

Nigeria

Value Chain Development Programme

Supervision Report

Main report and appendices

Mission Dates: 15 April to 30 May 2019

Document Date 02/10/2019

Project No. 1100001594

Report No. 5099-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:	30/05/2019
Entry into Force Date:	14/10/2013	Number of SIS Missions:	10
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	West and Central Africa Division	\$471,788
	IFAD	\$74,380,562
	IFAD	\$89,097,000
	IFAD	\$50,000,000
Domestic Financing breakdown	National Government (add)	\$27,800,000
	Private sector local	\$15,000,000
	Beneficiaries additional financing	\$1,200,000
	National Government	\$15,600,041
	Beneficiaries	\$8,068,690
Co-financing breakdown,	To be determined	\$0
	Co-financiers	\$6,800,000
Project total financing:		\$288,418,081

Current Mission

Mission Dates:	15 April to 30 May 2019
Days in the field:	4

Mission composition: Nadine Gbossa (IFAD Country Representative), Ben Odoemena (IFAD Country Programme Officer), Adeline Muheebwa (Consultant, Gender/Youth/Nutrition), Guy Augustin Kemtsop (Consultant, Infrastructure/Irrigation), Davis Atugonza (Consultant, Financial Management), Paul Picot (Lead Consultant, Private Sector and Financial Inclusion), Ben Okpukpara (Consultant, Institution/Group Development), Tony Onyekweli (Consultant, Procurement), Maiwada Zubairu (Consultant, M&E), Francis Nwilene (Consultant, Agronomist), William Critchley (Consultant, Environment/Climate Change), Mayowa Fasona (Consultant, Environment/Climate Change)

Field sites visited: Anambra, Benue, Ebonyi, Niger, Ogun and Taraba States

B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		6	Assessment of the Overall Implementation Performance		5

Effectiveness and Developmental Focus	5	Project Management	4
Effectiveness	5	Quality of Project Management	5
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	5		
Potential for Scaling-up	5		

Relevance	5
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

The 7th joint Federal Government of Nigeria (FGN) / International Fund for Agricultural Development (IFAD) supervision mission of the Value Chain Development Programme (VCDP) was conducted between 15 April to 30 May 2019. The main objectives of the mission were to (i) Review implementation progress and achievement of outputs by component against targets; (ii) Assess the level of performance on climate change, nutrition and financial inclusion (iii) Identify implementation constraints and agree on actions to address them; and (iv) Review the quality of financial and procurement management. Specifically, the mission reviewed the level of preparedness to implement the Additional Financing (AF).

The teams visited selected programme operational sites in two participating states (Anambra for Team 1 and Ebonyi for Team 2), following an inception meeting held in Abuja on 15 April with VCDP NPMU and officials from the Federal Ministry of Agriculture and Rural Development (FMARD), the Federal Ministry of Finance (FMF), and the Ministry of Budget and National Planning (MBNP). The mission met with relevant VCDP NPMU staff and other stakeholders, and the IFAD Country Office. The ICO wrapped up with the Government and agreed on the key findings that appear in this report.

Key Mission Agreements and Conclusions

Key mission agreements and conclusions

1) The mission noted with satisfaction that VCDP is meeting its development objectives. It has also set the ground to achieve the revised target following the Additional Financing (AF) provided by IFAD at the request of the Federal Government of Nigeria.

2) **Establishment of innovative partnerships to enhance market access:** VCDP is promoting an innovative market-led 4P model with linkages between private off takers and FOs and partnerships with public and private stakeholders for production and value addition. To ensure sustainability of programme outcomes, VCDP exit strategy is primarily building on (i) establishment of Commodity Alliance Forums (CAF), gathering value chain private and public stakeholders to set the conditions for business transactions and for policy advocacy, and (ii) the establishment of production, marketing and processing FOs and Apex Value Chain Groups (AVCG) to ensure beneficiaries' access to services. The mission noted with satisfaction that value chain actors and facilitators have bought in the VCDP Model. The mission noted with satisfaction the level of achievement recorded in the rice value chain. Progress is noted in the while the cassava value chain will require sustained support during the programme expansion to help farmers identify reliable offtakers for their increased productions and continue to strengthen the quality of their produce to meet their requirements.

3) **Contribution to domestic food supply and national income:** As of 31 March 2019, a total of 48,935 direct individual household beneficiaries^{[1][2]} (producers, processors / marketers and youths) are receiving services (92% of initial LOP target). The programme is successful in enhancing the productivity and incomes of women and youth involved in the rice and cassava value chains. VCDP farmers have produced 450,000 MT of Rice (\$221.3M) and 653,843 MT of cassava (\$42.9 million) since inception contributing to better food security in targeted areas. It has contributed to the creation of 5,373 permanent jobs (42% females and 40% youths), provided guaranteed market outlets for smallholders' produce and enhanced their participation in agribusiness. Through the programme support, it is assessed that 79% of the beneficiaries have increased their incomes by an average of 25%^[3].

