their members. Producers have remained the largest beneficiaries of the programme with the male beneficiaries remaining dominant over women. About 137 Apex Value Chain Groups (AVCG) has been strengthened to deliver services to their members in the three new states. The programme has built the capacity of 335 male youth and 1,846 female youth in rice enterprises, and 348 male youth and 1,046 female youth in cassava enterprises. About 895 women are in leadership position of FOs.

Lessons learnt

Women and youth are the most active actors in rice and cassava value chains - hence the need to increase focus on them. In both the old and new states, there is need for advocacy and sensitization for more women participation along the value chains.

Challenge

VCDP has a clear exit strategy on SHF access to production inputs. The design provided for matching grant for inputs for 2 years only and some farmers are already weaned out of this support. However, to respond to COVID-19 pandemic in line with the Government strategy, VCDP repurposed the input provision to facilitate farmer's recovery. This specific support should stop after the 2020 cropping season, and VCDP should pursue the exit strategy as designed, building on the Olam and other value chain financing models.

Recommendations

The mission recommends that:

- The NPMU reengages the well performing Service Providers (SPs) without going for a fresh advert for the same services to avoid waste of time and resources.

- The NPMU engages SPs and successful VCDP female beneficiaries to pay advocacy visits to traditional rulers and religious leaders to sensitize them on women empowerment.

Subcomponent 2.2 – Support to smallholder production

Expected outcome is that production and productivity of rice and cassava smallholder farmers in the programme areas increases.

Under this component, VCDP facilitates access of FOs to improved planting materials of cassava, quality seeds of rice, fertilizers and agro-chemicals, improved production techniques and mechanization for land preparation and harvesting.

Status of implementation

The table below presents status of achievement of the performance targets as at 31 March 2020, which shows an average achievement rate of 71%.

| Indicator | Status as of March 2020 | AF1 LoP target (No) | % AF1 LoP target | Achievement March 2019 – March 2020 |
|---|-------------------------|---------------------|------------------|-------------------------------------|
| Yields for rainfed rice per ha (MT/ha) | 4.5 | 5.0 | 90 | 4.5 |
| Yields for irrigated rice per ha (MT/ha) | 5.5 | 5.0 | 110 | 5.5 |
| Yields for cassava per ha (MT/ha) | 25 | 20 | 125 | 25 |
| No. of FO members that have adopted at least one technology promoted by the programme | 46,775 | 91,000 | 51 | 11,237 |
| No. of beneficiaries with targeted support to improve their nutrition | 2,360 | 50,000 | 4.7 | 2,360 |
| No. of beneficiaries adopting sustainable and climate resilient practices | 46,775 | 91,000 | 51 | 11,237 |
| No of Ha of land developed | 3,011 | 4,422 | 68 | 589 |
| No of Ha for small scale irrigation schemes | 0 | 1,652 | - | 0 |

In the original loan, VCDP has enhanced production and productivity through improved access to input, capacity building of farmers as well as support to land development and parcelling to enhance land access to women and youth. Being a successful model, VCDP has kept this model in the implementation of AF1.

The programme reports an outstanding achievement in agricultural productivity due to adequate provision of production inputs (rice seed/cassava stem cuttings, fertilizers and herbicides) to farmers through matching grant arrangement and FFS on GAP. Under AF1, 513 FOs benefitted from VCDP input distribution and extension support services.

Under AF1, VCDP supported farmers to increase their rice yields from 4 t/ha to 4.5 t/ha in wet season (90% of AF1 LoP target), and from 5.0 to 5.5 t/ha in dry season (110% of AF1 LoP target), and cassava yields from 20 t/ha to 25 t/ha (125% of AF1 LoP target), further improving significant gains observed during the original financing (baseline being respectively 2t/ha for rice and 10t/ha for cassava). There are many cases where VCDP has recorded 8t/ha for rice and 35t/ha for cassava.

The programme engaged qualified private sector extension service providers (PSESPs) to train farmers on FFBS. The use of private sector service delivery was observed as key to the high performance of VCDP in productivity and production enhancement.

VCDP has created jobs for youth and women in production enterprises such as rice seed and cassava stem enterprises.

11,237 FO members were supported under AF1 to adopt at least one technology promoted by the Programme as well as sustainable and climate resilient practice, resulting in a 51% achievement of the AF1 LoP target.

2,360 beneficiaries received targeted support to improve their nutrition, resulting in a low achievement of 4.7% of AF1 LoP target, due to lack of clear strategy, implementation plan and nutrition specialist for nutrition related activities.

A total of 589 ha (28% of LoP) have been developed for rice (239ha) and cassava (400ha) production for landless women and youth, as a key measure to improve their participation in commercially oriented agricultural production, resulting in a 68% achievement of AF1 LoP target.

1,652 Ha of small-scale irrigation schemes for dry season farming are planned under AF1, but no achievement is yet reported under AF1. 1,352.3 ha have however been surveyed, and the mission was informed that States were approached in view of a result-based partnership for their development.

Lessons learned

The programme's capacity in using qualified service providers is strong especially in agricultural extension system through FFS. The use of private sector extension service delivery is key to the high performance of VCDP in productivity and production enhancement. To reach more women through the FFS, there is a need to deploy more female service providers.

While the private sector extension has been useful, VCDP should begin to explore the use of e-extension service delivery to upscale outreach. It should begin to look for private sector embedded extension model that allows the SMS to act as agent of extension services. This model will facilitate sustainability and help to strengthen national extension delivery system.

Challenges

The delayed commencement of input support to farmers every cropping season is a challenge. With virtually all production activities taking place during the rainy seasons in the southern part of the country that receive rains as early as end of March or mid-April every year, farmers in Ogun, Anambra, Ebonyi, and Enugu States are mostly affected as the input support arrive very late in the cropping season due to rigorous procurement and budget approval processes.

The services of the PSESPs are yielding the desired results as farmers trained through FFS on GAP are increasing their rice and cassava yields. The technical competence of the PSESP is very good but they need to integrate climate smart technologies in the FFS training modules across VCDP States.

Recommendations

The mission recommends:

- To fast track the procurement and budget approval processes for input support to farmers.
- That VCDP re-engages the services of the service providers who managed the input supply in 2019 to the satisfaction of the programme to do the same in 2020, to avoid waste of time and resources.
- To integrate climate smart technologies in FFS training modules and enforce technical uniformity across the 9 states.
- To deploy more women extension service providers.
- To explore the use of e-extension service delivery, including deploying digital tools (e.g Interactive Voice Response (IVR)) in remote or virtual advisory training of farmers, and look for private sector embedded extension model.

Component 3: Programme coordination and management

Within its ability and under high turnover of the PCU leadership and change in leadership of VCDP, the programme management has under AF1 demonstrated commitment in delivering result-focused implementation. The market led 4P approach is widely shared by the staff at NPMU and SPMU, and the programme is leveraging on numerous effective partnerships to deliver result. Apart from steering committee that never met, internal management coordination meetings and technical review meetings were held, mandatory reports were produced, partnership were facilitated at higher level and governments were properly engaged. However, level of engagement with states was low, the 3 new states were not yet on board, though the staff recruitment has been completed. Some key positions however need to be filled urgently at NPMU and SPMU, including for the 3 new States, which has delayed implementation.

Progress reports are informative but could be improved in terms of analysis of outcomes and lessons learnt. While efforts have been invested in producing strategy documents, the quality of these documents needs improvement, such as the case with the gender and youth strategy. Such documents should provide comprehensive analysis of the matter in hand in the context of the project and provide clear and understandable guidance on what to do and how to manage recommended interventions (plan, implement, monitor/evaluate, learn and share / influence practices and policies).

The mission was informed that the national programme coordinator was reassigned to head the CPAT in January. This action affected the speed of work, but a new national programme office has since assumed duty.

Recommendations

The mission recommends that:

- VCDP should finalize the recruitment of the vacant positions at NPMU and State levels.
- VCDP should mobilize the new states to start implementation.
- PCU should finalize the engagement of the CPAT specialists.
- CPAT should assist VCDP to prepare and / or improve the strategies and action plans for all the mainstreaming areas, and train the respective VCDP staff.
- IFAD should organize an orientation workshop to the three new SPMU, which will also serve as a refresher training for the old staff to get the programme to speed.
- VCDP should improve the analysis of outcomes and lessons learnt, at least on a half yearly basis.

Gender equality and women's participation (Refer to detailed analysis of status of implementation, lessons learnt, challenges and recommendations in the relevant section under E. Programme implementation).

VCDP has prioritized women participation in the programme. A total of 22,602 women have been reached since inception, representing 36% of all beneficiaries reached to date, over the target of 35%, and a 63% achievement of the AF1 LoP target. Of these 5,103 women have been reached under AF1. While achieving positive results, the project will need to substantially increase its focus on women from this point forward to ensure that it reaches targets for AF2 of 66,000 women by 2023. The target quota increases from 35 to 49% between AF1 and AF2. VCDP will need to ensure that vulnerable women headed households are given due attention. Equally important will be to monitor and increase the outputs and profitability of income generating activities among female beneficiaries and adopt a comprehensive framework to become gender transformative. This will include developing a manual for GALS and implementing it at scale; GALS is cornerstone to promote gender equality across all programme groups and beneficiary households. Getting more specialised staff on board is essential to meet gender transformative commitments assumed in AF2.

The mission key recommendation is that the Programme substantially and immediately increases its focus on women to ensure that it reaches overall AF2 target for women participation.

Climate change and environment mainstreaming (Refer to detailed analysis of status of implementation, lessons learnt, challenges and recommendations in the relevant section under E. Programme implementation).

VCDP is a category B project but with high climate risk. The strategic documents (mainly SECAP and ESMF) outlining the plans to mitigate the risks have been produced and are being implemented under the AF1. A 100-day Action Plan to catalyze ESMF implementation was implemented between March and June 2019. However, the achievements of the 100-day action plan was not followed up as very little progress was made in the 9 months after the Action Plan was rested in June 2019.

The mission key recommendation is that NPMU develops a climate and environment action plan for execution until full mainstreaming activities come on-stream in AF2.

Nutrition mainstreaming (Refer to detailed analysis of status of implementation, lessons learnt, challenges and recommendations in the relevant section under E. Programme implementation)

The AF1 requires that nutrition be mainstreamed across the two target value chains. Building on the preparatory work carried out before the period under supervision and with the view to make progress towards AF commitments and given it did not yet have nutrition specialists within the team, VCDP engaged a national consultant to develop a 100-day action plan for nutrition and started implementing recommended activities. However, the absence of dedicated technical staff and of a clear roadmap for implementation of the nutrition strategy has hindered progress both to meet all targets established in the 100-day action plan and beyond.

The mission key recommendation is that the upcoming CPAT nutrition specialist provides implementation support for the development of a nutrition action plan.

Financial inclusion mainstreaming

The AF1 provides an opportunity to mainstream financial inclusion, with the objective to: (i) strengthen the financial literacy of the target groups, (ii) develop their capacity in savings mobilization; and (iii) work with FIs and other stakeholders to develop adapted products for the target groups.

Status of implementation

| Indicator | Status as of March 2020 | AF1 LoP target | % AF1 LoP target | Achievement March 2019 – March 2020 |
|--|-------------------------|----------------|------------------|-------------------------------------|
| Number of beneficiaries accessing formal financial services ^[2] | 28,065 | 80,000 | 35% | 9,775 |

VCDP reports that 28,065 beneficiaries (35% women) have accessed formal financial services since inception, including 9,775 under AF1, resulting in a 35% achievement of the AF1 LoP target. There is however need to verify this data since there is no uniform understanding in VCDP on what and how to report.

A key development under AF1 is the partnership with GIZ / Agfin project, for financial literacy training of farmers and access to finance from Agfin partner FIs. A total of 400 farmers have been trained (target of 12,500 in the 9 VCDP states), and a partnership to support and finance cassava farmers in Ogun States is under design. For the beneficiaries not covered with Agfin, VCDP will continue providing financial literacy training, support FOs to develop adapted savings and lending strategies, and facilitate linkages with FIs, including TA to develop adapted financial products.

Lesson learnt

Experience highlights that various and complementary financial services for VCDP beneficiaries should be promoted (savings, payments, loans and insurance) from various providers based on their respective comparative advantage: off-takers and inputs suppliers, FIs and FOs. This requires the development of a well-designed financial inclusion strategy.

Challenge

The main challenge is the lack of adequate senior expertise in financial inclusion and agrifinance to develop a comprehensive financial inclusion strategy for the Programme, to provide support for implementation at the State level, and to analyze outcomes of the implementation of the strategy and adjust the strategy accordingly. Recruitment of the CPAT financial inclusion specialist is expected to fill these gaps.

Recommendation

The key mission recommendation is to design a comprehensive financial inclusion strategy. The NPMU should recruit a senior consultant for this task with guidance by the CPAT financial inclusion expert. The need for recruitment of financial inclusion officer at SPMU level, that was expressed by the NPMU during the mission, will be assessed during this design.

Agreed actions

| Actions | Responsibility | Deadline | Status |
|--|------------------|---------------|--------|
| Component 1: Support to value addition and market linkages | | | |
| Sub component 1.1: Support to value addition and market linkages | | | |
| Studies on cassava In line with last supervision mission and MTR review recommendation, carry out location specific studies on cassava value chain to identify opportunities and address market access issues. | NPMU | November 2020 | |
| CAF model Continue strengthening the capacities of the CAF executives, document the CAF model and organize knowledge sharing events to upscale it and ensure its sustainability. | NPMU, consultant | December 2020 | |

| Actions | Responsibility | Deadline | Status |
|--|------------------|----------------|--------|
| Component 1: Support to value addition and market linkages | | | |
| Sub component 1.1: Support to value addition and market linkages | | | |
| Management model for the processing centers New processing centers to be established should be designed under one of the two private based management models specified in AF2 design. | NPMU | - | |
| Sub component 1.2: Support to Climate Resilient Value Chain Infrastructure | | | |
| Infrastructure facilities Hand over completed facilities to final recipients for immediate use | NPMU / SPMU | July 2020 | |
| Feeder roads management Develop a strategy for Feeder road management (including a Community-based maintenance system) in Nigeria, in conjunction with all IFAD-funded programmes in Nigeria | NPMU | September 2020 | |
| O&M committees Build the capacity (including distribution of tools) of all established O&M committees for an efficient management of the facilities | NPMU/NWRI/NBRRRI | August 2020 | |
| Reporting on building achievement NPMU to review modalities of reporting for building to ensure consistency in the reporting and avoid double counting. | NPMU | - | |
| Component 2: Smallholder Productivity Enhancement | | | |
| Sub component 2.1: Strengthening of farmers' organizations | | | |
| Service providers for FO strengthening Re-engage the well performing SPs without going for a fresh advert for the same services to avoid waste of time and resources | NPMU | July 2020 | |
| Women empowerment Engage SPs and successful VCDP female beneficiaries to pay advocacy visits to traditional rulers and religious leaders to sensitize them on women empowerment. | NPMU | September 2020 | |
| Sub component 2.2: Support to smallholder production | | | |

| Actions | Responsibility | Deadline | Status |
|--|-------------------|--------------|--------|
| Component 1: Support to value addition and market linkages | | | |
| Sub component 1.1: Support to value addition and market linkages | | | |
| Timely input support to farmers Fast track the procurement and budget approval processes for input support to farmers | FMARD / ICO | July 2020 | |
| Engagement of Service providers If there was no procurement issue, re-engage the SPs who managed the input supply in 2019 without going for a fresh advert for the same services | NPMU | July 2020 | |
| Strengthen FFS Integrate climate smart technologies in FFS training modules and enforce technical uniformity across the 9 states. Deploy more women extension service providers | NPMU | July 2020 | |
| Sustainability of the extension delivery system Explore the use of e-extension service delivery and look for private sector embedded extension model | NPMU | July 2020 | |
| Component 3: Programme coordination and management | | | |
| Finalize recruitment of vacant positions at NPMU and States levels | NPMU | July 2020 | |
| Immediately mobilize the new states to start implementation | NPMU / SPMU | | |
| Orientation workshop for the 3 new states IFAD to organize an orientation workshop to the three new SPMU, which will also serve as a refresher training for the old staff to get the programme to speed. | ICO / NPMU / SPMU | July 2020 | |
| Finalize the engagement of the CPAT specialists to provide support to VCDP The CPAT should assist VCDP to prepare and / or improve the strategies and action plans for all the mainstreaming areas, and train the respective VCDP staff. | PCU / ICO | July 2020 | |
| Progress reports Improve analysis of outcomes and lessons learnt, at least on a half yearly basis | NPMU / SPMU | January 2021 | |

| Actions | Responsibility | Deadline | Status |
|--|------------------------------------|----------------|--------|
| Component 1: Support to value addition and market linkages | | | |
| Sub component 1.1: Support to value addition and market linkages | | | |
| Gender equality and women participation | | | |
| Women participation NPMU to substantially and immediately increases its focus on women to ensure that it reaches overall AF2 target for women participation | NPMU | - | |
| Climate change and environment mainstreaming | | | |
| Climate and environment action plan Develop a climate and environment Action Plan for execution until full mainstreaming activities come on-stream in AF2 | NPMU | September 2020 | |
| Nutrition mainstreaming | | | |
| Implementation support on nutrition by CPAT A prerequisite is that nutrition specialists be engaged by VCDP. The first activity will be the development of the nutrition action plan. | Upcoming CPAT Nutrition Specialist | August 2020 | |
| Financial inclusion mainstreaming | | | |
| Design of a Financial inclusion strategy Recruit a senior consultant to be supervised by the CPAT financial inclusion expert. The need for recruitment of financial inclusion officer at SPMU level will be assessed during this design. | NPMU / CPAT | October 2020 | |

[1] From 50% - 50% (VCDP – Farmer) to 70%-30% for women and youth groups and 60%40% for male and mixed groups.

[2] Formal financial services include services from banks and MFIs as well as loans by off-takers and input suppliers to farmers (usually cashless) and mobile money payments by off-takers, but not access to insurance through NAIC or loans obtained from the FOs leveraging on their savings.

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness

Rating: 5

Previous rating: 5

Justification of rating

A total of 14,153 new beneficiaries were supported by VCDP under AF1 bringing the total since inception of the

programme to 63,088 beneficiaries. This has a positive impact on food security, linking producers to demand-based services and formal markets and services and thus increasing their incomes. A total of 12,797 jobs have been created (1,297 under AF1). Rice yield has increased from 2Mt/Ha to 4.5Mt/ha, and 29,070 producers have been formally linked to off-takers for access to various services (3,678 under AF1). Youths have been able to develop profitable enterprises. The innovative CAF model is proving to be an effective platform to sustain outcomes of the Project.