4) **Irrigation and land development:** Mission was pleased that VCDP has finalized the 24 engineering designs for the proposed irrigation schemes for 1,352.3 ha as part of readiness for the AF. The mission advises that VCDP should liaise with the respective states governments to review the designs and secure commitment for joint funding against any variation during the construction works

5) **Low counterpart funding from the government:** The mission noted the recurrent issue of low level of counterpart funding by FGN and States and recommends that the NPMU should liaise with the projects coordinating unit (PCU) of the FMARD to ensure that the backlog in the counterpart funds is paid without delay.

6) **Provision of AF and implementation readiness:** IFAD has provided AF of USD89.1 million to VCDP. The mission recommends that the programme AWPB be revised to reflect activities planned under the AF ad submitted to FAMRD and IFAD for clearance.

4 Key agreements for further action

1) **Implementation readiness for AF:** need to revise the AWPB/PP to reflect the AF, especially the ones related to climate change (CC) and environment, Nutrition, and Financial inclusion.

2) **Achievements for cassava:** VCDP should support CAFs for a comprehensive assessment of the bottlenecks in the cassava along the chain; and ensure that VCDP support is geared under the AF and the continuous expansion of the programme.

3) **Exit strategy:** need to strengthen and harmonize support for the CAF, AVCG and FOs to ensure that they are sustainable by Programme end. This would entail documentation and dissemination of good practices between States, and review capacity building action plans at NPMU and SPMU levels. While the use of MoU between the FOs and off-takers will continue, VCDP should gradually move to contract farming. It should strengthen the capacity of youth to engage into contract businesses with off-takers.

4) **Need to better monitor and document outcomes, lessons learnt and challenges**(including adoption of capacity building, sustainability of linkages with off-takers, functionality of CAFs and AVCGs, quality of SPs and functionality of the partnerships, innovations promoted and impact. Specific technical management meetings should be organized in this purpose to inform strategy and activities of the Programme.

[1] 77,393 FO members having been profiled.

[2] 293,610 Household members.

[3] Will be validated during the impact assessment, which starts in June 2019

D. Overview and Project Progress

A. Overview and Project Progress [\[1\]](#)

The VCDP, which became effective in October 2013 is at its 6 years of implementation with about 89% disbursement. Following its positive performance in meeting design objective, IFAD has provided additional financing of US\$89.1 million at the request of the federal government of Nigeria to expand its coverage within the participating states and increase its outreach to three new states, Nasarawa, Kogi and Enugu and increase the number of targeted beneficiaries to 100,000 farmers, comprising 91,000 smallholder producers, 8,000 processors, and 1000 traders. It is also to mainstream financial inclusion; enhance nutrition mainstreaming and climate change adaptation measures as well as support conflict resolution between farmers and herdsman over access to land resources. Following the additional financing, the new completion date is Dec 2022 while it closes in June 2013.

Targeting. VCDP has profiled **77,393** members of **4,942 FOs** representing 32% under cassava and 68% under rice. A total of **48,935 households** (92% of LoP target) have been supported by the programme, and over 293,610 (targeted 320,880) indirect beneficiaries have derived benefits from VCDP- supported infrastructures and access to production and market opportunities. There is **female participation of 28,794 (37%)** above LOP target of 35%, and **youth participation of 33,943 representing 44%** (LoP target of 25%). A total of **5,373 permanent and 26,827 temporary jobs** have been generated through programme intervention. With AF, VCDP's support will now total of 9 states (6 original states and 3 new ones) and 57 LGAs.

Support to value addition and market linkages This component has achieved measurable results in; (i) Collaboration with the Governments to link FO members with agricultural market information systems (AMIS) (64% of LOP target); (ii) Engagement with off-takers to provide reliable markets access to the smallholder farmers and in some cases access to input finance and extension services, with 3,767 MoUs and 471 contractual arrangements signed (6,278% and 1,308% of LoP targets); and (iii) i) the Promotion of the use of standard weights and measures, quality control and grading system;. All rice FOs have entered into MoUs with major off-takers. With the AF VCDP will proactively support cassava FOs to strengthen their achievements in this area; VCSP also supported the (iv) Establishment of 47 CAF (196% of LoP target); and (v) Capacity building of targeted smallholder processors on group dynamics and quality enhancement (64% of LOP target). The mission noted:

(i) that achievements of the rice value chain actors are remarkable. While farmers cassava's productivity is equally doing well, market linkage is constrained by the lack of reliable off-takers and the need to further improve the quality of the produce to meet off-takers' requirements. There is strong competition between the food product (garri) and industrial sector (starch/flour), for domestic food requirement, garri dealers offering better price for fresh cassava root than for flour/starch. *It is recommended that VCDP supports CAFs to make a comprehensive assessment of the cassava VC to design customized action plans that will address identified issues based on the programme's comparative advantage. Support to cassava value chain should moreover focus on areas where the VCDP off-taker-led model can be effective.*

(ii) Off-takers offer different services to the farmers. Some well-structured off-takers are providing a wide range of services under contract farming arrangements, but some are only off-taking the produce, which may result in side selling by the farmers and unsustainability of the linkage.

The mission recommends considering possibility to support interested off-takers to enlarge their range of services (input financing, extension services, ...) in locations where required. This should be done in consultation with the CAFs.

Market infrastructures. Since project inception, 159.4km of feeder roads out of planned 300km were fully rehabilitated to link farms and processing units (53% of LoP target), 85.3 km were spot improved and 140.1 km were developed. The programme report that the reduced targets are driven by: cost inflation; improved design specifications, technical standards (surface dressing) and complementary infrastructure added for completeness. It was observed that one O&M committee is set up [\[2\]](#) for each feeder road for routine maintenance works. Previous missions indicated. The recruited engineers have started to address the gaps in lacks/weaknesses in areas of road design/supervision. All completed roads have been handed over to the recipients (government and community members)

Facilities were built/rehabilitated (each with an O&M committee): 22 processing units (20% of LoP target); 102 buildings of markets stalls (170% of LoP target); 406 stalls of markets (135% of LoP target); 532 commodity stores [\[3\]](#) (118% of LoP target) and 68 [\[4\]](#) water points (63% of LoP target). Processing units are provided with ancillaries: all have a water point (a WUA set up for each) and VIP toilet (23 built); two are connected to electricity grid and process is on-going for one; 8 briquette sheds and 17 drying slabs; 6 seed laboratories; and 11 generator houses. The project built erosion control/protection [\[5\]](#) structures. According to the programme, market units are creating economic activities and contribute to improve people's livelihood, through increased produce marketing, reduced post-harvest loss and creation of job opportunities for youth/women.

The mission recommends that the programme contributes to establish a sustained routine maintenance system for Feeder roads as a mean to sustain all investments in road development activities. This will involve collaboration with the

local government/states.

Smallholder productivity. VCDP superseded his targets in the area of productivity support. programme has reached 35,031 farmers with improved seed, fertilizers and agrochemicals through matching grant arrangement (198% of LoP target). Private extension service providers (PESPs) have been engaged to provide extension support to farmers through farmer field business school (FFBS). Through FFBS, about 34,896 farmers have been trained in improved production technologies (111% of LoP target). The programme supported an FOs to increase rice yields from 2 – 4 t/ha to 5 – 8 t/ha and cassava from 15 – 18 t/ha to 25 – 30 t/ha and has created jobs for 120 pioneer youth seed entrepreneurs and 90 cassava stem multiplication entrepreneurs who are bridging good quality seed supply gap.

The mission recommends to (i) Harmonize and standardize the existing extension training guides for FFBS across the States, and (ii) Develop business models for enterprises along the rice and cassava value chains.

Irrigation and land development. Here again VCDP did very well against the Programme targets. 6,974.3 ha (42 sites) were developed (232% of LoP target) for dry season irrigation since inception, through installation of 170 tube-wells/wash bores and use of surface water. For land development, 2,424.9 ha (81% of LoP target) were developed (59 sites): 1,289 ha for rice and 1,135.9 ha for cassava. Engineering designs are available for irrigation of 1,352.3 ha of new schemes (in 24 sites). This shows VCDP readiness for the AF which is commendable^[6].

Farmers' organization and institutional strengthening. VCDP exceeds the programme's targets in most activities. For instance, FO participation has increased by 19.4% since last supervision mission (exceeding LoP target by 46%), and since inception 4,933 FOs have been registered (185% of LoP target). This continuous increase in FOs participation is the result of the achievements recorded in beneficiaries' empowerment and arrangements to support the cost of group registration with department of cooperatives (DOC). Out of the project target of 2,250 FOs, 79% were strengthened in using bulk purchase method to procure their inputs, with all group leaders trained in governance. The project has adequately prepared for institution and policy engagement. The programme has an evolved 4P model through CAFs, which serve as platforms where stakeholders meet to discuss needs, problems and measures to solve challenges in rice and cassava value chains. In some states like Anambra, the CAF is relatively strong, yet there were no learning routes among the CAFs in VCDP participating states to Anambra. For instance, in Ebonyi, the sister states, CAF is quite operational, it is recommended that VCDP works with the to ensure sustainability at the end of the programme: by promoting democratically elected officers of the preparation of developed strategic plan and handbook and of operating budgets and financing plan. Though CAFs have the same general objective in all the states, the mission recommends that VCDP develop harmonized operational guidelines for CAF functioning.