Log-Frame Analysis & Main Issues of Effectiveness

Log-Frame Analysis & Main Issues of Effectiveness

The table below presents summary of the status of the Logframe indicators as at 31 March 2020 (for the updated Logframe for AF1 and AF2). It does not include Project goal and Programme development objectives indicators, most of which require studies to be informed (see Section I. Logframe below). The detailed table including gender disaggregated data is provided in Appendix 4.

| Indicator | Status 31/03/19 | AF1 | Target achievs on AF1 period | Status (No) 31/03/2020 (cum achiev) | Status (%) 31/03/2020 | AF1 achievs (No) 31/03/20 | AF1 achievs (%) | Gap to meet AF1 target |
|--|--------------------|--------------------------|------------------------------------|--|--------------------------|------------------------------------|-----------------------|---------------------------|
| | (Original loan) | End target (31/12/22) | (March 19 - Dec 22) | | | | | |
| | 1 | 2 | 3 = 2 - 1 | 4 | 5 = 4/2 | 6 = 4 - 1 | 7 = 6 / (2 - 1) | 8 = 2 - 1 - 5 |
| Total Number of individuals receiving programme services | 48,935 | 100,000 | 51,065 | 63,088 | 63% | 14,153 | 28% | 36,912 |
| Component 1: Agricultural market development | | | | | | | | |
| Sub-component 1.1: Increased value addition and access to markets | | | | | | | | |
| Total number of supported rural led enterprises or smallholders reporting an increase in profit | 34,255 | 70,000 | 35,745 | 36,807 | 53% | 2,552 | 7% | 33,193 |
| Total number of targeted farmers and processors accessing formal financial services | 18,290 | 80,000 | 61,710 | 28,065 | 35% | 9,775 | 16% | 51,935 |
| Total number of farmers formally linked with off-takers | 25,392 | 70,000 | 44,608 | 29,070 | 42% | 3,678 | 8% | 40,930 |

| Indicator | Status 31/03/19 | AF1 | Target achievts on AF1 period | Status (No) 31/03/2020 (cum achiev) | Status (%) 31/03/2020 | AF1 achievts (No) 31/03/20 | AF1 achievts (%) | Gap to meet AF1 target |
|--|--------------------|--------------------------|-------------------------------------|--|--------------------------|-------------------------------------|------------------------|---------------------------|
| | (Original loan) | End target (31/12/22) | (March 19 - Dec 22) | | | | | |
| | 1 | 2 | 3 = 2 - 1 | 4 | 5 = 4/2 | 6 = 4 - 1 | 7 = 6 / (2 - 1) | 8 = 2 - 1 - 5 |
| Rice | 17,774 | 49,000 | 31,226 | 20,640 | 42% | 2,866 | 9% | 28,360 |
| Cassava | 7,618 | 21,000 | 13,382 | 8,430 | 40% | 812 | 6% | 12,570 |
| Sub-component 1.2: Support to climate resilient value chain infrastructure | | | | | | | | |
| No of market, processing or storage facilities constructed or rehabilitated | 358 | 723 | 365 | 391 | 54% | 33 | 9% | 332 |
| Total component 1 | | | | | 49% | | 14% | |
| Component 2: Smallholder Productivity Enhancement | | | | | | | | |
| Sub-component 2.1: Strengthening of farmers' organizations | | | | | | | | |
| Total number of producer organizations reporting new or improved services provided by their organization | 1,776 | 4,550 | 2,774 | 2,289 | 50% | 513 | 18% | 2,261 |
| No of producer organizations supported | 1,776 | 4,550 | 2,774 | 2,289 | 50% | 513 | 18% | 2,261 |
| Sub-component 2.2: Support to Smallholder Production | | | | | | | | |
| Yields for rice produced by targeted smallholders (data in MT) | 4.5 | 5.0 | 0.5 | 4.5 | 90% | - | 0% | 1 |

| Indicator | Status 31/03/19 | AF1 | Target achiev on AF1 period | Status (No) 31/03/2020 (cum achiev) | Status (%) 31/03/2020 | AF1 achievts (No) 31/03/20 | AF1 achievts (%) | Gap to meet AF1 target |
|---|--------------------|--------------------------|-----------------------------------|--|--------------------------|-------------------------------------|------------------------|---------------------------|
| | (Original loan) | End target (31/12/22) | (March 19 - Dec 22) | | | | | |
| | 1 | 2 | 3 = 2 - 1 | 4 | 5 = 4/2 | 6 = 4 - 1 | 7 = 6 / (2 - 1) | 8 = 2 - 1 - 5 |
| Yield for cassava produced by targeted smallholders (data in MT) | 25.0 | 20.0 | - 5.0 | 25.0 | 125% | - | 0% | - 5 |
| No. of beneficiaries adopting sustainable and climate resilient practices | 35,538 | 70,000 | 34,462 | 46,775 | 67% | 11,237 | 33% | 23,225 |
| Total component 2 | | | | | 76% | | 14% | |
| Total components 1 + 2 | | | | | 63% | | 14% | |

Considering that 13 months have been covered since effective date of AF1 (March 2019 – March 2020), which represents around 29% of the total AF1 period (45 months over the period March 2019 – December 2022), the table shows that this percentage, used as a proxy to assess overall programme progress, has been achieved only for a few indicators, including number of individuals receiving programme services and number of beneficiaries adopting sustainable and climate resilient practices. The mission however notes that delays in approving 2020 AWPB and negative impact of COVID19 on Programme activities can partially account for this underperformance.

The table also shows that performance under AF1 concerning participation of women is lower than performance for men for most of the indicators. The performance regarding youths is mixed, but the mission notes with satisfaction that 51% of the number of youths targeted over AF1 has already been achieved.

| Agreed Action | Responsibility | Agreed Date |
|--|-----------------------|--------------------|
| Expand VCDP to 3 new states AF1 is practically effective when implementation starts in the 3 new states. In this regards, the NPMU should make the states operational and provide resources for the staff to work. | NPMU | 09/2020 |
| Incorporate Nutrition Indicators indicator the Log Frame VCDP will undertake a supplementary baseline and incorporate the standard indicators in the logframe | NPMU / IFAD | 12/2020 |

Development Focus

Justification of rating

VCDP has profiled 77,393 members of 4,942 FOs. A total of 48,935 households (92% of LoP target) direct beneficiaries have benefitted from support, as well as over 293,610 (targeted 320,880) indirect beneficiaries from programme supported infrastructure improvements and access to opportunities. The programme has recorded measurable achievements with a female participation of 28,794 (36%) above LOP target of 35%, and youth participation of 33,943 representing 44% (LoP target of 25%). Under AF, the focus will remain on women and youths, with the aim to reach 100,000 HHs, comprising at least 91,000 farmers, 6,000 processors and 3,000 traders, mostly youths. The expansion of VCDP support will be from six to nine states and from 34 to 57 LGAs.

Main issues**Main issues**

Description AF1 increases direct beneficiary outreach from 53,480 to 100,000, now in 9 States (57 LGAs). In terms of youth, 25% of all matching grants (25,000) are to be allocated to youth (LoP target AF2018).

Status of implementation

9,521 youth were targeted by VCDP in the period under supervision (62% are male youth aged 18-35 and 38% female youth) bringing the total of youth targeted to date to 31,021 (51% of AF2018 target); 49% of people targeted to date are youth.

| Indicator | Status as of March 2020 | AF18 LoP target | % AF2018 LoP target | Achievement March 2019 – March 2020 |
|--|-------------------------|-----------------|---------------------|-------------------------------------|
| Individuals receiving programme services | 63,088 | 100,000 | 63% | 14,153 |
| Youth targeted | 31,021 | 25,000 | 124% | 9,521 |

The VCDP allocated 785.7 ha of land between March 2019-20 of which 3% to women, 20% to male youth, 5% to female youth.

A Gender and Youth Strategy was developed by the project but should be reviewed. It should contain a detailed analysis and measures related to gender gaps and youth issues along the different areas of intervention supported by the programme. It should take into account the situation, needs and strategies to be employed to reach younger and older youth (18-24 and 25-29 years of age) of both genders; and align with all gender transformative requirements in the upcoming AF2 and include people with disabilities. Thus, the strategy should broaden its scope to a Social Inclusion Strategy.

Lessons Learned

Information collected during the mission leads to think that demand for project opportunities grows among youth when showcasing the success of male and female youth. VCDP considers in AF2 increasing the proportion of youth targeted to 40%, but this could be increased even further in line with the new age parameters of the Youth Policy. Alternatively, the programme could consider reviewing the age of all youth targeted to date and reclassifying them as youth or non-youth according to the current cut off age of 29 years of age of the Nigeria Youth Policy (and keeping the 40% quota assigned for youth under AF2019). This would result in a drop in the number of “youth reached” to date. In either case, VCDP should further finetune its mobilization strategy to ensure it reaches as many suitable youth (male and female 18-29 years of age) in target LGAs as possible.

Challenges Land allocation practices since inception have favoured men, who in Nigeria are the least land deprived social group. Youth and women continue having limited access to cash for the matching contributions to access VCDP support for income generating activities: 13% of the target set for the entire AF1 period. The Covid 19 pandemic could further accentuate the difficulties encountered by youth in accessing funding to cover their matching contributions. Also, the lack of cash among farmers could mean that youth entrepreneurs see a sharp reduction in their VCDP supported agri-entreprises.

| Agreed Action | Responsibility | Agreed Date |
|--|------------------------------------|--------------------|
| Engage people with disability Further engage project stakeholders to determine all potential opportunities to engage people with disabilities in the project | Gender and Youth Programme Officer | 09/2020 |
| Review operational strategy Technical support to NPMU to better adjust operational strategies to meet beneficiary needs, and produce a Social Inclusion Strategy | Gender and Youth Programme Officer | 11/2020 |

Gender equality & women's participation

Rating: 5

Previous rating: 5

Justification of rating

22,062 women have been reached (63% of AF1 LoP target), including 5,103 between March 2019-20. A Gender and Youth Strategy needs to comply with the gender transformative nature of AF1. Land made available to women and agricultural yield data indicate sub-optimal results for women. Minimal GALS activities were implemented despite conditions not yet being in place. GALS is key for gender transformation and requires strategy, resources and quality management for impactful results. Capacity building measures will allow VCDP to reach expected targets and objectives.

Main issues

Main issues

Description.

Under AF2018 VCDP seeks to target 35,000 women. The 7th supervision mission recommended that the target be raised to 50% in areas underperforming. The Gender Action Learning System (GALS) has been used since onset.

Status of implementation

VCDP has reached 22,602 women since inception, of which 5,103 in the period under supervision.

| Indicator | Status as of March 2020 | AF1 LoP target | % AF1 LoP target | Achievement March 2019 – March 2020 |
|------------------|--------------------------------|-----------------------|-------------------------|--|
| Women reached | 22,602 | 35,000 | 63% | 5,103 |

However, despite these encouraging progress, the project needs to review the following: (i) land developed by the project and handed over to beneficiaries has not been largely attributed to women (and youth); (ii) solutions have not yet been found to facilitate widespread access to credit by women; (iii) yields and adoption of climate resilient agricultural practices have been consistently lower among women; (iv) women headed household living in situations of vulnerability require more attention – that is, move beyond the low hanging fruit, which are married women. The programme needs to understand – not assume - the factors behind this and the findings used to adapt to women's need. Responding to the needs of women will allow women to thrive.

| Indicator | Performance against AF1 targets | | | |
|--------------------|--|--------------|-------------------|---------------------|
| | Men | Women | Male youth | Female youth |
| Yields for rice | 92% | 70% | 108% | 80% |
| Yields for cassava | 125% | 110% | 140% | 115% |

| | | | | |
|---|-----|-----|-----|-----|
| Adoption of sustainable and climate resilient practices | 88% | 45% | 74% | 47% |
|---|-----|-----|-----|-----|

The Gender and Youth Action Plan needs to be revised to integrate more comprehensive and in-depth analysis of the different circumstances and barriers encountered by women's vis-à-vis men in the different areas of intervention of VCDP. Also, it should include explicit measures that the project will need to adopt to ensure the programme effectively becomes gender transformative as per AF2 requirements. The project would benefit from receiving implementation support to address issues (as well as other issues to elevate performance in all social inclusion aspects of relevance to the programme). The expected training took place and was considered as a good basis. The mission considers that further training should be conducted when the social inclusion strategy is completed to a satisfactory level and all required staff are in place.

VCDP beneficiaries targeted to date with GALS reached out to another 256 households during the reporting period. But as per comments above, a robust strategy based on learnings already documented should be developed for GALS as well.

Lessons learned

Women are also not a homogeneous group. Sub-sets of women need to be recognised (better off women, married women, women headed households and young unmarried women).

Challenges

The programme is overstretched. It requires additional human resources, training on social inclusion, the development of clear strategies for gender transformative programming and GALS taking into account learnings documented in AF2 design.

Covid 19 as other shocks affecting household livelihoods, is likely to hit women more than men. Also, current female beneficiaries may face a harder time in meeting labour costs due to scarcity of labour during lockdown and rising costs. This could in turn further increase the gap between women's and men's agricultural productivity.

| Agreed Action | Responsibility | Agreed Date |
|---|--|--------------------|
| Survey Assess causes for lower performance of female smallholders supported by the programme. | Technical component coordinators with Gender and Youth Officer | 02/2019 |
| Review/update GALS Strategy Engage consultant expert in GALS to develop the GALS strategy and action plan for VCDP in line with recommendations in the AF2 design | NPMU/SPMU | 01/2020 |
| Training Provide training to relevant staff for gender transformative programming adapted to the programme. | NPMU/SPMU | 03/2021 |

Agricultural Productivity

Rating: 5

Previous rating: 5

Justification of rating

The support to smallholder production is outstanding, with achievement of LOP target of: 198% on matching grants due mainly to production inputs to farmers and increase in the number of LGAs per State from 3 to 5; 142% on PESP's training farmers on FFBS and 266% for FOs that benefitted from extension support services. VCDP has also successfully trained 8,422 youth and women on various production enterprises including rice seed and cassava stem multiplication. It has recorded youth entrepreneurs who are buying cars, motor bikes, and building houses. The sub-component also over achieved target on land rehabilitated: 6,549 ha for dry season farming using small scale irrigation (LoP target of 3,000 ha). The result is enhanced productivity by more than 100% for rice and 80% for cassava.

Main issues

Main issues

Adequate farmlands for seed production and irrigation facilities for dry season production are major challenges to youth farmers. The low availability of farm machineries such as power tillers and threshers affected hectareage cultivated during the planting seasons. Climate smart agricultural practices (e.g. use of flood and drought tolerant varieties) are some areas requiring urgent attention. Unlike rice, the short shelf life of cassava as well as high price of root for garri prevented starch and flour processors from off-taking the tubers. Supply of simple mechanized equipment is still low despite youth/farmers interest to adopt them.

Key results achieved include: (i) productivity increase in rice yields from 2 – 4 t/ha to 5 – 8 t/ha and cassava from 15 – 18 t/ha to 25 – 30 t/ha (ii) contribution of 450,000 MT of Rice and 653,843 MT of cassava in the domestic food supply. (iii) the engagement of 6 PESPs (1 per State) to train farmers on FFBS (iv) establishing 465 FFBS across the States (v) reaching 4,112 FOs through VCDP extension support and 8,422 youths in income generating enterprises (vi) strengthening the establishment of 210 youth seed production groups (120 for rice and 90 for cassava) (vii) producing 287 tons of improved rice seed and 24,129 cassava stem bundles (ix) collaborating with NASC for certification of seed and registration of youth seed producers (x) establishing 6 seed testing labs (xi) training 34,896 farmers in improved production technologies (x) providing 35,031 farmers with improved seed, fertilizers and agrochemicals through matching grant arrangement (xii) rehabilitating 6,549 ha of irrigated systems for crop production and (xiii) protecting 30,000 ha of land from seasonal flooding including construction of dykes.

The areas that require attention include: (a) the private extension service provides (PESPs) should select and train at least two lead farmers per production group to step down the training to other farmers within the production groups with certificate of completion issued to them. By 2020 wet seasons, the lead farmer to farmer led training on FFBS would have been put in place as an exit strategy, (b) organize refresher courses for youth seed producers and cassava stem entrepreneurs on novel seed production techniques to enhance sustainable service delivery to farmers and off-takers post VCDP, and (c) support more youth farmers with simple farm machineries to meet the LOP target. Other recommendations include: (i) provide robust solar power energy to the seed laboratories for efficient seed quality assurance and environmental sustainability of the labs post VCDP, (ii) encourage dry season rice production to compensate for crop losses during flooding by providing farmers with tube wells and wash bores, (iii) support production groups to access credit from FIs.

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| Irrigation land development Irrigated land development for dry season agriculture Develop irrigated land in southern states especially where the state government is willing to enter into cost-sharing arrangement with VCDP. For a start, the NMPU should liaise with Ebonyi SPMU to arrive at the cost and then agree on the cost-sharing and implementation modalities including time of delivery of the irrigation scheme. | NPMU | 05/2019 |
| Promotion of simple farm machineries Promotion of simple farm machineries Promote the use of simple farm machineries for production and post-harvest activities | NPMU/SPMU | 08/2019 |
| Promote the use of simple farm machineries to attract youth farmers to agriculture Support youth farmers with simple farm machineries and link them to tractor owners for land preparation | SPMU | 11/2019 |
| Develop irrigation facilities for dry season production Develop irrigation facilities for dry season production under a VCDP/State Govt cost sharing arrangement | NPMU | 12/2019 |
| Training of Youth and Women entrepreneurs Capacity development of rice seed and cassava stem entrepreneurs in new LGAs and States Engage consultants to train youth and women on rice and cassava enterprises in the new LGAs and States Engage more qualified female service providers to train women farmers | NMPU/SPMU | 08/2020 |
| Promote the use of climate smart rice and cassava varieties in flood and drought prone areas Provide flood and drought tolerant rice and cassava varieties for farmers | SPMU | 08/2021 |

Nutrition

Rating: 4

Previous rating: 4

Justification of rating

The AF1 requires that nutrition be mainstreamed across the two target value chains. Building on the preparatory work carried out before the period under supervision and with the view to make progress towards AF1 commitments and given it did not yet have nutrition specialists within the team, VCDP engaged a national consultant to develop a 100-day action plan for nutrition. A number of activities were implemented at community level since the last supervision mission. However, the absence of dedicated technical staff and of a roadmap for implementation of the nutrition strategy has hindered progress and understanding of genuine impacts of these activities as well as to how to best roll them out to ensure that targets established for AF2 are met.

Main issues

Main issues

Description

Under AF1, VCDP strengthened programme breadth and scope on nutrition by mainstreaming it across the two target value chains. To do so, the programme took preparatory steps for the development of a nutrition strategy, and activities such as conduction of rapid assessments on nutrition, building minimal capacity in project staff and developing material for awareness raising.

Status of implementation

A national consultant was hired to assist in the development of a 100-day nutrition action plan through which the programme would pilot key activities. A good part of activities foreseen under the 100-day action plan were carried out.

| Activity | End target | Y1 target | Y1 achievement |
|--|------------|-----------|----------------|
| Conduct a nutrition stakeholders' workshop | 1 | 1 | 1 |
| Establishment of demonstration plots for provitamin A cassava | 300 | 60 | 60 |
| Establishment of demonstration plots of cassava intercrop with legumes | 150 | 30 | 60 |
| Establishment of mixed home gardens for women | 1,200 | 60 | 60 |

Other activities implemented without reporting targets include training of FO members on nutrition and hygiene, and youth entrepreneurs production and sale of products made with nutrient rich rice and cassava. Information received from VCDP indicate that staff were asked to not implement broad nutrition awareness raising activities until a nutrition specialist joined the team.

Data from the field collected during the mission indicate that beneficiaries had improved the consumption of nutrient rich foods and increased their income as a result of the home gardens before the COVID 19 outbreak. Interviewees reached during the mission indicated that many people in target communities are cutting down on food consumptions and also resorting to less nutritious foodstuff and less diverse diets. As a community member expressed: "The concern right now is not diversifying our diet but making sure we can give our stomach the food it needs".

Lessons learned.

Without specialists in the team it is nearly impossible for projects to make substantial progress in implementation, understand impacts of pilot interventions and warrant effective and impactful roll out of activities.

Challenges

VCDP encountered challenges in terms of lack of technical staff within team, and lack of a clear and owned action plan to develop its portfolio around nutrition.

Other issues

While VCDP had conducted a baseline for AF1 in the new location, the mission noted that IFAD guidelines for capturing the core indicators for nutrition was not followed. The mission suggests conducting a supplementary survey to collect baseline data on MDD-W and possibly on KAP using the standard methodology described in IFAD COI guidelines to respond to the AF2. Also, the supervision team suggests considering to reduce the final target for the MDD-W and to set it from 50% to 35-40%. If the project decides to keep the KAP outcome indicator (in addition to the MDD-W), it has to be rephrased from "Number of persons reporting improved KAP on nutrition" to "Percentage of households with improved nutrition KAP".

VCDP should receive implementation support over the next year to develop this document and ongoing coaching / technical backstopping from IFAD to learn from experience to date, establish capacity and roll out effective and impactful nutrition interventions that leverage existing government capacity for implementation, as possible.

| Agreed Action | Responsibility | Agreed Date |
|---|-------------------------------|--------------------|
| Recruitment Provide implementation support to VCDP on nutrition A prerequisite for this is that nutrition specialists be engaged, as foreseen in the context of AF2. The first activity to be carried out is the development of the nutrition action plan. | Upcoming Nutrition Specialist | 09/2020 |
| Support Groups Conduct a supplementary survey to collect MDD-W and possibly KAP data. | Upcoming Nutrition Specialist | 12/2020 |

Adaptation to Climate Change

Rating: 3

Previous rating: 3

Justification of rating

Strategic documents including the SECAP and ESMF to guide adaptation to climate change were developed and are being implemented. A 100-day Action Plan to catalyze ESMF implementation and begin climate mainstreaming was implemented and was largely successful. Climate-smart agriculture and resilience-improving activities including crop timing, planting early maturing and flood tolerant value chain crop varieties, and deepening irrigation and dry seasonal farming as adaptation to flood are being carried out across the VCDP states. Waste valorization and resource efficiency are also now being implemented. However, very little achievement was recorded beyond the 100-day action plan.

Main issues

Main issues

VCDP is rated as **high risk** in terms of climate risk. As part of VCDPs efforts to mainstream climate-smart agribusiness now on focus in the AF1, the 100-day climate and environment action plan was implemented from March to June 2019, coinciding with the take-off of AF1. The specific climate adaptation activities in the 2019 AWPB include: (i) replicate best practices in waste to wealth technologies (ii) organize climate-mainstreaming trainings (iii) engage with NAIC to broaden insurance for rice farms (iv) provide small irrigation (tube wells & water pumps) and flood control structures and improve tree planting in land development and processing sites.

Status of implementation: 11,237 beneficiaries (8,960 men, 2,277 women, 8,132 youth) representing 33% of the targeted AF1 achievement of 34,462 (13,311 men, 21,151 women and 19,127 youth) have adopted sustainable and climate resilient practices since March 2019. The cumulative achievement as at March 2020 is 46,775 (31,349 men, 15,426 women and 17,005 youth). The VCDP Progress Report shows that 5 each of cassava peel conversion, bio-digesters and rice husk briquettes machines were installed. Over 2000 beneficiaries received training on climate and environment issues. 258 tube wells and pumps were provided for farmers to deepen dry season farming. In Niger State, 3,500ha of dry season rice plot was cultivated taking advantage of small irrigation structures and residual moisture to stave off flood season. 370ha were protected from flood, and over 8000 trees planted in land development and around processing sites. 10,559ha were planted with early maturing and flood tolerant FARO 44 and FARO 52 rice and TME 419 Cassava. 195 SWDs, 112 rain gauges and 125 info boards were provided to improve weather-guided on-farm and processing activities. Results from rapid survey with the SPCs during the mission suggest about 3,931ha of rice farms were insured with NAIC.

Lessons learned: The 100-day action plan worked. While the target was achieved, very little was achieved after the 100-day challenge was rested. Waste valorisation improves adaptation to climate change, and also created jobs. The rapid survey with the SPCs suggests that waste to wealth generated about 2,609 jobs. Dry season cropping for rice is being intensified as adaptation. Sensitization on crop insurance is working and farmers are now directly approaching NAIC and other insurance companies.

Challenges: Climate change and environment have few activities and budget in the AF1 beyond the SECAP and ESMF (full mainstreaming activities in AF2 to start in 2021) which may be responsible for lack of progress beyond the 100-day action plan. Only one indicator is presently captured on the logframe. Job being created in waste valorization and other achievements are not effectively captured. Cassava plots are not insured, and rice plots insurance does not cover damage from conflicts. None of the processing facilities is insured. The MOU with NIMET awaits consummation since 2017. The absence of climate and environment specialists at both NPMU and SPMU remains a challenge.

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| Enagge climate and environment specialist Follow-up on Last Supervision Agreed Actions (a) Fast track the engagement of climate and environment specialists (b) Fast-track the MoU with NIMET | NPMU/SPMU | 12/2020 |
| Action Plan for 2020 Action Plan for 2020 Develop a climate and environment Action Plan for execution until full mainstreaming activities come on-stream in AF2 in 2022 | NPMU | 12/2020 |
| Insurance Adaption through 'No Regrets' Option Work with farmers (both rice and cassava) and processors to ensure investments are insured | NPMU/SPMU | 08/2021 |

b. Sustainability and Scaling up

| | | |
|---|------------------|---------------------------|
| Institutions and Policy Engagement | Rating: 5 | Previous rating: 5 |
|---|------------------|---------------------------|

Justification of rating

During the implementation of the original financing, VCDP used farmer organization as the entry point for its intervention in benefiting communities. To reinforce the institutional sustainability framework, VCDP established a community alliance forum (CAF), which is a 4Ps and an innovative public-private partnership, a forum of key stakeholders to facilitate business transaction, knowledge sharing, and conflict resolution and policy dialogue. Building on the success of the original financing, the AF1 was able to identify and profile new farmer groups during the period under review. However, it is yet to commence the establishment of the CAF in the new areas.

Main issues

Main issues

With the innovative CAF, VCDP has established a framework for the sustainability and exit of the programme after closure. However, the coverage is limited to muster enough strength to cause replication for VCDP approach in Nigeria. The delay in establishing strong FOs and CAF in the new states and LGAs as expected by AF1 will affect the speed of replicating the rural institutions to achieve scale. As long as the FOs and CAF are not on board, partnership with big private sector operators for market, financial and input access will be limited. Second, the earlier recommendation to develop the CAF strategic plan was not carried out at the time of this mission.

There are commendable attempts by the state governments to ensure sustainability of the programme. For instance, participating states government in the 6 initial states have established commodity value chain committees with SPCs as members to facilitate the spread of VCDP approach in the states. Executive orders were given to small producers and processors on the use of standard weight and measures in some States. The Federal Government has established a land development agency with responsibility to develop agricultural land available for farmers in Nigeria. VCDP is encouraged to reach out to the operators of the scheme to forge synergy and integration of VCDP principles in climate smart land development.

In an attempt to ensure investments in market infrastructure development activities are sustained, NPMU has set up O&M committees around each facility, whose members participate in the construction/rehabilitation of the facilities. While this is a good initiative, the mission was informed that committees have not been provided with working tools to effectively discharge their work.

VCDP is also yet to engage the local government authorities for participation and eventual takeover of the public infrastructure after the completion of the programme.

For greenhouse gas emission, a number of SPMUs have linked with their States Ministries of Environment. But the NPMU as well as Ogun and Taraba States have no link with the Environment Ministries. This partnership is important towards contributing to climate and environmental policies at National and State levels and tracking VCDP's contributions to national GHG emission reductions and Nigeria Nationally Determined Contributions (NDC) to the Paris Climate

Agreement. Similarly, through its partnership with VCDP, the NAIC has expanded weather index insurance to smallholder farmers within and outside rice and cassava commodities. Majority of business farmers have adopted insuring their farms, which shows sustainability of VCDP model.

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| CAF Strategy Engage a consultant to conduct research on farmer's willingness to pay for services of private extension services | NPMU | 12/2019 |
| Expand CAF Establish CAF in new States and LGAs Leverage on the quality and strength of the best CAFs and FOs in VCDP and facilitate the formation of CAF in new states and LGAs | NPMU/SPMU | 10/2020 |

Partnership-building

Rating: 6

Previous rating: 6

Justification of rating

The strength of VCDP lies in its ability to engage in various result-oriented partnerships to facilitate services to smallholder farmers, CAF being the main pathway for partnership. Accordingly, VCDP has developed effective partnerships with various local, national and international / multinational public and private sector stakeholders for various services needed by the beneficiaries. New partnership established under AF1 was with GIZ / Agfin Project for financial literacy training of farmers and access to finance. Through the CAF, VCDP has maintained its business relationship with big players in the insurance, processing and input industry. This enabled VCDP to facilitate insurance, input and market access for more than 20,000 rice and cassava farmers during the 2019 agricultural season.

Main issues

Main issues

The strength of VCDP lies in its robust partnership ability with numerous private and public partners. The main ones are: Olam, Onyx, Popular Rice for market access, NASC for seed certification, NAFDAC and SON for certification of processed rice and cassava products for women processing groups for improved nutrition, NAIC for crop insurance, GIZ / AgFin for financial services to programme beneficiaries, Africa Rice and NRCRI for training of youth and women on seed production; etc. The mission noted that offtakers and NAIC had continued to provide services to the farmers in the old LGAs from old states during the reporting period without major cases of side-selling and related default by farmers. Partnerships with offtakers should continue promoting increased engagement of women in outgrower schemes.

A new partnership has been established in 2019 with GIZ / Agfin Project, where Agfin provides financial literacy training to farmers having contracts with offtakers, and link the farmers to partner Financial Institutions. It is planned to reach 12,500 farmers for the 9 VCDP states. 400 farmers have been trained so far by Agfin, and a partnership to support and finance cassava farmers in Ogun States is under design.

New large offtakers have been identified for partnership. In Niger State for instance, a partnership is under design to develop a cassava outgrower scheme (1,000 farmers) involving an offtaker, a processor and VCDP. A partnership is under discussion with AFEX Commodities exchange for offtake, input supply, credit and insurance for rice farmers.

However, no partnerships are yet active in the new states and LGAs. VCDP needs to take advantage of its competences and expand the services of partners in the new states and LGAs. The issue of lack of strong offtaker for fresh cassava roots resonated in both new and old states during the mission.

This mission reiterates the recommendations of the MTR and last mission, which encouraged VCDP to conduct location specific studies to identify market players and cassava products and their needs for each location. The study needs to assess the comparative advantage of each location in various cassava products to arrive at viable cassava business to be supported. Where garri is a preferred option, the mission encourages VCDP to come up with an innovative business model that facilitates establishment of a strong market hub for quality garri. Where starch/flour is a preferred option, the mission encourages VCDP to come up with an innovative business model to facilitate the establishment of medium scale cassava processing factory, similar to what is obtainable in Ogun state. VCDP should arrange/facilitate a business tour for potential investors in that line of cassava products.

VCDP is building local partnership for climate resilience through MOU with NAIC for crop insurance. The Niger SPMU is working with the National Cereal Research Institute (NCRI) Baddegi for flood tolerant rice variety. The MOU with NIMET to deepen climate-smart agribusiness is yet to be consummated since it was drafted in 2017.

It is advisable that in coming months the programme engages with the Scaling Up Nutrition Secretariat (SUN) to confirm the possibility of leveraging on their staff for the implementation of some nutrition activities.

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| Market Assessment for cassava value chain Conduct a market assessment on cassava Engage consultants to conduct location specific studies to identify market players and cassava products on their needs for each location. | NPMU | 12/2021 |

Human and Social Capital and Empowerment

Rating: 5

Previous rating: 5

Justification of rating

The fact of becoming a project beneficiary exposes those targeted by VCDP to a wide package of capacity building measures including, organising people and grouping them with peers, providing intensive training on technical issues, business management, financial literacy, among others, as well as facilitating linkages with other players, all contribute towards increasing human and social capital of rural dwellers targeted. Experience has shown that bringing together players in CAFs, giving voice to farmers, youth and women in such spaces also increases social capital and business. Raising income enhances beneficiary self-confidence, autonomy and empowerment. Conflict management has also been given due attention. The benefits of such investments continue being reported by beneficiaries.

Main issues

Main issues

Description. The VCDP uses FOs as its prime to reach out to programme beneficiaries and channel a comprehensive package of support to them to address all of the minimal conditions for them to succeed in transforming their own lives. Support packages include training that is improved as new needs are identified. Trainings provided to date include technical training in the income generating activity of choice (production or entrepreneurship at other levels of the rice and cassava value chains), business training, leadership training, training on financial literacy, on GALS, and others. The programme has also been attentive to determining the needs of CAFs and FOs alike and cater for their specific needs.

Status of implementation. Financial literacy training is enhancing the knowledge, skills and confidence of the Project beneficiaries to manage their finances wisely for their enterprise and household benefits. The training module designed in collaboration with GIZ / Agfin for the farmers addresses the following topics: personal financial management, farm financial management, saving, credit, insurance and risk management, investment, financial service providers, what amount farmers should ask from a bank, different financing arrangements and maintaining healthy business relationships, and, economic implications of bad loans and bad investments, and corresponding solutions. This financial literacy training should be delivered to all Project beneficiaries (farmers, processors and marketers), with contents and implementation modalities to be specified in the Financial inclusion strategy.

Membership of CAF contributes to empowerment of the smallholder farmers in their business relations with offtakers, inputs suppliers and financial institutions. CAF is also a forum where the farmers can express their views and influence agricultural sector policies. The Programme has facilitated learning routes for the different CAF to learn and adopt best practices, and trained the CAF executives on leadership, business ethics, price negotiation strategy and team building. Level of understanding and ownership of the CAF by the farmers, as well as their assessment of the quality of the services provided however needs to be better known, for further improvement of CAF organization and services. A consultant was engaged to facilitate the harmonization of guidelines and CAF by-laws across the States. What will be required now if for CAFs to develop their sustainability models. Anecdotal evidence also indicates that GALS is being used at CAF level, although it is not possible to ascertain the degree to which its full potential is being explored at that level.

The ESMF provided resources (about USD375,000) for support on resource conflict management, land reform, and sustainable land management, health insurance for agro-enterprises and others. It provides additional support to the tune of USD 313,889 for sensitization, dialogue and capacity building in IFADs safeguards implementation and monitoring, and capacity building for conflict resolution and grievance management. VCDP's land acquisition model is deepening social inclusion and reducing the gap in access to land between women and men, although men still dominate the number beneficiaries.

| Agreed Action | Responsibility | Agreed Date |
|--|-----------------------|--------------------|
| CAF Performance Assessment Conduct a CAF performance assessment across the states to document success and capacity gaps | NPMU/SPMU | 11/2020 |
| CAF Assessment Assessment of CAF services Conduct an assessment of the perception by the Project beneficiaries of the services and support provided by the CAF. This should be done during regular interaction with the beneficiaries | NPMU/SPMU | 11/2020 |

Quality of Beneficiary Participation

Rating: 5

Previous rating: 5

Justification of rating

VCDP entry point is through the FOs who facilitate access to services of the programme for their members. VCDP equips beneficiaries to engage in income generating activities of their preference, provides comprehensive training, key infrastructure and facilitates commercial linkages, among others. All of these elements are part of a broad support package offered by VCDP. Successful beneficiaries draw community members to the programme over time. Farmers prepare their individual and group business plans, which inform their investment and decision making by VCDP. Because FOs are the prime channel to reach beneficiaries and channel support, it is important that internal governance and management systems are equally strong.

Main issues

Main issues

V

Description and status of implementation

Groups supported by the programme are very likely to continue working together as the group generates benefits for all participants in accessing inputs, technical assistance and markets. Maximizing the possibilities of sustainability of these groups for as long as they continue being relevant for beneficiaries is of utmost importance. The programme is committed to strengthening FOs and CAFs at different levels to function under good governance principles, with transparency and inclusive leadership. Trainings in this respect are provided as needs arise.

The cohesion of groups has been seen to even result in the mobilization of savings among members and in so doing enabling the group or members, to access the funds for matching contributions – including this past year. The willingness in placing their money on a common fund and making it available for investments proves the degree of success the project had with its beneficiaries not only on economic enterprises but also at group management.

Beneficiaries are reported (by the NPMU and service providers) to have contributed and participated throughout all steps of development of all infrastructure facilities targeted by the Programme, including identification, survey/design, implementation/supervision. They mainly contributed in kind (labour, land, etc.), with specific implication of women. The construction/rehabilitation of these facilities was also an opportunity for those beneficiaries (including women) to gain more revenue as a result of inputs (sands, gravel, food, etc.) sold to the contractors. However, this money injected into the community by contractors as a result of works carried out has not yet been assessed by the Programme.