Gender equality and women's participation The programme has cumulatively supported 48,935 beneficiaries with 72% (32% female) under production, 10% (63% female) in processing and marketing and 18% (34% female) youths in other income generating activities. VCDP continues to encourage the use of a group approach in order to reach out to the marginalized communities, strengthen capacity gaps as well as ensuring compliance to good quality standards of products and services. Out of the 4,933 FOs profiled, 63% are mixed groups, 17% youths only, 10% men only and 9% women only. The emphasis in the design was to focus on women only groups, but because of their low numbers, the project strategy has shifted towards focussing on both mixed and women only groups. Out of the 77,393 membership of profiled FOs 36% are females which is slightly above the 35% female target for participation. VCDP has to date trained 563 males and 613 female beneficiaries and 8 males and 6 females programme staff in GALS. The training has already showed transformative impact at HH level with 1,631 men supporting the homes with household chores, 972 women participating in household and community decision making, 2,239 men with increased monetary budget for food and 1,907 women with increased capacity to negotiate with service providers. The project has a total of 4,537 women in leadership positions out of which 3,624 women were trained in leadership. With the AF, the programme will continue to promote gender specific interventions such as land development to improve access to agricultural land for 'landless' youth and women. The programme will also promote reduction of farm and pre-processing drudgery and time through promotion of labor-saving processing technologies. 35% of matching grants will continue to be earmarked for women to upgrade their production and processing capacities, and 25% for youth to promote entrepreneurial activities.

Nutrition mainstreaming. VCDP will continue under AF to support Nutrition Sensitive interventions across the states. The programme has drafted its nutrition strategy and is in the process of recruiting two Nutrition Specialists at the NPMU and 9 Nutrition officers at states level. The programme has to date trained 1,340 (57% females) lead farmers in nutrition sensitive interventions and will continue to promote increased use of NSGAPs, through demonstrations and training. Multiplication of Pro-vitamin A cassava varieties has been on-going especially by the youths seed agri-preneurs. In Niger state over 150 hectares of pro-vitamin A cassava production have been cultivated and about 200 farmers (25% female) are practising cassava – legume intercrop in their fields. 3,167 (38% women) youths were trained in dry season techniques which could be used for promoting nutrition dense foods such as vegetables. The programme has supported 4,782 processors and marketers (63% women) and provided equipment on matching grant basis on efficient processing of cassava products such as Garri (highly preferred for vit A variety) and rice processing. There has been significant improvement in product quality to the extent that The programme has conducted several nutrition trainings on food safety and post-harvest handling practices and in value addition. some processors are already selling the Vitamin A rich cassava products to schools and intermediary wholesalers. It is recommended that the NPMU builds on its nutrition strategy to develop a nutrition action plan with clear activities, targets, timeline, etc to effectively operationalize the nutrition strategy.

Climate change and environment mainstreaming. VCDP continues to step up efforts to mainstream environment and CC activities to seek “sustainable intensification” considering its impact on the environment or the effects of CC on its goals. The key vehicle for this has been the “100-day challenge/action plan” which was prepared by the project to run from mid-March to end of June 2019: it is a direct response to the previous SM’s recommendation. This result-based action plan has, largely, been adhered to successfully (see Appendix 4.1, and sections on Adaptation to CC, and Environment and NRM, respectively for details). In addition, the mission also noted that several of VCDP’s activities are environmentally friendly and / or climate smart without this being acknowledged. Examples include some intercropping of legumes in cassava as well as mulching with residues, the use of energy-efficient “false bottom” parboilers in rice processing, introduction of early maturing rice varieties, retention of established trees in land development sites, provision of drainage systems to control flood, and properly channelling of excess water out of farm road.

The mission recommends to (i) Follow-up on the current 100-day action plan for Climate change and environment mainstreaming with a roll-over plan that takes VCDP through to the end of this calendar year, (ii) to Recruit staff at NPMU and SPMU to oversee and guide both environmental and CC concerns (iii) prepare a standard land development module to guide states in making the operations CC and adaption compliant; and (iii) prepare and implement an action plan for nutrition mainstreaming similar to the one for CC.

Financial inclusion mainstreaming. The programme has achieved significant results regarding financial inclusion, especially in supporting stakeholders engage in banking through bank accounts (73% of FOs, 39% of members). Results achieved in terms of access to loans from banks to finance farmers and groups enterprises is lower (10% of FO members), assumption being that a large majority of beneficiaries will need to access finance to sustain and develop their enterprises after exiting matching grant mechanism. This is mostly due to (i) on supply side, reluctance of FIs to finance agriculture, still perceived as highly risky, and to the lack of adapted products and delivery channels, and (ii) on the demand side, on lack of understanding of the financial services on offer. However, and this is a key achievement of the Programme, a significant proportion of the farmers have been able to access input loans from some offtakers they are linked to, which offer this service at no or low cost as a business strategy to ensure sustainability of their supply. This should be the preferred model for input finance, in addition to self-mobilized group financing. Collaboration with National agricultural insurance cooperation (NAIC) is also a key achievement of the Programme and a key factor to facilitate linkage with FIs. The mission also noted the growing interest from the financial sector to develop agricultural portfolio, supported by different CBN schemes and NIRSAL. VCDP has drafted a Financial inclusion strategy, which was reviewed by the mission (ref to App 4.5). The mission recommended e (i) to support beneficiaries to develop savings mechanisms to contribute to self-financing of their enterprise and facilitate access to FI services, and (ii) to consider providing TA to selected FIs to develop adapted products, on cost sharing basis (preferably under AF or for the new design, depending on budget availability).