VCDP has strong buy-in at local levels. The peer-learning effect is strong with successful beneficiaries (especially in seed and stem production) rendering services beyond their States, and the CAFs exchanging experiential learning-visit, which should be extended to waste valorization segment.

Responsiveness of Service Providers

Rating: 4

Previous rating: 4

Justification of rating

For efficiency and quality, most VCDP field-level operations are through service providers (SP). In this context, VCDP has engaged extension service providers to strengthen extension service delivery through FFS training of farmers on GAPs and capacity strengthening of FOs in the areas of business skill, private sector input providers to improve access to inputs resulting in increased yields of rice and cassava, mechanization SPs to facilitate access to machinery for land preparation and harvesting operations, market providers to facilitate linkage to markets, financial SPs to access financial services and

road constructors to enhance access to market. The performance of the SPs has been satisfactory because of timely completion of tasks. Some SPs do share technical reports with SPMU.

Main issues

Main issues

VCDP attaches great importance to the use of qualified service providers in implementing majority of its annual planned activities. Of paramount importance to VCDP is completing the assigned tasks satisfactorily.

Status of implementation:The services of the PSESPs are yielding the desired results as farmers trained through FFS on GAP are increasing their rice and cassava yields. The technical competence of the PSESP is very good but they need to integrate climate smart technologies in the FFS training modules across VCDP States.

The response of service providers to climate and environment mainstreaming activities including fabricators of briquetting machines and cassava peel converters, installation of biogas facilities, as well as crop insurance coverage for farmers, etc. have been good. Although there are minor issues with O&M of fabricated briquette machines, these are being sorted out.

VCDP has relied on service providers (consultants for survey/design/supervision and contractors for works) in the construction / rehabilitation process of all targeted infrastructure facilities. As reported by NPMU and SPMU, no major incident has been recorded with regards to the intervention of those. Performance of service providers is highly satisfactory and contractors are said to be efficient, based on the timeliness and quality of results obtained.

Lessons learned:The need to award performance-based contracts to SPs following due diligence for effective service delivery should be strictly adhered to because some time the SPs lack an understanding of the TOR. To improve the quality of service delivery, the SPMUs/NPMUs must attest to the good performance of SPs before they are paid for their services. Close and on-the-spot monitoring of the SPs is proposed by constituting a monitoring team of key stakeholders

Challenges: The lack of effective monitoring and evaluation of the services by SPs has been a challenge in some of the VCDP states. The SPMU should reinforce close monitoring and supervision of the SPs with focus on quality of services and achievements of outcomes.

Challenges: The lack of effective monitoring and evaluation of the services by SPs has been a challenge in some of the VCDP states. The SPMU should reinforce close monitoring and supervision of the SPs with focus on quality of services and achievements of outcomes.

| Agreed Action | Responsibility | Agreed Date |
|--|-----------------------|--------------------|
| Engage qualified service providers Engage qualified service providers Award performance-based contracts to SPs following due diligence for effective service delivery | NPMU / SPMU | |
| Adopt Deliverable-based payment Payment of SPs Tie payment of SPs to attestation of good performance in the following ratios: 40% first tranche, 30% second tranche and 30% third tranche | NPMU/SPMU | |
| Monitor and supervise implementation Monitoring and supervision Constitute a monitoring team for on-the-spot assessment Motivate SPs delivering quality services (plaque, etc) | NPMU/SPMU | |

Environment and Natural Resource Management

Rating: 4

Previous rating: 4

Justification of rating

VCDP is rated as a category B with medium environmental and social risks. The ESMF document (with cost for management and monitoring plans) was prepared to guide the AF implementation. The 100-day climate and environment Action Plan executed between March and June 2019 translated some of the ESMF plans into specific activities. The Action Plan recorded modest achievement in waste valorization, mainstreaming health and safety, sensitization and

capacity building, and deepening conflict resolution mechanisms. However, environmental compliance continues to be a challenge. Reliance on fuel wood for processing is still high, and there was little follow-up of the modest achievement recorded through the 100-day action plan.

Main issues

Main issues

Environment and natural resource management issues in VCDP include hygiene, waste, and sustainable land management which cut across different components. Strategic environmental and natural resource management mainstreaming focus in the 2019 (and 2020) AWPB include: (i) provision of machine for cassava waste conversion to livestock feed (ii) improving effluent discharge systems and installation of bio-digesters (iii) provision of rice husk briquetting machines (iv) distribution of PPE (v) provision of solar dryers and modern drying slabs (vi) sensitization on health and safety (vii) complimentary facilities including borehole, toilets and trees in processing centers (Component 1) (viii) sustainable land and water management support to farmers (ix) stakeholders engagement through CAF for conflict resolution (Component 1), and (x) commitment to implement the SECAP and ESMF (component 3).

Status of implementation:the 100-day Action Plan executed between March and June 2019 recorded modest achievements in waste valorization, health and safety, awareness and capacity building and conflict management as shown on the status of achievement Table below as at March 2019.

Status of Achievement as at March 2020

| Strategic Area | Activities | Target at 100 days | Achieved at 100 days | Achieved at 220 days |
|-------------------------------------|---|--------------------|----------------------|----------------------|
| Waste to Wealth | Number of cassava peel to livestock feed machines installed | 4 | 5 | 6 |
| | Number of Biodigesters installed | 3 | 3 | 5 |
| | Number of Briquettes machines installed | 3 | 3 | 5 |
| Health and Safety | Number of PPE distributed | 60 | 60 | 60 |
| | Number of Drying technologies - demos/drying slabs/solar driers | 60 | 17/12/7 | 17/16/7 |
| | Number of farmers sensitized in Health, Safety and Environment | 3420 | 3110 | 3110 |
| Conflict Management | Number of CAF meetings held / number of people on learning route tour | 12 | 22 / 25 | 27 25 |
| Sensitization and capacity building | Number of people trained and sensitized | 150 (ToT) | 2000+ | 2000+ |

Lessons learned:The 100-day action plan substantially accounts for the achievement recorded during the period. Very little was achieved in the 9 months after the expiration of the Action Plan. Waste to wealth created some jobs and some processors are making additional income by selling cassava waste to off-takers. Major off-takers such as OLAM have plans to train their VCDP out-growers in environmentally sustainable production techniques as part of their global Sustainable Rice Production initiative. CAF has been working hard to reduce resource conflicts especially through

dialogue with representatives of the Fulani herdsmen.

Challenges: Despite CAF's achievements, farmers-herdsmen conflicts and bandits' attacks continue to be serious issues for production. Environmental mainstreaming has no indicator on the logframe, making it difficult to realistically set targets and track achievements. There is no framework for tracking environmental mainstreaming achievements across all the components. The absence of a climate and environmental specialist on the project continues to pose a challenge to effective environmental reporting.

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| Conduct a 'green energy' study RFollow-up on Last Supervision Agreed Actions Conduct a 'green energy' study to quantify potential energy capacity of briquettes; possibility of replacing indigenous logs with woodlots, briquettes and biogas from biodigesters for processing; climate and environmental savings from waste to wealth. | NPMU | 10/2019 |
| Upscale waste to wealth activities Waste to Wealth Upscale waste to wealth activities Organize learning route on waste to wealth – e.g. to Niger state that is ahead in technology use and job creation | | |
| Track mainstreaming activities Tracking mainstreaming achievement Develop a framework for tracking environmental and climate mainstreaming achievements across other components | NPMU | |

Exit Strategy

Rating: 6

Previous rating: 5

Justification of rating

The exit strategy of VCDP continues to build primarily on the establishment and sustainability of different layers of FOs and the multi-stakeholders' CAF. The CAF contribute through various linkages with private and public actors to provide services mostly business transaction, policy dialogue, conflict resolution and knowledge sharing to their members. In addition, the Apex Value Chain Groups, which have been established to strengthen FOs, and the infrastructure O&M committees are among the exit windows of VCDP. The partnership with the big and medium off-takers has also proven to be a strategic exit as some of the partners like Olam has begun expanding VCDP approach to other states without VCDP involvement. Despite the performance, VCDP should continue to strengthen the CAF strategy.

Main issues

Main issues

The Programme documented an exit strategy, which is currently being operationalized through a detailed capacity building action plan aimed at strengthening CAF, AVCG, FOs, and other key stakeholders to ensure that they become autonomous by programme end.

The programme continues with the innovative 4P model through CAF. CAF discusses the needs of the VC stakeholders, including challenges and measures to overcoming them. CAF is continuing to work as a reliable instrument for replication and scale-up of best practices in commodity value chain development; however, CAF needs to be strengthened to enhance their capacity as the exit window for the programme.

The CAF showed resilience during the COVID-19 pandemic, as it was used to sensitize other farmers and community members on the mitigation measures. Some CAF provided market to the government and philanthropists who relied on their processed rice and garri products to supply food palliatives to the rural poor during the lockdown occasioned by COVID-19.

Promotion of contractual linkages between FOs and private off-takers and the linkages with formal FSPs are central for the exit of VCDP and for the sustainability of the outcomes of the programme.

CAF is still subsidy-dependent and will need an autonomous and sustainable business plan by programme end.

With COVID-19, formal FSPs are reluctant to grow their agricultural lending portfolio, especially if they will be compelled to reduce interest rates further or be asked to give grace periods for loan repayments.

Lack of an effective financial inclusion strategy implies that there might be constraints on liquidity to VCDP beneficiaries to invest in their enterprises after exiting programme matching grants.

VCDP is yet to come up with an alternative business model for extension services to the farmers. While this may be challenging considering the premium on productivity increase, the use of SMEs as cohorts to provide extension services to smallholder farmers is encouraged as an exit strategy. The embedded extension business model is rooted in private extension provision principle, but in this case, the cohorts are the receivers and vehicles that carry extension messages to smallholder farmers. It works by ensuring that the cohorts understand the most impactful practices for the smallholder farmer and having the capacity and skill to deliver the good news to their business patronage.

| Agreed Action | Responsibility | Agreed Date |
|--|-----------------------|--------------------|
| Capacity Building Action Plan Strengthen the capacity of CAFs, FOs and FSPs: Develop viable business plans for CAFs based on their income generating activities | NPMU / SPMU | 09/2019 |
| Promote good practices Identify most impactful practices Engage consultants to identify and define the most impactful practices in the commodity chain | NPMU / SPMU | |

Potential for Scaling-up

Rating: 5

Previous rating: 5

Justification of rating

The potential for scaling up of VCDP approach continues to remain high, as demonstrated by reaching out to more states under AF1, partnership with projects from other development partners like AfDB-SAPZ and partnership with big business like Olam which has replicated VCDP approach in Plateau state, as well as adoption of VCDP off-taker model in other commodities and locations in Niger and Benue State, adoption of CAF by other states including through CASP in the North and Government's buy-in in the use of weight and measures in other commodities. CAF has deployed FO leaders in communities to facilitate awareness creation during the COVID-19 pandemic, without VCDP intervention. This demonstrated VCDP potential to deploy its tools to disseminate messages that benefit rural communities.

Main issues

Main issues

The innovative market driven 4P approach is very successful with the rice value and less so with the cassava value chain. The market-driven approach is not yet adopted in other agricultural VCs, which means that more effort needs to be deployed to the other food VCs to demonstrate that scaling up is taking place. CAF at all levels, including at national level, need to play a strong role in policy advocacy, with VCDP support.

Against the expectation of AF1, the expansion vision as conceived did not commence during the reporting period due to the outbreak of COVID-19. While new farmers and states have come on-board signifying expansion, the CAF is not yet created in those new areas, range of market players in off-takers remains limited, especially for cassava. No attempt was made during the reporting period to begin to tackle this challenge, mainly due to the outbreak of COVID-19 and change of leadership in the government system. However, VCDP continued to receive proposals from various organizations, such as AFEX and Young Agricultural Producer Marketers, seeking for partnership to learn the principle, practices and operations of CAF in order to establish their model of CAF to service their needs. While this is a good outcome, in the context of scale-up and sustainability of VCDP model, the mission advises for partnerships that enables VCDP to provide limited supervision on the various CAF on a specified short timeframe to ensure quality.

There is also a threat on scale-up arising from lack of government counterpart, especially at the federal level, which is presently compounded by a shrink in government revenue from the oil sector. This places the window of scale-up more on the private sector and ability for VCDP to carry the message wide through advocacy and orchestrated knowledge sharing fares.

CAF as part of the exit strategy needs to develop a strategic business plan and harmonize their operational guidelines across all the VCDP participating states.

Lessons learned and good practices of this AF1 phase need to be disseminated. Lessons to be disseminated should include i) setting up clear selection criteria (economic/value for money, social, technical, environmental and financial) that will guide development of targeted facilities (location, type and size); ii) introduction of environment and climate resilience activities throughout the implementation process; iii) quality and performance improvement of design and supervision framework; iv) partnership with government institutions like NWRI; v) setting up a more sustainable system of routine (labour-based) maintenance of rehabilitated Feeder roads.

c. Project Management

| Quality of Project Management | Rating: 4 | Previous rating: 5 |
|-------------------------------|-----------|--------------------|
|-------------------------------|-----------|--------------------|

Justification of rating

Within its ability and under high turnover of PCU leadership and change of national programme coordinator, VCDP management continued to demonstrate commitment in delivering result-focused implementation. There were frequent management meetings, but coordination with state government and the private sector was affected. Monitoring of field activities was active to implementation on track. The communication and knowledge sharing produced several knowledge products and provided feedback from stakeholders. Counterpart fund provision did not improve at federal level while no new states made any commitments. Financial disbursement for AF1 was at 0%, however, VCDP proactively deployed financial resources from original loan to facilitate some tangible activities under AF1 in the new locations.

Main issues

Main issues

Key factor for commendable and in many instances innovative achievements is the 4P overall approach of the Programme, with Private sector and Farmers Organizations being the main drivers, as demonstrated by the fact that Offtakers and farmers representatives are chairing and vice chairing the CAF. This approach seems to be widely shared and promoted by the staff at NPMU and SPMU levels. The Programme is leveraging on numerous effective partnerships to deliver outputs and outcomes (see section on Partnership building), and these partnerships are overall effective and providing expected results.

The process of engagement of Senior Management Staff for the 3 new States needs to be finalized urgently, as well as arrangements for provision of office space. Engagement of outstanding positions of Procurement Officer, State Infrastructure Officer, and Support Staff should be concluded by end of June, 2020.

There is need to urgently fill vacant positions at NPMU including the Market Development Advisor, one Market development officer, a procurement officer and two accountants, as well as Climate change/environment and Nutrition experts. The positions for CPAT specialists have been advertised (Climate change and environment, Nutrition and Financial inclusion). Advisory support by CPAT will be key to support adequate mainstreaming for these three areas in VCDP.

Progress reports are informative but could be improved in terms of analysis of outcomes and lessons learnt, at least on a half yearly basis. While efforts have been invested in producing strategy documents, the quality of these documents is not always of a level of the expected quality, such as the case with the gender and youth strategy produced for VCDP in the period under supervision. Such documents should provide comprehensive analyses of the matter in hand in the context of the Programme and provide clear and understandable guidance on what to do to and how to manage recommended interventions (plan, implement, monitor/evaluate, learn and share / influence practices and policies).

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| Fill vacant positions Finalize recruitment of vacant positions at NPMU and States levels | NPMU / SPMU | 09/2020 |
| Make AF1 Effective in the 3 new states Fast track implementation of Additional Financing in the 3 new states. The AF1 is not effective and will not get the numbers unless it is fully effective in the 3 new states and new local government areas of the original 6 states. | NMPU/SMPU | 11/2020 |
| Improve quality of reporting Progress reports Improve analysis of outcomes and lessons learnt, at least on a half yearly basis | NPMU / IFAD | 02/2021 |

Knowledge Management

Rating: 4

Previous rating: 4

Justification of rating

VA KM strategy is available with specific plans for capturing, documenting and disseminating knowledge accrued through project implementation for sharing with stakeholders. VCDP developed KM products as planned in the strategy such as success stories. Over the last year 58 Knowledge products were developed and 12 knowledge sharing workshops conducted. A radio jingle on VCDP products and activities was aired on major radio stations across VCDP states to sensitize farmers, including broadcasting key project messages to beneficiaries and non-beneficiaries in the main local languages. VCDP worked with IFAD on a film-shooting and a photo mission project and provided materials for the IFAD blogs. This brought visibility and showcased the impact of VCDP on the lives of the beneficiaries.

Main issues

Main issues

The AF1 is using the already VCDP developed knowledge management strategy to guide its knowledge management and communication work. Although the strategy is being operationalized and has yielded positive results in terms of knowledge outputs and outcomes, the mission noted that the current strategy is not sufficient for implementing the VCDP Additional Financing. This should be revised and updated with a knowledge capitalization plan to align with VCDP AF focus.

The project continues to generate knowledge products including programme success stories and innovations, radio jingles, TV programmes and reports, newsletters, photo stories, documentaries, sensitization flyers, infographics etc., to share knowledge with the stakeholders and public. However, the mission observed that VCDP has continued to miss the opportunity of state and national stakeholders' workshops to lure the interest of policy makers and development partners in the programme for possible upscaling. VCDP runs the risks of losing the credit and leadership role it deserves in value chain development for Nigeria if the situation persists. The mission recommends the programme to engage in knowledge events to transfer programme generated knowledge for replication and policy dialogues that will cause a country-level policy engagement and upscaling of the project successful initiatives.

There is need to strengthen the programme's online presence by strategically using the programme website and social media networks to create visibility for the programme activities and achievements. These new media tools will allow more timely, regular and concise dissemination of content that audiences can absorb more easily. VCDP has a website, however, the smooth running of the website is being truncated because the site lacks technical flexibility, which prevents simple attempts to tweak its general look and feel, or add other web elements to make the site richer and interactive. Inconsistencies experienced with the site's operation and low aesthetics in its look and feel points to the fact that the site requires a complete overhaul. The mission recommends developing a new website based on current web technology to enhance information dissemination and create visibility for the programme.

| Agreed Action | Responsibility | Agreed Date |
|---|-------------------------|--------------------|
| Online Platforms Online Platforms Redesign and populate VCDP website and regularly update social media platforms | CKM Advisor | 11/2020 |
| Knowledge Events Develop a log of knowledge products and Organise intra/inter knowledge sharing events and policy dialogues at state and national levels | M&E/KMC Advisor | 02/2021 |
| Capacity building training for KM officers Capacity Building Build capacity of KM officers at NPMU and State on video production, photography and use of new media tools | NPC / SPC / KMC Advisor | 02/2021 |

Value for Money

Rating: 4

Previous rating: 4

Justification of rating

VCDP has increased productivity by up to 100% for rice and 80% for cassava, thereby reducing cost of operations and increasing profit margin for the farmers. VCDP has contributed significantly to Nigeria's domestic food basket by increasing production for rice from 12,128 MT in 2015 to 495,720 MT in 2019, and for cassava from 17,138 MT to 653,843 MT. This is equivalent to USD 2.38 million in 2015 to USD 243.90 million in 2019 for rice, and USD 0.53 million to USD 46.20 million for cassava. VCDP approach has been effective in targeting the poorest and the remote villages, including women and youth. VCDP has contributed to the creation of 12,797 jobs (39% for women, 42% for youths), including 1,297 under AF1. Most of the operations are climate smart and sustainable.

Main issues

Main issue

The current financial system is still not fully programmed and integrated into the M&E system to track the cost of each programme output. IFAD provided additional financing of USD89.1 million to expand VCDP coverage within the six participating states and increase its outreach to three new states (Nasarawa, Kogi and Enugu). The additional finance increases the number of targeted beneficiaries to 100,000 up from 63,000 in the first phase. At the time of this reporting, only 0% of AF1 had been disbursed due to the several reasons stated earlier. However, it suffices to note that between March 2019 and December 2019, there was an overlap in the implementation of the original VCDP financing and AF1. During this period, VCDP proactively deployed some financial resources from the original loan to facilitate the effectiveness of AF1. Thus, while there is 0% draw-down in the AF2018, yet there is evidence of implementation of some appreciable level of AF1 activities. Hence, the programme interventions have had positive effects on agricultural enterprises at group and individual levels.

From the log frame and effectiveness analysis, 13 months have elapsed since effective date of AF1 (March 2019 – March 2020). The elapsed period represents around 29% of the total AF1 period (45 months over the period March 2019 – December 2022). The analysis shows that this percentage, used as a proxy to assess overall programme progress, has been achieved only for a few indicators, including number of individuals receiving programme services and number of beneficiaries adopting sustainable and climate resilient practices. The mission however notes that delays in approving 2020 AWPB and negative impact of COVID19 on Programme activities can partially account for this underperformance.

Analysis also shows that performance under AF1 concerning participation of women is lower than performance for men for most of the indicators. The performance regarding youths is mixed, but the mission notes with satisfaction that 51% of the number of youths targeted over AF1 has already been achieved.

Coherence between AWPB and Implementation

Rating: 4

Previous rating: 4

Justification of rating

Following the recommendations of the 7th FGN and IFAD supervision mission, VCDP has streamlined and standardised the template for preparing and analysing AWPB across states. The overall performance of the AWPB for the period April 2019 – June 2020 is 54% (53% as at March 2019) physical and 47% (21% as at March 2019) financial achievements

despite the incidence of COVID-19 and the change in leadership of the federal ministry of agriculture, which stalled implementation for a year. In summary, the mission noted an improvement in the overall performance of the implementation of the AWPB as at December 2020.

AWPB Inputs and Outputs Review and Implementation Progress

AWPB Review

The mission noted the improvement in implementation achievement compared to the levels reached as at March 2019. Thus, as at December 2019, the data indicate a 1.89% increase in physical achievement while financial achievement increased significantly by 123.9%.

| Component | Physical Achievement (Quarter 1, 2019) | Physical Achievement (Quarter 2-4, 2019) | Financial Achievement (Quarter 1, 2019) | Financial Achievement (Quarter 2-4, 2019) |
|----------------|---|---|--|---|
| 1 | 53% | 49% | 20% | 49% |
| 2 | 45% | 43% | 19% | 44% |
| 3 | 58% | 71% | 22% | 49% |
| Overall | 53% | 54% | 21% | 47% |

Implementation in the first half of 2020 has been delayed mainly due to the COVID-19 pandemic, the change in the leadership of the ministry of agricultural, and the recent extensive procedural requirements by the national steering committee^[1]. The revised 2020 AWP&B includes prioritized activities in response to the COVID-19 pandemic. However, due to the extended impact of the COVID-19, the project is anticipating reviewing its 2020 targets in consultation with the technical team. VCDP has also developed action plans to respond effectively and efficiently to the negative impact of the COVID-19 pandemic.

Activities prioritized in response to the COVID-19 pandemic in all the nine states (including the three new states) consist in the provision of PPE/Hand wash/Sanitizers at Processing centres/markets/meeting places; Fumigation of Processing centres/markets/aggregation centres; awareness creation on the COVID-19 prevention measures & Issuance of ID/PASS to Profiled VCDP Smallholder Farmers/Processors/Marketers; facilitate financial credit and grants available to women and young farmers to boost their businesses, facilitate agricultural inputs provision to smallholder farmers, etc. The total budgetary allocation for the COVID-19 activities embedded in the 2020 AWP&B is US\$ 32.33 million (including US\$ 4 million for repurposing service delivery and US\$2.11 million for management and coordination cost at NPMU and SPMU levels).

Main issues

The mission noted some delays on the part of the NPMU in submitting quarterly physical and financial achievements data required for evaluating progress under AF 1. While the AWPB includes quarterly budgetary allocation, quarterly progress report seems to be less prioritized except for the mandatory semi-annual report. For this reason, the mission recommends the following: (i) quarterly reporting of achievement at both state and national levels (ii) AWPB guidelines should be prepared and embedded in the M&E manual highlighting the standard template of the AWP&B, the methodology for all computations, the frequency of reporting (quarterly), lessons learned and strategies for dealing with implementation challenges across components or states.

^[1] For inability of the steering committee to seat and approve the AWPB due to COVID-19, the Minister who chairs the steering committee gave anticipatory approval to the programme's 2020 AWPB. This is to enable the commencement and implementation of prioritized activities in response to the COVID-19 pandemic.

| Agreed Action | Responsibility | Agreed Date |
|---|----------------------------------|--------------------|
| Good reporting Quarterly achievements Prepare and present rigorous quarterly physical and financial achievements | NPMU/M&E officers in each states | 12/2020 |
| AWPB Guideline AWPB guidelines Prepare AWPB guidelines to be incorporated in the M&E manual/PMP. | NPMU | 01/2021 |

Performance of M&E System **Rating: 4** **Previous rating: 4**

Justification of rating

The mission noted with satisfaction the completion of the Performance Monitoring Plan (PMP), the commencement of the recruitment process to fill posts in the three new states and additional Local Government Areas (LGAs), the completion of beneficiary profiling in the new LGAs, and the completion of the baseline survey required under AF 1 & 2. Going forward, the M&E system should be proactive in capturing emerging results (particularly in gender and persons with disability) as the programme expands its outreach. The mission has identified impending issues and plans are underway to resolve these challenges. For example, data collection will be strengthened and the preferred outcome/output indicators will be adopted and retrofitted in line with IFAD's Core Outcome Indicators (COIs).

M&E System Review

M&E system Review

T

VCDP's Performance Monitoring Plan (PMP) is completed and operational following the recommendation of the 6th and 7th FGN and IFAD supervision missions. The scope of the document would clarify the expected impact of the programme and how it will be achieved; narrate how progress and impact will be assessed; gather and analyse the necessary information for tracking progress and impact; explain the reasons for success and failure, and could be used to analyse information to improve future actions. The PMP will be the de facto strategic plan of VCDP's M&E set-up and it is intended to offer practical ideas to help manage for impact. Importantly, VCDP is actively using the M&E task scheduling and Performance Indicator Tracking Table (PITT) of the plan to track schedules and performances, respectively.

Following the expansion of the programme due to the AF 1&2, VCDP proactively conducted the beneficiary listing and baseline survey in the three new additional states and new Local Government Areas (LGAs) in the six original states. The need to expand the labour force of VCDP in response to the expansion of the programme in the new states and Local Government Areas (LGAs) was anticipated. New recruits are expected to assume their role as soon as operations commence in the new states. Due to the mainstreaming of thematic areas namely nutrition, gender, youth and climate, VCDP has incorporated in its results framework new indicators (i.e Minimum Dietary Diversity of Women (MDDW) and Knowledge Attitude and Practice (KAP) that will be used to track and report on progress in the area of nutrition.

The mission noted that the expansion of the programme and the mainstreaming of some thematic areas have widened the results reporting requirement of VCDP. The mission recommends that VCDP review its logframe reflecting on the target of some outcome/output indicators while incorporating new indicators in relation to the thematic areas adopted (climatic change, gender, etc.). The IFAD Core Outcome Indicators (COI) will be fully retrofitted in the logframe before the next mission to ensure good reporting in those areas.

The data quality assurance guide of the PMP will be a helpful guide for the measurement and adherence of indicators, particularly project-specific indicators that are not incorporated in the IFAD COIs framework. That notwithstanding, the mission recommends trainings that will build the capacity of M&E and other technical officers in the measurement of IFAD and project-specific indicators, particularly indicators related to the mainstreaming themes. These trainings should be mandatory for new staffs joining VCDP in the new states and Local Government Areas (LGAs).

| Agreed Action | Responsibility | Agreed Date |
|--|-----------------------|--------------------|
| Training on measurement of IFAD indicators Training on the measurement of IFAD and project-specific outcome indications. The project should take advantage of the training offered by IFAD's WCA COI team. | NPMU | 12/2020 |
| Review Logframe target Review logframe targets Review LG targets. Identify relevant COIs to track emerging results particularly in the mainstreaming areas (for example, gender) | NPMU | 02/2021 |

Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)

Rating: 4

Previous rating: 4

Justification of rating

The SECAP and ESMF to guide climate, environment and social mainstreaming in VCDP were produced for the AF1 and are being implemented. Some good practices consistent with the SECAP and ESMF are being implemented. These include: ESIA for land and market infrastructure development, small irrigation structures, signing-onto crop insurance, waste valorization, etc. However, environmental compliance, climate adaption and social inclusion issues continue to be a challenge as the process of implementation of SECAP and ESMF slowed down after the 100-day Action Plan.

SECAP Review

SECAP Review

The climate and environmental safeguard documents - SECAP and ESMF- have been prepared and are being gradually implemented. The ESMF provided cost to the tune of USD 2,916,528 for implementing various climate, environment and social safeguard activities. The specific activities include: training and capacity building, sensitization, production and uptake of agroclimatic information, risk sharing and transfer, sustainable land management, agrochemical application and pest and disease management, etc. It also provided cost for site specific screening and ESIA for market infrastructure construction, research and baseline studies, waste valorization, etc. It also supports stakeholders' dialogue on resource conflict and land reform.

Status of implementation: The implementation of the ESMF and SECAP document started with the AF1. A number of activities in rice and cassava waste valorization are being piloted. ESIA documents are produced for land development and market infrastructure construction. Trees removed during land development and market infrastructure construction are compensated by tree planting around the plots and around processing facilities. Small irrigation structures are strengthening dry season farming as adaptation to flood. Flood defence structures, crop insurance and crop timing are reducing farmers' vulnerability to flood. Awareness of climate, environment and health issues is getting stronger through sensitizations, demonstrations and advocacy. Conflict resolution and grievance redress is being deepened through CAF. VCDP's land acquisition model deepens social inclusion and access to land by women and youth.

Lessons learned: The 100-day action plan succeeded in kick-starting practical actions towards achieving the requirements of the SECAP and ESMF.

Challenges: Despite the modest success in tackling climate, environment and social issues, flooding, excessive use of fuelwood for processing and farmers-herders conflict leading to heightened insecurity remain. The Fraym 2020 report (prepared for IFAD) on Targeting Cassava and Rice Value Chains in Nigeria noted that the percent of smallholders in VCDP LGAs that live in areas with high erosion risk remains very high and resource conflict between farmers and herders continues to be a high risk. The project land development beneficiaries continue to be dominated by male. Lack of indicators to track environmental and climate compliance activities and progress towards implementation of SECAP and ESMF remains an issue. Non-hiring of qualified climate and environmental specialist at NPMU and SPMU levels to oversee mainstreaming and compliance activities is slowing down progress towards achieving the objectives of the SECAP and ESMF. The NPMU currently has no partnership with the Ministry of Environment. Ogun and Taraba also have no partnership with their Ministries of Environment. This partnership is important towards tracking VCDP's contributions to national GHG emission reductions and Nigeria Nationally Determined Contributions (NDC) to the Paris Climate Agreement.

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| Partnership with Government Strengthen Partnership Ministry of Environment Strengthen Partnership with the Climate Change Department of the Federal Ministry of Environment to track contributions to national GHG emission reductions and NDC | NPMU/SPMU | 02/2020 |
| Reporting Climate Change and Environmental mainstreaming Indicators to track Progress towards SECAP and ESMF Work with ICO to develop acceptable indicators for reporting and tracking of climate and environmental mainstreaming activities | NPMU | 12/2020 |
| Climate Change Action Plan Action Plan for 2020 Develop a climate and environment Action Plan for execution until full mainstreaming activities come on-stream in AF2 in 2021 | NPMU | 12/2020 |

d. Financial Management & Execution

Acceptable Disbursement Rate

Rating: 5

Previous rating: 5

Justification of rating

The additional financing undermines the real disbursement rate. After almost 6 years of project implementation, disbursement is at 90%, with a balance of SDR 4.87 million (about 6.7 million) available at IFAD, which can be disbursed in the next 3-4 months, yielding 100% well before original planned completion date of 31 December 2019. By 31 March 2019, VCDP had successfully processed 38 WAs (USD 60.15 million). There has been an extension to accommodate the approved AF. The new completion and closure dates are 31 December 2022 and 30 June 2023 respectively. However, the IFAD grant has posted nil disbursement to-date. The 0% disbursement under the IFAD grant has slightly affected this rating. Budget execution rates are improving but still fall below the benchmark of at least 75%.

Main issues

Cumulatively, VCDP is performing well at 90% disbursement and having satisfied the requirements for Additional Financing (AF). With USD 6.7 million yet to be disbursed (this can cover only 3-4 months), it is important to fast track the disbursement under the AF. WA 39 in pipeline that is already in IFAD system amount to USD 1.2 million. The existing VCDP bank accounts will be used also for the AF. The accounting software has been fixed but requires to be extended to budget and commitment control. Although, the configuration of the flexible accounting system has been done, reconciliation of posting/ system errors emerging from the past years still not complete with almost USD 5 million that cannot be attributed to components/ sub-components. The 2019 AWPB and PIM are being adjusted to reflect the AF. There are no disbursement conditions stopping the immediate flow of AF funds. However, the current situation is that due to the ongoing recovery of the initial advance (Authorised Allocation) under the old loan without corresponding new advances under the AF, the project is running out of liquidity. Out of the USD 6 million, only USD 2.2 million can be vouched to bank accounts as at 28 February 2019. Obviously the liquidity situation now is much lower given some delay in processing WA 39 due to a small technicality. For all funds recovered or to be recovered under loan 868 NG, IFAD is requested to release new advance under AF in order to maintain the working float at USD 6 million as has been the case. The IFAD grant of USD 500,000 still remains at nil disbursement which is not proper. In 2018 AWPB execution was 60% by year end. Much as there was a considerable improvement over the past years that were recurring achieving budget execution rates in the region of 30-40%, at the same time a score below 75% is less than satisfactory. In 2019, by 31 March 2019, AWPB execution stood at 19% which appears satisfactory so far and should hit the benchmark of at least 75% if this momentum is maintained. Revision of the budget to specifically include or mention AF should be done in realistic manner to include achievable targets.

| Agreed Action | Responsibility | Agreed Date |
|--|---|--------------------|
| Initiate the process of a reallocation of funds under the IFAD loan. To provide the project with the necessary financial flexibility to implement its activities, the mission recommends that part of the Unallocated category of SDR 5.150 million and SDR 1 million from the Salaries and allowances category under the IFAD loan is reallocated as follows: i) to Category 1- SDR 4.2M, ii) Category 4 - SDR 1.7M, iii) Category 6- SDR 0.25M. | PMU, Federal Ministry of Finance and IFAD | 06/2018 |
| Recovery of the Authorised Allocation (AA) | NPMU and IFAD | 12/2018 |
| Approve the reallocation of funds IFAD should implement the decision at MTR to reallocate funds across expenditure categories | IFAD | 12/2018 |
| Revise 2019 AWPB to include AF The 2019 AWPB should be revised to specifically identify the items under AF | NPMU | 05/2019 |
| IFAD grant disbursement Activate the bank accounts for the IFAD grant and apply for an advance of USD 200,000 from IFAD. | NPMU | 05/2019 |
| Disburse advance under the AF to restore VCDP liquidity to USD 6 million For every amount recovered under loan 868 NG there should be a corresponding disbursement under AF in order to maintain the working imprest of USD 6 million. The NPMU should submit a WA of the amount already recovered by IFAD under loan 868 NG. WAs can be submitted considering that the maximum available advance at project level cannot go beyond USD 6 Million | NPMU | 05/2019 |

Fiduciary aspects

Quality of Financial Management

Rating: 3

Previous rating: 3

Justification of rating

The quality of Financial Management arrangements maintained by the NPMU's finance team is deemed adequate and can be relied on to produce correct financial information for key stakeholders. The finance department is inadequately staffed and recruitment of two Finance Officers to complement the upcoming CPAT is recommended by the mission over a year ago is still outstanding. The current team consist of a Financial Controller and an Accountant. This is not adequate for segregation of duties within the finance function. The Internal Auditor has to step in to support disbursement activities (signing as reviewer on payment vouchers instead of the financial controller) to complement the finance unit instead of providing independent reviews to strengthen systems for administrative processes.