The programme should engage international consultant to finalize Financial inclusion strategy. Financial inclusion expert to be recruited by NPMU will be key for the implementation and coordination of the strategy with the States.

Programme coordination and management. The loan disbursement rate was 90% as at March 2019. Management of VCDP is demonstrating commitment and competence in delivering result-focused implementation. The market led 4P approach of the programme appears to be widely shared by the staff at NPMU and SPMU. The functions and responsibilities are well decentralized at federal and state levels. VCDP management attends the PSC meetings, PSC providing oversight to development projects and clearing AWPBs.

Key areas of focus of the management during AF should be effective mainstreaming of Climate change and environment, Nutrition and Financial inclusion, as well as implementation of an effective exit strategy.

[1] All data at 31 March 2019.

[2] Trained, legalised and given light equipment.

[3] This includes: 8 warehouses with many partitions each; 30 market stores (each building has 13 partitions), 12 aggregation/bulking centres (with many partitions each).

[4] 54 solar powered boreholes; 13 motorised boreholes and 1 rainfall water harvest facility.

[5] Including hollowed sandcrete drainage filled with concrete, road embankment, retaining walls, concrete drains, etc.

[6] Programme should liaise with the respective states governments to review the designs and secure commitment on joint funding in the event that the provision in the AF for irrigation scheme cannot cover the cost of investment 100%.

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness

Rating: 5

Previous rating: 5

Justification of rating

VCDP is providing services to 48,935 individual beneficiaries meeting over 90% of LoP target). This has had a positive impact on food security, linking producers to formal markets and thus increasing their income. For instance, rice yield has increased from 2Mt/Ha to current average of 4.5Mt/ha. Some farmers have recorded 6 to 8 tons/ha. Percentage of smallholders with improved processing techniques has increased from a target of 50% to current 73%. This adds value to the processed commodity with the potential to increase income. In fact, at the programme design, it was targeted that 50% of the beneficiaries should have increased their income by 25%. It currently stands at 79%. This provides evidence that VCDP is on track to meet its development objective.

Log-Frame Analysis & Main Issues of Effectiveness

Log-Frame Analysis & Main Issues of Effectiveness

Significant progress has been made since MTR by recording an increase of 50% or more on 6 key indicators:

S/No.	Indicator	Indicator Type	MTR Value	Current Value	% Increase From MTR
1	Individuals receiving programme services	Output	34,957 [1]	48,935	40%
	Corresponding number of households reached CORE 1a	Output	34,957	48,935	40%
	Estimated corresponding total number of household members - CORE 1.b	Output	209,742	293,610	40%
2	Number of smallholders using market information	Output	5,994	20,537	243%
3	Kilometer of market road constructed or rehabilitated	Output	135	246	82%
4	Number of Drinking water systems constructed or rehabilitated	Output	32	63	97%
5	Number of Target FO legally registered with the Department of Cooperatives	Output	3,036	4,636	53%
6	Irrigated land developed and cultivated during the dry season (Ha)	Output	1,562	6,761	333%
6	Number of market, processing or storage facilities constructed or rehabilitated – CORE 2.1.6	Output	157	358	128%

As the table shows, irrigated land developed and cultivated during the dry season has the highest proportional increase of 333% from 1,562 Ha during MTR to the current 6,761. It should also be noted that only one core indicator, number of market, processing/storage facilities constructed or rehabilitated recorded increase of 128%. See whole Log Frame indicator values in Chapter I: Logical framework below.

Tracking outcome and impact level indicators at goal and objective levels remains a challenge because relevant micro-level studies have not been sufficiently conducted.

In order to track outcomes and impact quantitative and qualitative indicators, it is recommended that the Project commissions thematic studies.

The logframe currently has only one indicator (% of poor smallholder farmers supported in coping with the effects of climate change) related to environment and CC. Several activities and achievements are recorded in the field but not captured in the logframe. It has also only one indicator related to Financial inclusion (% of farmers and processors accessing value chain financing). *The mission recommends additional indicators for both areas are proposed below to be included in the context of VCDP AF and under (vi) Additional aspects.*

[1] 34,957 comprising 24,000 farmers, 3,710 processors and 7,247 youth in agri-enterprise

Agreed Action	Responsibility	Agreed Date
Incorporate Food Security impact indicator the Log Frame % and (number) of households in the highest Coping Strategy Index (CSI) score category (assesses the extent to which households use harmful coping strategies when they do not have enough food or enough money to buy food. The result is reported as numeric score)	NPMU / IFAD	05/2019
Conduct Micro –Studies Across Sub components Conduct micro studies across sub-components in order to track outcome and impacts of the programme interventions	NPMU / IFAD	12/2019