Main issues

The key FM issues noted in the mission include (i) the need to disburse the grant component to meet project expenditure, (ii) resolve the issue with the multiple financing option in the flexible accounting system (iii) inadequate back-up of the flexible accounting system. The recommendations of the March 2019 have largely been carried out with the exception of (i) staffing in the NPMU FM unit (ii) strengthen budget control at all cost centres within the flexible accounting software. The project submitted a joint AWPB. Quarterly Financial Reports due for Quarter one and two not submitted to IFAD. Monthly Bank Reconciliations were not prepared on time and not duly signed by the three responsible Staff. NPMU should have copies of signed bank reconciliations and all financial documents from the States so that they have them readily available when needed. Internal Audit function should be diversify and not only limited to post review of payment vouchers. IA reports were submitted to the NPC but there were no records that these reports were acted upon. Internal

Audit function should not be limited to post review of payment vouchers but to all aspect of programme implementation. Staff being paid salaries without valid contracts and IFAD's No Objection.

| Agreed Action | Responsibility | Agreed Date |
|---|---|--------------------|
| Internal auditor should audit monthly FMRs vouching them to the flexible accounting system As part of monthly routine, the Internal Auditor must audit around the flexible accounting system. Vouching FMRs to ledgers. | FC | 12/2018 |
| Strengthen internal audit capacity Train internal auditor in IFAD disbursement processes and also in the mechanics of the flexible software. This action was first recommended in May 2018; it is being repeated for the second time. As of July 2019 FMAQ, Internal Audit still presents weaknesses and requires capacity building. | Flexible software provider IFAD for disbursement training | 01/2019 |
| Substantiate amounts withdrawn but not yet replenished/ claimed from IFAD (DA) Reconciliations (Repeated recommendation) Going forward any amounts on the DA reconciliation included as amounts withdrawn but not yet replenished must always be supported by a substantive breakdown schedule. This action has been reiterated for the second time. | FC | 05/2019 |
| Strengthen budget control at all cost centres within the flexible accounting software Upload into the accounting system well reconciling budgets at each cost centre and use the system to encumber funds at the point of signing contracts. | FC | 05/2019 |
| Resolve issues regarding opening balances in the flexible accounting system. Un-reconciled expenditure of about USD 5 million should be resolved. Also the mis-categorization under Project Management should be resolved (it cannot be at overrun of 230%). This action was recommended for the first time during SM of Nov 2018. It is being repeated for the second time. | FC | 05/2019 |
| Recruit two more finance officers at NPMU As agreed at MTR the two vacant positions at NPMU should be filled. This action has been pending since three times (May 2018 and Nov 2018 Supervision Missions). | NPC | 06/2019 |
| Introduce in-depth management accounting for informed decision and control The finance must move beyond being disbursement officers but provide in-depth management reports including budget vs actual variance analysis, key ratios, expenditure trends by component, category, financiers, etc. | Financial Controller | |

Quality and Timeliness of Audit

Rating: 4

Previous rating: 4

Justification of rating

The audit was submitted on time, the management letter was informative and there was a follow up on the status of implementation of previous recommendations. Auditors did not comment on the non-compliance of the set of financial statements to IPSAS basis. In fact the set of financial statements provided does not include the budget Vs Actuals statement.

| Agreed Action | Responsibility | Agreed Date |
|--|--------------------------|--------------------|
| Strengthen Procurement related processes | Procurement Officer | 12/2019 |
| Coordinate budget and actuals codes | Finance and M&E Managers | 12/2019 |
| set-up an official whistleblowing channel | Project Manager | 12/2019 |

Counterparts Funds

Rating: 3

Previous rating: 3

Justification of rating

Regarding FGN counterpart contribution, there has been no additional contribution way back since MTR. FGN cumulatively contributed Naira 62.3 million (USD 0.2 million out of USD 9.9 million pledged at design). This yields only 2%. With AF coming on board, the demand for counterpart funds will be even higher requiring an additional USD 5.8 million (total original plus AF will now be USD 15.7 million). However, the State and local Governments have contributed Naira 1.5 billion (the equivalent of USD 5.7 million out of USD 10.4 million pledged at design) yielding about 55% cumulatively

Main issues

FGN at 2% is too low. Overall, even the State contributions declined in 2018 relative to 2017 and in earlier years. In 2018, Benue, Ogun and FGN did not make any contributions. In 2019, there is so far no contribution from any State including FGN. With AF the funds to be leveraged, in form of counterparts, are even much higher as tabulated below. Mobilising these funds and reporting on them in the finance and M&E systems is going to be a very uphill task. Systems to achieve this have to be put in place immediately as AF funds start to flow.

| Agreed Action | Responsibility | Agreed Date |
|--|--|--------------------|
| Process Amendment of the financing agreement to increase IFAD share in NPMU salaries to 100% The FA should be amended to increase IFAD share in NPMU salaries to 100%. The remaining FGN contribution should be restricted to taxes and duties. This action has been recommended in previous SM (May 2018) - no follow up has been provided under SM of April 2019. | MOF to request IFAD for an amendment of the Financing agreement. | 12/2018 |
| FGN/States should meet their counterpart obligations This action has already been recommended in the previous SM (Nov 2018) | All States / FGN | 05/2019 |
| Finance and M&E systems should be adapted to accurately record leveraged counterpart funds and beneficiary contributions Sufficient reporting on leveraged counterpart funds and beneficiary contribution is necessary | FC and M&E Officer | 06/2019 |

Compliance with Loan Covenants

Rating: 4

Previous rating: 4

Justification of rating

Not much has been accomplished on the AF1. The recruitment process for the management positions (State Programme Coordinator, Planning, Monitoring and Evaluation Officer and State Accountants) has been completed, clearance received from FMARD and No Objection from IFAD. However, appointment letters are yet to be issued to successful candidates as the NPMU is waiting on the states to renovate and furnish the identified office spaces. The MoU to be signed by the new state are still outstanding and provision of counterpart funds for the three states are still outstanding.

Main issues

Main issues

Counterpart funding remains a recurring issue with minimal contributions from the FGN and states to complement the IFAD Loan

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| Filling of vacant position Finalize recruitment process for key staff Key staff recruitment process for implementation in the 3 new states is still in progress | Admin/HR | 10/2020 |
| Make AF1 Operational in the 3 new states Renovate and furnish office space in 3 new states States to ensure renovation and furnishing of 3 new states for AF1 | NPMU | 10/2020 |
| MoU with new states Memorandum of Understanding to be signed Memorandum of understanding to be signed by the three new states and three Local Government Areas in the six old states and pressurise governments to pay their counterpart funds | NPMU/SPMU | 12/2020 |

Procurement

Procurement

Rating: 4

Previous rating: 4

Justification of rating

The Programme's performance or handling of procurement planning, contract administration and records retention was good. In the generation and editing of bidding documents, there were some noted errors. For the evaluation process, they were material deviations from process and form, especially for the SPMUs.

Procurement Review

Procurement Review

Staffing

The NPMU has not replaced the National Procurement Coordinator who left several months ago. Procurement is managed by the Procurement Assistant who has 7 years procurement experience and has been with the NPMU for 4 years. Because of the level of work that the NPMU has including supervising the work of the Procurement staff of the SPMU, it needs to have at least 2 experienced procurement staff. Each SPMU has a Procurement Officer and a Procurement Assistant. This suffices for the number of procurements they undertake. Based on their documentation and processes, only about 35% of this staff have the knowledge and experience to manage the procurement processes.

Procurement Planning

The Project uses the new IFAD Procurement Plan template, and do effectively split this into the NPMU and SPMU plans. The procurement budgets are mostly adequate, the timelines are realistic and the procurement schedule is consistent with good procurement planning. The Programme is assessed as satisfactory for this criterion.

Bidding Processes

The bidding document for Goods and Works for large value procurement generally follow the IFAD Procurement Guidelines and Handbook. For Shopping the RFQ format used by the NPMU is correct and functional but the SPMUs

have been using an invitation document that does not capture all the necessary and important factors that a solicitation should have. For Consulting Services, the bidding documents are generally consistent with IFAD Procurement Guidelines except for CQS and ICS procurement where the invitation documents used by SPMUs do not carry vital instructions for the bidding process and is usually a short letter with the terms of reference attached. In addition, for most of the time, there seems to be a grave misunderstanding with the bidding process and documentation for firms under CQS and individuals under ICS. The NPMU has also been using a method called the Abridged QCBS which is not congruent. The Programme is assessed as moderately satisfactory for this criterion.

Evaluation and Contract Award

The Evaluation process and documentation continue to be the area where the performance is adverse. About 30% for NPMU and over 50% of the evaluation processes reviewed had flaws, and about half of those percentages represent serious flaws that would have changed the outcome of the award had the processes been done properly. In many cases, the evaluation report does not report on the technical evaluation or the evaluation weights, scores and points are inadequately or inconsistently reported. In at least 3 cases, the SPMU is reviewed as having made awards to the wrong bidder; in one case the contracted price was higher than the evaluated price for no justifiable reason; and in one procurement, there was no evaluation report. The Programme is assessed as unsatisfactory for this criterion.

Contract Management and Administration

The Programme could not be fully evaluated for contract management and administration processes as the supervision mission was remotely carried out. The procurement records however show payment vouchers for most contracts. The Programme is assessed as moderately satisfactory for this criterion.

Record Retention

The Programme could not be fully evaluated for records retention as the supervision mission was remotely carried out. The Programme provided the majority of the documents requested, however. The Programme is assessed as moderately satisfactory for this criterion.

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| Procurement Training to NPMU and SPMU procurement staff Train NPMU and SPMU procurement staff on: - Generation of bidding documents - The full gamut of procurement processes | NPMU | 12/2020 |
| Mentor SPMU on procurement Embedded mentoring of SPMU procurement staff on procurement processes for consulting services | NPMU | 12/2020 |

e. Key SIS Indicators

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|--|------------------|---------------------------|
| Likelihood of Achieving the Development Objective | Rating: 5 | Previous rating: 6 |
|--|------------------|---------------------------|

Justification of rating

VCDP have received two addition finance from IFAD as a result of its performance. The project is on track in achieving its development objectives.

| | | |
|---|------------------|---------------------------|
| Assessment of the Overall Implementation Performance | Rating: 4 | Previous rating: 5 |
|---|------------------|---------------------------|

Justification of rating

VCDP has developed efficient approaches to mitigate impact of the COVID19, mostly using digital tools, including use of social media platforms to pass information to staff and beneficiaries. Many farmers also relied on the Agricultural Market Information System (AMIS) platform to access market information.

F. Agreed Actions

| Agreed Action | Responsibility | Agreed Date |
|---|--|--------------------|
| Development Effectiveness | | |
| Survey Assess causes for lower performance of female smallholders supported by the programme. | Technical component coordinators with Gender and Youth Officer | 02/2019 |
| Irrigation land development Irrigated land development for dry season agriculture Develop irrigated land in southern states especially where the state government is willing to enter into cost-sharing arrangement with VCDP. For a start, the NMPU should liaise with Ebonyi SPMU to arrive at the cost and then agree on the cost-sharing and implementation modalities including time of delivery of the irrigation scheme. | NPMU | 05/2019 |
| Promotion of simple farm machineries Promotion of simple farm machineries Promote the use of simple farm machineries for production and post-harvest activities | NPMU/SPMU | 08/2019 |
| Promote the use of simple farm machineries to attract youth farmers to agriculture Support youth farmers with simple farm machineries and link them to tractor owners for land preparation | SPMU | 11/2019 |
| Develop irrigation facilities for dry season production Develop irrigation facilities for dry season production under a VCDP/State Govt cost sharing arrangement | NPMU | 12/2019 |
| Review/update GALS Strategy Engage consultant expert in GALS to develop the GALS strategy and action plan for VCDP in line with recommendations in the AF2 design | NPMU/SPMU | 01/2020 |
| Training of Youth and Women entrepreneurs Capacity development of rice seed and cassava stem entrepreneurs in new LGAs and States Engage consultants to train youth and women on rice and cassava enterprises in the new LGAs and States Engage more qualified female service providers to train women farmers | NMPU/SPMU | 08/2020 |
| Engage people with disability Further engage project stakeholders to determine all potential opportunities to engage people with disabilities in the project | Gender and Youth Programme Officer | 09/2020 |
| Recruitment Provide implementation support to VCDP on nutrition A prerequisite for this is that nutrition specialists be engaged, as foreseen in the context of AF2. The first activity to be carried out is the development of the nutrition action plan. | Upcoming Nutrition Specialist | 09/2020 |

| | | |
|--|------------------------------------|---------|
| Expand VCDP to 3 new states AF1 is practically effective when implementation starts in the 3 new states. In this regards, the NPMU should make the states operational and provide resources for the staff to work. | NPMU | 09/2020 |
| Review operational strategy Technical support to NPMU to better adjust operational strategies to meet beneficiary needs, and produce a Social Inclusion Strategy | Gender and Youth Programme Officer | 11/2020 |
| Incorporate Nutrition Indicators indicator the Log Frame VCDP will undertake a supplementary baseline and incorporate the standard indicators in the logframe | NPMU / IFAD | 12/2020 |
| Support Groups Conduct a supplementary survey to collect MDD-W and possibly KAP data. | Upcoming Nutrition Specialist | 12/2020 |
| Engage climate and environment specialist Follow-up on Last Supervision Agreed Actions (a) Fast track the engagement of climate and environment specialists (b) Fast-track the MoU with NIMET | NPMU/SPMU | 12/2020 |
| Action Plan for 2020 Action Plan for 2020 Develop a climate and environment Action Plan for execution until full mainstreaming activities come on-stream in AF2 in 2022 | NPMU | 12/2020 |
| Training Provide training to relevant staff for gender transformative programming adapted to the programme. | NPMU/SPMU | 03/2021 |
| Promote the use of climate smart rice and cassava varieties in flood and drought prone areas Provide flood and drought tolerant rice and cassava varieties for farmers | SPMU | 08/2021 |
| Insurance Adaption through 'No Regrets' Option Work with farmers (both rice and cassava) and processors to ensure investments are insured | NPMU/SPMU | 08/2021 |
| Sustainability and Scaling up | | |
| Capacity Building Action Plan Strengthen the capacity of CAFs, FOs and FSPs: Develop viable business plans for CAFs based on their income generating activities | NPMU / SPMU | 09/2019 |

| | | |
|---|-------------|---------|
| Conduct a 'green energy' study RFollow-up on Last Supervision Agreed Actions Conduct a 'green energy' study to quantify potential energy capacity of briquettes; possibility of replacing indigenous logs with woodlots, briquettes and biogas from biodigesters for processing; climate and environmental savings from waste to wealth. | NPMU | 10/2019 |
| CAF Strategy Engage a consultant to conduct research on farmer's willingness to pay for services of private extension services | NPMU | 12/2019 |
| Expand CAF Establish CAF in new States and LGAs Leverage on the quality and strength of the best CAFs and FOs in VCDP and facilitate the formation of CAF in new states and LGAs | NPMU/SPMU | 10/2020 |
| CAF Performance Assessment Conduct a CAF performance assessment across the states to document success and capacity gaps | NPMU/SPMU | 11/2020 |
| CAF Assessment Assessment of CAF services Conduct an assessment of the perception by the Project beneficiaries of the services and support provided by the CAF. This should be done during regular interaction with the beneficiaries | NPMU/SPMU | 11/2020 |
| Market Assessment for cassava value chain Conduct a market assessment on cassava Engage consultants to conduct location specific studies to identify market players and cassava products on their needs for each location. | NPMU | 12/2021 |
| Engage qualified service providers Engage qualified service providers Award performance-based contracts to SPs following due diligence for effective service delivery | NPMU / SPMU | |
| Promote good practices Identify most impactful practices Engage consultants to identify and define the most impactful practices in the commodity chain | NPMU / SPMU | |
| Adopt Deliverable-based payment Payment of SPs Tie payment of SPs to attestation of good performance in the following ratios: 40% first tranche, 30% second tranche and 30% third tranche | NPMU/SPMU | |
| Monitor and supervise implementation Monitoring and supervision Constitute a monitoring team for on-the-spot assessment Motivate SPs delivering quality services (plaque, etc) | NPMU/SPMU | |

| | | |
|---|----------------------------------|---------|
| Upscale waste to wealth activities Waste to Wealth Upscale waste to wealth activities Organize learning route on waste to wealth – e.g. to Niger state that is ahead in technology use and job creation | | |
| Track mainstreaming activities Tracking mainstreaming achievement Develop a framework for tracking environmental and climate mainstreaming achievements across other components | NPMU | |
| Project Management | | |
| Partnership with Government Strengthen Partnership Ministry of Environment Strengthen Partnership with the Climate Change Department of the Federal Ministry of Environment to track contributions to national GHG emission reductions and NDC | NPMU/SPMU | 02/2020 |
| Fill vacant positions Finalize recruitment of vacant positions at NPMU and States levels | NPMU / SPMU | 09/2020 |
| Make AF1 Effective in the 3 new states Fast track implementation of Additional Financing in the 3 new states. The AF1 is not effective and will not get the numbers unless it is fully effective in the 3 new states and new local government areas of the original 6 states. | NMPU/SMPU | 11/2020 |
| Online Platforms Online Platforms Redesign and populate VCDP website and regularly update social media platforms | CKM Advisor | 11/2020 |
| Good reporting Quarterly achievements Prepare and present rigorous quarterly physical and financial achievements | NPMU/M&E officers in each states | 12/2020 |
| Training on measurement of IFAD indicators Training on the measurement of IFAD and project-specific outcome indications. The project should take advantage of the training offered by IFAD's WCA COI team. | NPMU | 12/2020 |

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|---|---|---------|
| Reporting Climate Change and Environmental mainstreaming Indicators to track Progress towards SECAP and ESMF Work with ICO to develop acceptable indicators for reporting and tracking of climate and environmental mainstreaming activities | NPMU | 12/2020 |
| Climate Change Action Plan Action Plan for 2020 Develop a climate and environment Action Plan for execution until full mainstreaming activities come on-stream in AF2 in 2021 | NPMU | 12/2020 |
| AWPB Guideline AWPB guidelines Prepare AWPB guidelines to be incorporated in the M&E manual/PMP. | NPMU | 01/2021 |
| Improve quality of reporting Progress reports Improve analysis of outcomes and lessons learnt, at least on a half yearly basis | NPMU / IFAD | 02/2021 |
| Knowledge Events Develop a log of knowledge products and Organise intra/inter knowledge sharing events and policy dialogues at state and national levels | M&E/KMC Advisor | 02/2021 |
| Review Logframe target Review logframe targets Review LG targets. Identify relevant COIs to track emerging results particularly in the mainstreaming areas (for example, gender) | NPMU | 02/2021 |
| Capacity building training for KM officers Capacity Building Build capacity of KM officers at NPMU and State on video production, photography and use of new media tools | NPC / SPC / KMC Advisor | 02/2021 |
| Financial Management & Execution | | |
| Initiate the process of a reallocation of funds under the IFAD loan. To provide the project with the necessary financial flexibility to implement its activities, the mission recommends that part of the Unallocated category of SDR 5.150 million and SDR 1 million from the Salaries and allowances category under the IFAD loan is reallocated as follows: i) to Category 1- SDR 4.2M, ii) Category 4 - SDR 1.7M, iii) Category 6- SDR 0.25M. | PMU, Federal Ministry of Finance and IFAD | 06/2018 |
| Recovery of the Authorised Allocation (AA) | NPMU and IFAD | 12/2018 |
| Approve the reallocation of funds IFAD should implement the decision at MTR to reallocate funds across expenditure categories | IFAD | 12/2018 |