Development Focus

Targeting and Outreach

Rating: 5

Previous rating: 5

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

VCDP activities have been reaching out to all targeted states and LGAs except for Guma, Logo and Gwer LGAs in Benue state where implementation was discontinued due to conflict. With AF, the programme will extend its support to three new States - Nasarawa, Enugu and Kogi, and, in each of the six original states, it will increase its outreach from 8 to 10 LGAs. In each of the three new states, VCDP will support 5 LGAs. VCDP continues to follow the group approach and prioritizing women and youth. The Gender and Youth Unit has developed tools to collect gender disaggregated data by intervention and the mission strongly recommends that these tools be shared with the M&E Unit to guide the collection of the gender disaggregated data, which will be reflected in reporting. *The mission further recommends that the current M&E system is reviewed to accommodate gender disaggregated data.*

The programme has recorded many achievements with an overall increased female participation of 36% (above the LoP target 35%). VCDP will continue to provide dedicated attention to women's empowerment. There are interventions such as land developed by the programme with 18% (408/2,244) female participation below the LOP target compared to their male counterparts. *The mission recommends that a quota of 50% be instituted to interventions with below LoP 35% female participation to improve their participation.* The project has registered achievements of increased generation of job opportunities – permanent (5,373) and temporary (26,827) - jobs for the beneficiaries. In addition to the commendable participation of women and youths, the programme has further consolidated opportunities and benefits for youths and women's integration in enterprises along the rice and cassava value chains in a report on "Business Models for Women and Youths along the Rice and Cassava value chains". *The mission recommends that the report is reviewed in a multi stakeholder workshop and is adopted to guide the women and youths enterprise engagements.* Below is a table showing

the disaggregation of jobs by category.

Jobs	Adult males	Adult females	Youth males	Youth females	Total
Permanent jobs	1,601	1,648	1,523	601	5,373
Temporary jobs	9,205	8,579	7,662	1,381	26,827
Total All Jobs	10,806	10,227	9,185	1,982	32,200

Agreed Action	Responsibility	Agreed Date
Participation A quota of 50% to be instituted for interventions with below LOP 35% female participation to improve their participation such as land development	NPMU/SPMU	05/2019
Data Collection & M&E system Use the data collection tools developed by the Gender and Youth Unit, to review the M&E system so that Gender disaggregated data can be collected and reflected in the reporting	NPMU	05/2019
Review and Update Targeting Strategy Review and update the targeting strategy to reflect the additional targets with the AF and new cross cutting areas of emphasis in AF document	NPMU	06/2019
Training Conduct trainings on compliance with work safety standards and creation of decent jobs to implementing staff for inclusion in their trainings (ToT)	NPMU/SPMU	07/2019
Multi-stakeholder Workshop Hold a multi-stakeholder workshop to review the draft report on youths and women business models for ownership and operationalization	NPMU/SPMU	07/2019

Gender equality & women's participation

Rating: 5

Previous rating: 5

Justification of rating

The women's enrolment in profiled groups represents 36% of the 77,393 membership. The programme has cumulatively supported 48,935 beneficiaries with 72% (32% female participation) under production, 10% (63% female participation) in processing and marketing and 18% (34% female) youths in other income generating activities. VCDP has to date trained 563 males and 613 females beneficiaries and 8 males and 6 females programme staff in GALS. With the AF, the programme will continue to promote gender specific interventions such as land development to improve access to agricultural land for 'landless' youth and women.

Main issues

Main issues

Despite the high losses of rice in Anambra due to flooding, the youths seed multiplication enterprises have faced tremendous achievements with a total production of 30,249 (previous 24,129) bundles of cassava stems and over 583MT (previous 286.8 MT) rice seeds to date; as well as increased sales of cassava cuttings - 23,770 bundles (previous 12,671) and rice - 332 MT (previous 141 MT), an increase by over 40%. The programme should further promote the dry season

planting along the riverbanks and use of flood resistant rice varieties for the flood prone areas.

The programme has developed a draft GALS strategy to guide GALS interventions. With the high levels of transformative impact for example 1,631 men supporting the homes with household chores, 972 women participating in household and community decision making, 2,239 men with increased monetary budget for food and 1,907 women with increased capacity to negotiate with service providers as a result of the GALS training, there is need to review and operationalize the GALS strategy to align it with the programme design and AF interventions. Women (as individual or in groups) have played a significant role in the management of each type of infrastructure either as members of O&M committees (for roads they are mostly treasurers) and executive board of FOs or as final recipients of facilities (for processing centres and water points mainly). Hence, their capacities have been enhanced through training and provision of equipment on various aspects of their roles, to manage and operate their business accordingly. Some women are managers of one or a set of facilities (processing centre, water point, store and market stalls) and have since showed signs of improved management.