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| <p>Process Amendment of the financing agreement to increase IFAD share in NPMU salaries to 100%</p> <p>The FA should be amended to increase IFAD share in NPMU salaries to 100%. The remaining FGN contribution should be restricted to taxes and duties.</p> <p>This action has been recommended in previous SM (May 2018) - no follow up has been provided under SM of April 2019.</p> | MOF to request IFAD for an amendment of the Financing agreement. | 12/2018 |
| <p>Internal auditor should audit monthly FMRs vouching them to the flexible accounting system</p> <p>As part of monthly routine, the Internal Auditor must audit around the flexible accounting system. Vouching FMRs to ledgers.</p> | FC | 12/2018 |
| <p>Strengthen internal audit capacity</p> <p>Train internal auditor in IFAD disbursement processes and also in the mechanics of the flexible software.</p> <p>This action was first recommended in May 2018; it is being repeated for the second time. As of July 2019 FMAQ, Internal Audit still presents weaknesses and requires capacity building.</p> | Flexible software provider IFAD for disbursement training | 01/2019 |
| <p>Substantiate amounts withdrawn but not yet replenished/ claimed from IFAD (DA) Reconciliations (Repeated recommendation)</p> <p>Going forward any amounts on the DA reconciliation included as amounts withdrawn but not yet replenished must always be supported by a substantive breakdown schedule.</p> <p>This action has been reiterated for the second time.</p> | FC | 05/2019 |
| <p>Strengthen budget control at all cost centres within the flexible accounting software</p> <p>Upload into the accounting system well reconciling budgets at each cost centre and use the system to encumber funds at the point of signing contracts.</p> | FC | 05/2019 |
| <p>Resolve issues regarding opening balances in the flexible accounting system.</p> <p>Un-reconciled expenditure of about USD 5 million should be resolved. Also the mis-categorization under Project Management should be resolved (it cannot be at overrun of 230%).</p> <p>This action was recommended for the first time during SM of Nov 2018. It is being repeated for the second time.</p> | FC | 05/2019 |
| <p>FGN/States should meet their counterpart obligations</p> <p>This action has already been recommended in the previous SM (Nov 2018)</p> | All States / FGN | 05/2019 |
| <p>Revise 2019 AWPB to include AF</p> <p>The 2019 AWPB should be revised to specifically identify the items under AF</p> | NPMU | 05/2019 |

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| IFAD grant disbursement Activate the bank accounts for the IFAD grant and apply for an advance of USD 200,000 from IFAD. | NPMU | 05/2019 |
| Disburse advance under the AF to restore VCDP liquidity to USD 6 million For every amount recovered under loan 868 NG there should be a corresponding disbursement under AF in order to maintain the working imprest of USD 6 million. The NPMU should submit a WA of the amount already recovered by IFAD under loan 868 NG. WAs can be submitted considering that the maximum available advance at project level cannot go beyond USD 6 Million | NPMU | 05/2019 |
| Recruit two more finance officers at NPMU As agreed at MTR the two vacant positions at NPMU should be filled. This action has been pending since three times (May 2018 and Nov 2018 Supervision Missions). | NPC | 06/2019 |
| Finance and M&E systems should be adapted to accurately record leveraged counterpart funds and beneficiary contributions Sufficient reporting on leveraged counterpart funds and beneficiary contribution is necessary | FC and M&E Officer | 06/2019 |
| Strengthen Procurement related processes | Procurement Officer | 12/2019 |
| Coordinate budget and actuals codes | Finance and M&E Managers | 12/2019 |
| set-up an official whistleblowing channel | Project Manager | 12/2019 |
| Filling of vacant posiiton Finalize recruitment process for key staff Key staff recruitment process for implementation in the 3 new states is still in progress | Admin/HR | 10/2020 |
| Make AF1 Operational in the 3 new states Renovate and furnish office space in 3 new states States to ensure renovation and furnishing of 3 new states for AF1 | NPMU | 10/2020 |
| Procurement Training to NPMU and SPMU procurement staff Train NPMU and SPMU procurement staff on: - Generation of bidding documents - The full gamut of procurement processes | NPMU | 12/2020 |
| Mentor SPMU on procurement Embedded mentoring of SPMU procurement staff on procurement processes for consulting services | NPMU | 12/2020 |

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| <p>MoU with new states</p> <p>Memorandum of Understanding to be signed Memorandum of understanding to be signed by the three new states and three Local Government Areas in the six old states and pressurise governments to pay their counterpart funds</p> | NPMU/SPMU | 12/2020 |
| <p>Introduce in-depth management accounting for informed decision and control</p> <p>The finance must move beyond being disbursement officers but provide in-depth management reports including budget vs actual variance analysis, key ratios, expenditure trends by component, category, financiers, etc.</p> | Financial Controller | |

Nigeria

Value Chain Development Programme

Supervision Report

Logical Framework

Mission Dates: 25 May to 20 June 2020

Document Date: 21/08/2020

Project No. 1100001594

Report No. 5480-NG

West and Central Africa Division
Programme Management Department

Value Chain Development Programme

Logical Framework

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions | | | |
|-------------------|---|----------|----------|------------|----------------------|--------------------------|----------------------------|-----------------------|-----------|----------------|-------------|------|--------|-----|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | | | | |
| Outreach VCDP | 1.b Estimated corresponding total number of households members | | | | | | | | | | | | | |
| | Household members | | | 320 880 | | 666 264 | 207.6 | | | | | | | |
| | 1.a Corresponding number of households reached | | | | | | | RIMS | annual | PMU | | | | |
| | Women-headed households | | | 53 480 | | 70 558 | 131.9 | | | | | | | |
| | Non-women-headed households | | | | | 40 486 | | | | | | | | |
| | Households | | | | | 111 044 | | | | | | | | |
| | 1 Persons receiving services promoted or supported by the project | | | | | | | | | | | RIMS | annual | PMU |
| | Females | | | 21 392 | | 41 617 | 194.5 | | | | | | | |
| | Males | | | 32 088 | | 69 427 | 216.4 | | | | | | | |
| | Young | | | 13 370 | | 14 536 | 108.7 | | | | | | | |
| | Not Young | | | | | 0 | | | | | | | | |
| | Indigenous people | | | | | 0 | | | | | | | | |
| | Non-Indigenous people | | | | | 0 | | | | | | | | |
| | Total number of persons receiving services | | | 53 480 | | 111 044 | 207.6 | | | | | | | |
| | Groups receiving project services | | | | | | | RIMS | annual | PMU | | | | |
| | Outreach groups | | | 2 674 | | | | | | | | | | |
| | | | | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|--|---|----------|----------|------------|----------------------|--------------------------|----------------------------|---|--------------------|----------------|---|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| Project Goal Rural poverty reduced, food security increased and accelerated economic growth achieved on a sustainable basis | HH below the poverty line (international poverty line of USD 2.00/day) in target LGA | | | | | | | Baseline plus mid-term and end -line survey (control and treatment) | 2 per project life | PMU | |
| | Households | | | 15 | | | | | | | |
| | reduction in number of people undernourished in target LGAs | | | | | | | UNICEF reports | 2 per project life | PMU | |
| | Undernourished | | | 25 | | | | | | | |
| | real agricultural GDP growth rate increased in target LGA | | | | | | | ADP Reports | 2 per project life | PMU | |
| | GDP growth | | | 5 | | | | | | | |
| | Child malnutrition: boys/girls | | | | | | | RIMS 3 | 2 per project life | PMU | |
| | RIMS 3: Height for age | 28.1 | | | | | | | | | |
| | RIMS 3: weight for age | 16.1 | | | | | | | | | |
| | RIMS 3: weight for height | 7.4 | | | | | | | | | |
| Development Objective Incomes and food security of poor rural HH engaged in production, processing and marketing of rice and cassava in the targeted LGAs of the 6 targeted states enhanced on a sustainable basis | VCDP supported beneficiaries (SH, farmers, processors and maketers) have increased their real agricultural income (by average 25 %) in the programme area | | | | | | | Baseline & impact assessment; annual results assessment with HH survey; | annual | PMU | Socio-economic stability in the country |
| | HH with increased real agricultural income | | | 50 | | | | | | | |
| | increase in number of HH asset index by PY 6 in the programme area | | | | | | | Baseline & impact assessment; annual results assessment with HH survey; | 2 per project life | PMU | |
| | HH asset | | | 10 | | | | | | | |
| | reduction in the prevalence of child malnutrition | | | | | | | UNICEF Statistics | 2 per project life | PMU | |
| | child malnutrition | | | 0 | | | | | | | |
| | increase in HH food security in target LGAs | | | | | | | Baseline & impact assessment; | 2 per project life | PMU | |
| | HH food security | | | 25 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|--|--|----------|----------|------------|----------------------|--------------------------|----------------------------|--|--------------------------------|-----------------------|--|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Women's Empowerment in Agriculture Index (pro-WEAI) | | | | | | | COI, Pro WEAI | baseline, mid term, completion | PMU, service provider | |
| | Females | | | | | | | | | | |
| Outcome Increased value addition and access to markets realised by beneficiary SH farmers as well as small and medium-scale processors | surplus production of cassava and rice being sold to markets by SH farmers and their Farmer Organisations | | | | | | | Published yield and price data; agro-industry & market surveys; rural HH surveys | 2 per project life | PMU | Government policy supports/favours the emergence of strong VC professional organisations; market prices remain above 2006 levels; access to finance for Fos and VC operators progressively grows |
| | Surplus | | | 75 | | | | | | | |
| | cassava and rice produced by SH processed and sold at a agreed standard by a buyer | | | | | | | Published yield and price data; agro-industry & market surveys; rural HH surveys | 2 per project life | PMU | |
| | Produce with buyer | | | 50 | | | | | | | |
| | contractual arrangements formalized and is being upheld between targeted producers and processors | | | | | | | Published yield and price data; agro-industry & market surveys; rural HH surveys | 2 per project life | PMU | |
| | Contractual arrangements | | | 36 | | | | | | | |
| Output Improved market linkage and increased market information | national trade promotion organised (per year) | | | | | | | Farmer Survey | annual | PMU | |
| | Trade promotion | | | 1 | | | | | | | |
| | state trade activity organised (per year) | | | | | | | Farmer Survey | annual | PMU | |
| | Trade activity | | | 6 | | | | | | | |
| | state innovation platforms formed (per year) | | | | | | | Farmer Survey | annual | PMU | |
| | Innovation platform | | | 6 | | | | | | | |
| | meetings organised (per year) | | | | | | | Farmer Survey | annual | PMU | |
| | Meeting | | | 12 | | | | | | | |
| | target SH use some market information generated by an Agricultural Information System by PY 5 (60% of target SH) | | | | | | | Agricultural Marketing Information System | annual | PMU | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|-------------------|--|----------|----------|------------|----------------------|--------------------------|----------------------------|------------------------|-----------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Agricultural Information System | | | 32 080 | | | | | | | |
| | MoU signed between Fos and processors | | | | | | | Contractual agreements | annual | PMU | |
| | MoU | | | 60 | | | | | | | |
| | Enterprises accessing facilitated financial services | | | | | | | RIMS | annual | PMU | |
| | Enterprises | | | 2 674 | | | | | | | |
| | Marketing groups formed/strengthened | | | | | | | RIMS | annual | PMU | |
| | Marketing groups | | | 40 | | | | | | | |
| | Marketing groups formed/strengthened with women in leadership positions | | | | | | | RIMS | annual | PMU | |
| | Female leadership | | | 10 | | | | | | | |
| | People in marketing groups formed/strengthened | | | | | | | RIMS | annual | PMU | |
| | Males | | | 480 | | | | | | | |
| | Females | | | 320 | | | | | | | |
| | 2.1.2 Persons trained in income-generating activities or business management | | | | | | | RIMS | annual | PMU | |
| | Females | | | 7 890 | | 15 210 | 192.8 | | | | |
| | Males | | | 9 590 | | 13 099 | 136.6 | | | | |
| | Indigenous people | | | | | 0 | | | | | |
| | Non-Indigenous people | | | | | 0 | | | | | |
| | Young | | | 9 000 | | 8 422 | 93.6 | | | | |
| | Not Young | | | | | 0 | | | | | |
| | Persons trained in IGAs or BM (total) | | | 17 480 | | 28 309 | 162 | | | | |
| | People trained in post production, processing and marketing | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|---|--|----------|----------|------------|----------------------|--------------------------|----------------------------|---|-----------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Total | | | 9 000 | | | | | | | |
| | Males | | | 4 610 | | | | | | | |
| | Females | | | 3 070 | | | | | | | |
| | Staff of service providers trained | | | | | | | RIMS | annual | PMU | |
| | Males | | | 12 | | | | | | | |
| | Females | | | 12 | | | | | | | |
| | 2.1.1 Rural enterprises accessing business development services | | | | | | | | | | |
| | Rural enterprises | | | 874 | | 1 462 | 167.3 | | | | |
| Output Value addition technology promoted | processors trained in recommended technologies | | | | | | | Programme ME/progress reports, supervision reports, MTR, completion reports | annual | PMU | |
| | Processors | | | 7 680 | | | | | | | |
| | target SH (50% of 45 000 SH) adopt improved processing & storage technique | | | | | | | Programme ME/progress reports, supervision reports, MTR, completion reports | annual | PMU | |
| | HH | | | 22 500 | | | | | | | |
| | service providers (consultants/firms) for market linkages trained | | | | | | | Programme ME/progress reports, supervision reports, MTR, completion reports | annual | PMU | |
| | Service Providers | | | 24 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|--|---|----------|----------|------------|----------------------|--------------------------|----------------------------|---|--------------------|----------------|---|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| Outcome Demand-driven infrastructure investments for improved access to marketes realised and sustainably managed by the beneficiary organisations | targeted processing clusters (60% of a total of 108) have been supported with at least one piece of equipment | | | | | | | Programme ME/progress reports, supervision reports, MTR, completion reports | annual | PMU | LGCs and State Govt provide adequate funds and mechanisms for infrastructure repair and maintenance; effective FO management arrangements for infrastrucuture are sustained |
| | Cluster | | | 65 | | | | | | | |
| | programme-financed infrastructure developed and operational for 3 years after provision (Arrangements for the operation and maintenance (O&M) of market infrastructure equipment) | | | | | | | Programme ME/progress reports, supervision reports, MTR, completion reports | annual | PMU | |
| | Infrastructure | | | 70 | | | | | | | |
| | reduction in post-harvest losses for rice, cassava achieved | | | | | | | Programme ME/progress reports, supervision reports, MTR, completion reports | annual | PMU | |
| | Losses reduced | | | 65 | | | | | | | |
| Output Access to roads and water supply | 2.1.5 Roads constructed, rehabilitated or upgraded | | | | | | | Contract reports, RIMS | Annual | PMU | |
| | Length of roads | | | 300 | | 475 | 158.3 | | | | |
| | new water supply schemes linked to cassava and rice VC constructed by PY 3 | | | | | | | contract reports, Beneficiary perception surveys | 2 per project life | PMU | |
| | Water supply scheme | | | 108 | | | | | | | |
| | people in programme communities have adequate access to safe and sustainable drinking water | | | | | | | Beneficiary perception surveys | 2 per project life | PMU | |
| | Drinking water | | | 8 100 | | | | | | | |
| | Bridges by PY 3 | | | | | | | Contract reports | annual | PMU | |
| | Bridge | | | 120 | | | | | | | |
| | Culverts by PY 3 | | | | | | | Contract reports | annual | PMU | |
| | Culvert | | | 210 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|---|--|----------|----------|------------|----------------------|--------------------------|----------------------------|------------------------|-----------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Markets by PY 3 | | | | | | | Contract reports | annual | PMU | |
| | Market | | | 60 | | | | | | | |
| | Stalls by PY 3 | | | | | | | Contract reports | annual | PMU | |
| | Stall | | | 300 | | | | | | | |
| | Drinking water systems constructed/rehabilitated | | | | | | | RIMS | annual | PMU | |
| | Water system | | | 108 | | | | | | | |
| Output Marketing, processing and storage facilities improved | 2.1.6 Market, processing or storage facilities constructed or rehabilitated | | | | | | | Contract reports, RIMS | annual | PMU | |
| | Total number of facilities | | | | | 698 | | | | | |
| | Market facilities constructed/rehabilitated | | | 60 | | 81 | 135 | | | | |
| | Processing facilities constructed/rehabilitated | | | 108 | | 49 | 45.4 | | | | |
| | Storage facilities constructed/rehabilitated | | | 450 | | 568 | 126.2 | | | | |
| | Groups managing productive infrastructure formed/strengthened | | | | | | | RIMS | annual | PMU | |
| | Groups | | | 30 | | | | | | | |
| | Groups managing productive infrastructure with women in leadership positions | | | | | | | RIMS | annual | PMU | |
| | Female leadership | | | 9 | | | | | | | |
| | People in groups managing productive infrastructure | | | | | | | RIMS | annual | PMU | |
| | Males | | | 300 | | | | | | | |
| | Females | | | 150 | | | | | | | |
| | People trained in infrastructure management | | | | | | | RIMS | annual | PMU | |
| | Males | | | 300 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|---|---|----------|----------|------------|----------------------|--------------------------|----------------------------|--|--------------------|----------------|--|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Females | | | 150 | | | | | | | |
| | number of market processing or storage facilities constructed or rehabilitated (modified current RIMS 1.4.3. 1.4.7. 1.4.8.) | | | | | | | RIMS | Annual | PMU | |
| | Total | | | 618 | | | | | | | |
| Outcome Farmers' organisations (Fos) in programme areas effectively serve their members | target Fos legally registered with the Department of Cooperatives | | | | | | | Service providers/operators reports | annual | PMU | FOs are recognised as legitimate interlocutors by the various stakeholders; avoidance of political interference in Fos |
| | FO | | | 2 674 | | | | | | | |
| | supported FOs are strong by PY 5 (good record keeping, strong business plans, generating profit, linked to finance, etc.) | | | | | | | FO financial records, State MoA/Commerce and Cooperative reports | 2 per project life | PMU | |
| | FO | | | 40 | | | | | | | |
| Output Capacity of FOs strengthened | FOs strengthened by programme use bulk purchase method to procure their input | | | | | | | Programme M&E/progress reports | annual | PMU | |
| | FO | | | 2 250 | | | | | | | |
| | group leaders (3 executives per group) trained in good governance issues by PY 5 | | | | | | | Service providers/operators reports | annual | PMU | |
| | Leaders | | | 6 750 | | | | | | | |
| | 2.1.3 Rural producers' organizations supported | | | | | | | RIMS | annual | PMU | |
| | Rural POs supported | | | 2 250 | | 4 135 | 183.8 | | | | |
| | Total size of POs | | | | | 0 | | | | | |
| | Males | | 9 000 | 27 000 | | 43 680 | 161.8 | | | | |
| | Females | | 6 000 | 18 000 | | 22 177 | 123.2 | | | | |
| | Young | | | | | 0 | | | | | |
| | Not Young | | | | | 0 | | | | | |
| | Indigenous people | | | | | 0 | | | | | |
| | Non-Indigenous people | | | | | 0 | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|---|---|----------|----------|------------|----------------------|--------------------------|----------------------------|---|--------------------|----------------|--------------------------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Women in leadership position | | | 450 | | 476 | 105.8 | | | | |
| | 1.1.5 Persons in rural areas accessing financial services | | | | | | | | | | |
| | Total number of accesses to financial services | | | | | 55 994 | | | | | |
| | Total persons accessing financial services - savings | | | 53 480 | | 27 929 | 52.2 | | | | |
| | Total persons accessing financial services - credit | | | | | 0 | | | | | |
| | Total persons accessing financial services - insurance | | | | | 0 | | | | | |
| | Total persons accessing financial services - remittances | | | | | 28 065 | | | | | |
| Outcome Production and productivity of SH rice and cassava farmers in the programme areas increased | increase in yields for non-irrigated rice per ha | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | 2 per project life | PMU | Favourable climatic conditions |
| | rice | 2.5 | | 4 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|-------------------|---|----------|----------|------------|----------------------|--------------------------|----------------------------|---|--------------------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | increase in yields for irrigated rice per ha | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | 2 per project life | PMU | |
| | rice | 2.5 | | 6 | | | | | | | |
| | increase in rice and cassava produced by the target SH farmers | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | 2 per project life | PMU | |
| | Male | | | 50 | | | | | | | |
| | Females | | | 50 | | | | | | | |
| | Youth | | | 50 | | | | | | | |
| | target farmer organisations have adopted at least one technology promoted by the programme by Mid-Term | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | 2 per project life | PMU | |
| | Male | | | 15 750 | | | | | | | |
| | Females | | | 15 750 | | | | | | | |
| | Youth | | | 7 875 | | | | | | | |
| | % (Number) of women reporting improved quality of their diets (Minimum Dietary Diversity for Women, MDDW) | | | | | | | VCDP Reports, SM mission report, Impact Survey. CR. | Annual | PMU | |
| | % of women | | | | | | | | | | |
| | 1.2.8 Women reporting minimum dietary diversity (MDDW) | | | | | | | VCDP Reports, SM mission report, Impact Survey. CR. | Annual | PMU | |
| | Women (%) | 2.6 | 0 | 50 | | | | | | | |
| | Women (number) | 480 | 0 | 18 100 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|--|---|----------|----------|------------|----------------------|--------------------------|----------------------------|---|--------------------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Households (%) | 2.6 | 0 | 50 | | | | | | | |
| | Households (number) | 480 | 0 | 18 100 | | | | | | | |
| | Household members | 2 880 | 0 | 108 600 | | | | | | | |
| | Indigenous | | | | | | | | | | |
| | Non-indigenous | | | | | | | | | | |
| | Women-headed households | | | | | | | | | | |
| | Non-women-headed households | | | | | | | | | | |
| | Number of persons reporting improved knowledge, attitude and practices on nutrition | | | | | | | VCDP Reports, SM mission report, Impact Survey. CR. | Annual | PMU | |
| | Number of persons reporting improved knowledge, attitude and practices on nutrition | 516 | 0 | 50 000 | | | | | | | |
| Output Access to fertilisers and agro-chemicals facilitated | utilisation rate of seeds, fertilisers and agro-chemicals per ha | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | 2 per project life | PMU | |
| | ha | | | 0 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|---|---|----------|----------|------------|----------------------|--------------------------|----------------------------|---|--------------------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | target farmer organisations satisfy their annual input needs | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | 2 per project life | PMU | |
| | FO | | | 2 250 | | | | | | | |
| Output Access to improved production techniques facilitated | youth of target farmers trained in spraying techniques | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | 2 per project life | PMU | |
| | Males | | | 4 500 | | | | | | | |
| | Males | | | 4 500 | | | | | | | |
| | Young | | | 9 000 | | | | | | | |
| | target farmer organisations (members) receive VCDP supported extension services (50%) | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | 2 per project life | PMU | |
| | Males | | | 13 500 | | | | | | | |
| | Females | | | 9 000 | | | | | | | |
| | Young | | | 5 625 | | | | | | | |
| | Farmer Field /Business Schools established | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | 2 per project life | PMU | |
| | Schools | | | 480 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|-------------------|---|----------|----------|------------|----------------------|--------------------------|----------------------------|---|-----------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Matching grants for agricultural equipment | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | annual | PMU | |
| | Nigerian NAIRA | | | 922 406 | | | | | | | |
| | Small Scale Farmers protected from seasonal flooding | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports | annual | PMU | |
| | Farmers | | | 30 000 | | | | | | | |
| | 1.1.4 Persons trained in production practices and/or technologies | | | | | | | RIMS | annual | PMU | |
| | Total number of attendances to training sessions | | | | | 35 031 | | | | | |
| | Men trained in crop | | | 27 000 | | 21 072 | 78 | | | | |
| | Women trained in crop | | | 18 000 | | 13 959 | 77.6 | | | | |
| | Young people trained in crop | | | | | 0 | | | | | |
| | Not young people trained in crop | | | | | 0 | | | | | |
| | Indigenous people trained in crop | | | | | 0 | | | | | |
| | Non indigenous people trained in crop | | | | | 0 | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|-------------------|--|----------|----------|------------|----------------------|--------------------------|----------------------------|-----------------------|-----------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Men trained in livestock | | | | | 0 | | | | | |
| | Women trained in livestock | | | | | 0 | | | | | |
| | Young people trained in livestock | | | | | 0 | | | | | |
| | Not young people trained in livestock | | | | | 0 | | | | | |
| | Indigenous people trained in livestock | | | | | 0 | | | | | |
| | Non indigenous people trained in livestock | | | | | 0 | | | | | |
| | Men trained in forestry | | | | | 0 | | | | | |
| | Women trained in forestry | | | | | 0 | | | | | |
| | Young people trained in forestry | | | | | 0 | | | | | |
| | Not young people trained in forestry | | | | | 0 | | | | | |
| | Indigenous people trained in forestry | | | | | 0 | | | | | |
| | Non indigenous people trained in forestry | | | | | 0 | | | | | |
| | Men trained in fishery | | | | | 0 | | | | | |
| | Women trained in fishery | | | | | 0 | | | | | |
| | Young people trained in fishery | | | | | 0 | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|-------------------|---|----------|----------|------------|----------------------|--------------------------|----------------------------|-----------------------|-----------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | Not young people trained in fishery | | | | | 0 | | | | | |
| | Indigenous people trained in fishery | | | | | 0 | | | | | |
| | Non indigenous people trained in fishery | | | | | 0 | | | | | |
| | Total persons trained in crop | | | 45 000 | | 35 031 | 77.8 | | | | |
| | Total persons trained in livestock | | | | | 0 | | | | | |
| | Total persons trained in forestry | | | | | 0 | | | | | |
| | Total persons trained in fishery | | | | | 0 | | | | | |
| | People accessing advisory services | | | | | | | RIMS | annual | PMU | |
| | Males | | | 13 500 | | | | | | | |
| | Females | | | 9 000 | | | | | | | |
| | staff of service providers trained | | | | | | | RIMS | annual | PMU | |
| | Males | | | 24 | | | | | | | |
| | Females | | | 12 | | | | | | | |
| | 1.1.2 Farmland under water-related infrastructure constructed/rehabilitated | | | | | | | | | | |
| | Hectares of land | | | 3 000 | | 13 310 | 443.7 | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|-------------------|--|----------|----------|------------|----------------------|--------------------------|----------------------------|---|-----------|----------------|-------------|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2020) | Cumulative Result (2020) | Cumulative Result % (2020) | Source | Frequency | Responsibility | |
| | 3.1.4 Land brought under climate-resilient practices | | | | | | | Programme M&E/progress reports, National agricultural production survey, State Ministry Agriculture Reports, NIRSAL reports, RIMS | Annual | PMU | |
| | Hectares of land | | | 121 000 | | 116 047 | 95.9 | | | | |
| | 1.1.8 Households provided with targeted support to improve their nutrition | | | | | | | M&E system | annually | PMU | |
| | Household members benefitted | | | | | 0 | | | | | |
| | Total persons participating | | | | | 0 | | | | | |
| | Males | | | | | 0 | | | | | |
| | Households | | | | | 0 | | | | | |
| | Females | | | | | 0 | | | | | |