With the AF, the programme will continue to support gender specific interventions such as land development to improve access to agricultural land for 'landless' youth and women, support to functional adult literacy classes and capacity building in management, leadership and negotiation skills in order to increase their level of participation. This will require that the Gender and Youth Strategy is reviewed and updated. The programme will also promote reduction of farm and pre-processing drudgery and time through promotion of labour-saving processing technologies. 35% of the VCDP matching grants will continue to be earmarked for women's use to upgrade their production and processing capacities, and 25% to youth to promote entrepreneurial activities. *The mission notes that the 30% counterpart funding is one of the reasons that limits the youths participation. It is therefore recommended that the programme explores youths friendly guarantee mechanisms to facilitate access to finance as part of the financial inclusion strategy.*

Agreed Action	Responsibility	Agreed Date
Adult Literacy Continue to support the functional adult literacy classes across the states	NPMU/SPMU	05/2019
Review/update G&Y Strategy Review and update of the G&Y Strategy to include interventions specific to women / youths and expanded interventions	NPMU/SPMU	06/2019
GALS Strategy Review and operationalize the draft GALS Strategy	NPMU/SPMU	06/2019
Gender Training Conduct a refresher gender training for all technical and administrative staff at national and state level and publicize the revised Gender and Youth Strategy	NPMU/SPMU	06/2019
Sensitization Events Conduct sensitization events such as field days on user friendly low cost labour saving equipment e.g threshers, driers	NPMU/SPMU	06/2019
Financial Inclusion Youth Identify youths friendly guarantee mechanisms to facilitate their access to finance as part of the financial inclusion strategy.	NPMU	09/2019
Establish Demonstration Plots Establish demonstration plots of dry season planting along the river banks e.g rice and vegetables and flood resistant rice varieties for the flood prone areas	NPMU/SPMU	10/2019

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 PESPs 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
Develop business models on enterprises along the rice and cassava value chains Engage consultants to develop business models and train youth and women	NPMU	05/2019
Harmonize and standardize the existing extension training guides for FFBS Request PESPs to adopt one standardized format across the States Build capacity of at least 2 lead farmers per production group	SPMU	06/2019
Organize refresher course for youth and women seed producers across the States Train youth and women seed producers on novel production techniques	NPMU	06/2019
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	10/2019
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

Nutrition

Rating: 4

Previous rating: 3

Justification of rating

VCDP has developed a draft nutrition strategy under review by CIAT to guide its nutrition interventions. VCDP is also in the process of recruiting 2 Nutrition Specialists at the NPMU and 9 Nutrition officers at the state level. The programme has trained 1,340 (57% females) lead farmers in nutrition sensitive interventions. The mission noted that the current nutrition training manual used by the programme focuses essentially on the fundamentals of nutrition knowledge which is not sufficient for implementing the agricultural value chain based nutrition-sensitive interventions. This should be revised and updated based on the interventions proposed in the Nutrition Strategy.

Main issues

Main issues

The programme has to date trained 1,340 (57% females) lead farmers in nutrition sensitive interventions and will continue to promote increased use of NSGAPs, through demonstrations and training. Multiplication of Pro-vitamin A cassava varieties has been on-going especially by the youths seed agri-preneurs. In Niger state over 150 hectares of pro-vitamin A cassava production have been cultivated and about 200 farmers (25% female) are practising cassava – legume intercrop in their fields. 3,167 (38% women) youths were trained on dry season techniques which could be used for promoting nutrition dense foods such as vegetables.

In terms of processing equipment for rice and cassava, the programme has supported over 3,076 processors (78% women) and provided equipment on matching grant basis on efficient processing of cassava products such as Garri (highly preferred for vit A variety) and rice processing. There has been significant improvement in product quality to the extent that some processors (in Anambra state) are already selling the Vitamin A rich cassava products to schools and intermediary wholesalers. However, inadequate drying of cassava roots/chips and rice remain a challenge to product quality due to retained humidity.

The programme has also conducted several nutrition trainings on food safety and post-harvest handling practices with the aim of reducing food contamination and post-harvest losses. However, because of the limited support given to product certification, the market outlets remain limited as the clients are not guided on the safety of the product. The mission further recommends that the programme provides for childcare support facilities at the centres to further reduce chances of product contamination and risk of accidents at the workplace.

The project has in addition trained 60 women in pro-vitamin A value addition products and 60 in rice-based processing options and crop utilization products. This has not only increased demand for the flour but has also created employment opportunities and income for the women. In total, about 500 women have received the value addition training due to the training organised by those who attended the training. However, it needs a clear nutrition mainstreaming action plan with concrete activities, targets and timelines to effectively implement the nutrition strategy.