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Appendix 1: Financial: actual financial performance; by financier by component and disbursements by category

Mission Dates: 25 May to 20 June 2020

Document Date: 21/08/2020

Project No. 1100001594

Report No. 5480-NG

West and Central Africa Division
Programme Management Department

Appendix 1: Financial: actual financial performance by financier; by component and disbursements by category at 31 March 2020

Table 2A: Financial performance by financier

| Financier | Appraisal (USD '000) | Disbursements (USD '000) | Per cent disbursed |
|--------------|----------------------|--------------------------|--------------------|
| IFAD loan | 89,100.00 | 3,279.69 | 3.68 |
| IFAD grant | - | - | - |
| Co-financier | 19,300.00 | - | - |
| Beneficiary | 9,700.00 | - | - |
| Government | 18,800.00 | 184.24 | 0.98 |
| Total | 136,900.00 | 3,463.93 | 2.53 |

Table 2B: Financial performance by financier by component (USD '000)

| Component | IFAD loan | | | | IFAD grant | | | | Co-financier | | | | Government | | | | Domestic 1 | | | | Total | | | |
|--------------------------------------|------------------|-----------------|-------------|--|------------|--------|---|--|------------------|--------|---|--|------------------|---------------|-------------|--|-----------------|--------|---|--|----------------|-----------------|-------------|--|
| | Appraisal | Actual | % | | Appraisal | Actual | % | | Appraisal | Actual | % | | Appraisal | Actual | % | | Appraisal | Actual | % | | Appraisal | Actual | % | |
| Agriculture Market develop | 41,063.00 | 2,058.60 | 5.01 | | | | | | | | | | | | | | | | | | 68,726 | 2,106.30 | 3.06 | |
| Agriculture Product and Productivity | 35,913.00 | 953.80 | 2.65 | | | | | | | | | | | | | | | | | | 52,223 | 955.78 | 1.83 | |
| Management and coordination | 12,100 | 267.29 | 2.20 | | | | | | | | | | | | | | | | | | 15,932 | 401.79 | 2.53 | |
| TOTAL | 89,096.00 | 3,279.69 | 3.68 | | | | | | 21,800.00 | | | | 18,805.00 | 184.28 | 0.97 | | 7,200.00 | | | | 136,881 | 3,463.97 | 2.53 | |

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Appendix 2: Physical progress measured against AWP&B

Mission Dates: 25 May to 20 June 2020
Document Date: 21/08/2020
Project No. 1100001594
Report No. 5480-NG

West and Central Africa Division
Programme Management Department

Appendix 2: Physical progress measured against AWP&B (March – December 2019)

| Name of Indicator | Unit | AWP&B | Actual | % | Cumulative Actual | Appraisal Target | % |
|--|---------|-------|--------|-----|-------------------|------------------|-------|
| National trade promotion activities organized | Number | 1 | 1 | 100 | 4 | 8 | 50 |
| State trade promotion activities organized | Number | 6 | 3 | 50 | 22 | 57 | 39 |
| State Innovation Platform formed | Number | 6 | 13 | 216 | 47 | 24 | 196 |
| Consultative meetings of innovation platform | Number | 12 | 22 | 183 | 70 | 48 | 146 |
| Number of Smallholders that use Agricultural market information generated from AMIS | Persons | 6,416 | 3,733 | 58 | 22,177 | 50,000 | 44 |
| MoUs signed between FOs and Processors | Number | 717 | 475 | 66 | 3,767 | 96 | 3,923 |
| Contractual arrangements formalized between FOs and processors | Number | 6 | 9 | 150 | 476 | 63 | 756 |
| Processors trained in recommended technologies | Persons | 1,500 | 1,509 | 101 | 6,972 | 8,000 | 87 |
| Service providers (consultants and firms) for market linkages trained | Persons | 9 | 7 | 78 | 43 | 36 | 119 |
| Roads constructed/rehabilitated | KM | 60 | 17 | 28 | 246 | 420 | 59 |
| Bridges constructed/rehabilitated | Number | 30 | 11 | 37 | 23 | 120 | 19 |
| Culverts constructed/rehabilitated | Number | 30 | 27 | 90 | 213 | 210 | 101 |
| New water schemes linked to cassava and Rice VC constructed | Number | 39 | 40 | 103 | 79 | 158 | 50 |
| People in programme communities that have adequate access to safe and sustainable drinking water | Persons | 2,925 | 6,050 | 209 | 24,699 | 11,850 | 208 |
| Market constructed/rehabilitated | Number | 36 | 11 | 31 | 46 | 60 | 77 |
| Number of stalls in the market constructed/rehabilitated | Number | 360 | 132 | 37 | 440 | 300 | 184 |
| Processing unit with stores constructed/rehabilitated | Number | 22 | 7 | 26 | 28 | 148 | 19 |
| FO commodity stores/village bulking centres constructed/rehabilitated | Number | 15 | 5 | 30 | 16 | 26 | 62 |

| Name of Indicator | Unit | AWP&B | Actual | % | Cumulative Actual | Appraisal Target | % |
|--|-------------|-------------|-------------|-----|-------------------|------------------|-----|
| Number of stores in FO commodity stores/village bulking centres | Number | 180 | 60 | 30 | 317 | 515 | 62 |
| Processing clusters that have been supported with at least one piece of equipment | Number | 22 | 14 | 64 | 148 | 84 | 57 |
| People trained in infrastructure management (markets, water supply, processing and storage facilities) | Persons | 360 | 358 | 99 | 675 | 630 | 93 |
| Matching grants for processing facilities | Naira (NGN) | 146,983,725 | 26,970,100 | 18 | 4,480,297,500 | 252,576,214 | 6 |
| FO Strengthened by the programme that use bulk purchase method to procure their inputs | Number | 504 | 771 | 153 | 2,339 | 4,550 | 50 |
| FOs legally registered with the Department of Cooperatives | Number | 625 | 1,818 | 291 | 5,622 | 5,000 | 185 |
| Group leaders trained in good governance issues | Number | 1,688 | 1,375 | 81 | 9,717 | 13,500 | 72 |
| Smallholder farmers that have adopted at least one technology promoted by the programme | Persons | 7,875 | 10,798 | 137 | 41,198 | 63,700 | 65 |
| Farmers provided with recommended rate of seeds fertilizers and agro chemicals | Persons | 11,250 | 15,424 | 32 | 46,775 | 91,000 | 51 |
| Matching grants for production inputs | Naira (NGN) | 482,167,750 | 455,267,622 | 94 | 2,927,312,068 | 7,467,162,500 | 39 |
| Youth farmers trained in spraying techniques/Other income generating enterprises | Persons | 1,688 | 1,299 | 77 | 9,521 | 18,200 | 52 |
| Farmer organisation that received VCDP supported extension services | Number | 281 | 386 | 137 | 1,170 | 2,225 | 53 |
| Farmer field schools/Business schools established | Number | 90 | 55 | 61 | 520 | 912 | 57 |
| Service providers (consultant and firms) for production trained | Number | 12 | 23 | 192 | 110 | 45 | 306 |
| Farmers trained in improved technologies | Persons | 6,300 | 8,098 | 129 | 46,775 | 63,700 | 73 |
| Land area under irrigation production | Hectare | 600 | 212 | 35 | 6,761 | 4,400 | 154 |
| Small scale farmers protected from seasonal flooding | Persons | 6,000 | 1,200 | 20 | 6,976 | 30,000 | 23 |
| Matching grants for agricultural equipment | Naira (NGN) | 10,903,000 | 5,381,000 | 49 | 244,802,962 | 2,986,865,000 | 8 |
| Number of AWPB prepared produced | Number | 1 | 1 | 100 | 6 | 9 | 67 |

| Name of Indicator | Unit | AWP&B | Actual | % | Cumulative Actual | Appraisal Target | % |
|---|-------------|------------------|---------------|----------|--------------------------|-------------------------|----------|
| Number of M&E Progress Report prepared produced | Number | 4 | 4 | 100 | 20 | 32 | 62 |
| Number of Financial Progress Report prepared produced | Number | 4 | 4 | 100 | 20 | 32 | 62 |
| Number of Management meetings per annum | Number | 12 | 12 | 100 | 60 | 96 | 62 |
| Number of Stakeholder meetings per annum | Number | 4 | 2 | 50 | 18 | 32 | 56 |

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Value Chain Development Programme

Supervision Report

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 25 May to 20 June 2020
Document Date: 21/08/2020
Project No. 1100001594
Report No. 5480-NG

West and Central Africa Division
Programme Management Department

Appendix 3: Compliance with legal covenants: status of implementation

| Section | Covenant | Target/Action Due Date | Compliance Status/Date |
|---------------------------------------|---|----------------------------|-------------------------------|
| Section 4.02 | PCU to open and maintain a Project Account (in USD) to make an initial deposit equivalent to USD 6 million | 01/03/19 | Done |
| Section 4.03 | Procurement of goods, works and services carried out in accordance with the procedures laid down in Schedule 3 | 01/03/19 | Done |
| Section 4.04 | Insurance of vehicles, equipment and civil works financed from the loan proceeds to be consistent with sound commercial practice. | 05/06/19 | Partially completed /04/06/19 |
| Section 4.05, section 11.10(b) | Audit report submitted to IFAD. | 30/06/19 | Not due/30/06/20 |
| Section 4.06 | Progress reports to be submitted to IFAD on a quarterly basis. | 15/09/19-15/12/19-15/03/20 | Not done |
| Schedule 4, para 7 | AWPB to be submitted to the Fund, for its review and comments | 30/10/19 | Done/May 20 |
| Schedule 4, para 8(a) | A Mid-Term Review (MTR) to be carried out jointly by the Borrower and IFAD. | March 2022 | Not yet due |
| Schedule 4, para 16 | Project to be exempted from all import duties, excise taxes and value added tax (VAT) on investment expenditures | 31/06/19 | Not done |