Agreed Action	Responsibility	Agreed Date
Alignment Nutrition strategy Finalise the review of the draft Nutrition strategy to align it with the VCDP interventions	NPMU	05/2019
Recruitment Finalise the recruitment process of the 2 Food and Nutrition Specialists at National and 9 Nutrition officers at State levels	NPMU	05/2019
Support Groups Support groups towards product certification in order to meet market quality standards and product competitiveness to join the formal markets	NPMU	05/2019
Workshop Nutrition Strategy Hold a validation workshop of the nutrition strategy for all project staff (national and state level) for feedback, ownership, and operationalization	NPMU	06/2019
Update Nutrition Training Manual Review and update the nutrition training manual to reflect interventions in the nutrition strategy	NPMU	06/2019

Adaptation to Climate Change

Rating: 3

Previous rating: 3

Justification of rating

VCDP has made significant strides through the establishment of its “100-day challenge” action plan – recommended by the previous SM. This results-based action plan, which became operational in mid-March, was prepared from the activities suggested in the ESMF – in turn derived from the SECAP (both recommendations of MTR). To-date (around mid-point of the plan) around 1450 VDCP participants have received awareness raising (target of 150); over 250 “smart weather devices” and 135 climate information boards have been distributed compared with a target of 60; over 50 tube wells have been constructed compared with a target of 10; and 3 States have installed waste conversion facilities (overall target = 4) as well as 2 bio-digesters and 2 rice-husk briquetting machine (target 3 of each) established.

Main issues

Main issues

The previous SM was pleased to note that VCDP had introduced a Social, Environmental and Climate Assessment Procedure (SECAP), and complemented this with an Environmental and Social Management Framework (ESMF). The AF provides resources for implementation of climate and environmental-related initiatives to the tune of USD 2.38 m plus an extra USD 0.54 m for awareness raising and capacity building. The need for these is startlingly clear with the very visual evidence of large quantities of logs from indigenous trees to power the processing plants and the waste generated from these plants. *While rice-husk briquettes being employed by VCDP may provide an alternative solution (and should continue to be promoted), the mission recommends that the NPMYU conducts a study to quantify their potential energy generating capacity or feasibility. It is also noted that while the weather monitoring devices are a step in the right direction,*

there now needs to be a programme established, in cooperation with NIMET, to transform these data into forecasts and field-activity recommendations linked to the internet and social media as well as physical notice boards. Flooding (currently a problem – and exacerbated by CC) is a particular case where forecasts could be very valuable to farmers. Subscription to agro-insurance with the Nigeria Agricultural Insurance Corporation (NAIC) by farmers and agro-processors is the most popular ‘no regret’ option for improved resilience, and about 38,000 ha^[1] of production land (mainly rice fields) was insured with weather index insurance through NAIC in 2018. Awareness of the nexus between climate change, environment and natural resources management, rural livelihoods and food security is low among the agro-entrepreneurs, and VCDP will need additional manpower to effectively implement the climate change adaptation/mitigation measures at national, state and local levels. VCDP is providing boreholes, tube wells and water pumps in some of the farm clusters for all-season cropping. In addition, drinking water points and market connected farm roads are being constructed/rehabilitated and processing and storage facilities are also being constructed/rehabilitated. Base on the revised log-frame, 138.7 km (of 300 km) of market connected farm roads, 32 (of 108) drinking water points, and 129 (of 450) processing/storage facilities have been constructed/rehabilitated; and 1562 ha are under irrigation^[2]. These are improving productivity and strengthening resilience.

^[1] Not reflected in the Logframe, only reflected in the NPC’s progress report. The NAIC representative in Anambra says they are about paying farmers about N9million claim for the 2018 floods. But there is no accessible data regarding how much was paid to farmers across the VCDP states for the 2018 flood losses.

^[2] From the revised logframe.

Agreed Action	Responsibility	Agreed Date
Follow-up Climate change and environment 100-day action plan Follow-up the current Climate change and environment 100-day action plan with a roll-over plan that takes VCDP through to the end of this calendar year, setting new targets and introducing fresh activities where necessary	NPMU	06/2019
‘Green Energy’ Desk Study Conduct a ‘green energy’ desk study to investigate the feasibility of replacing indigenous logs with woodlots, briquettes and bio-digesters for processing plants	NPMU	07/2019
Develop an MoU Develop an MoU with NIMET to further the process of climate forecasting and related field-activity advice	NPMU	07/2019
Study Briquette Technology Conducts a study to quantify the potential energy generating capacity or feasibility of the briquette technology	NPMU / SPMU	11/2019

b. Sustainability and Scaling up

Institutions and Policy Engagement	Rating: 5	Previous rating: 5
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Justification of rating

The programme has set up an innovative public-private partnership model through CAF, which is a forum of key stakeholders in rice and cassava commodity value chains to discuss their needs, challenges and measures to overcoming them. CAF has worked as a reliable instrument for replication and scale-up of best practices in commodity value chain development in most States, but could be strengthened to enhance their capacity as exit window for the programme. The AMIS is also providing a platform for knowledge sharing in market and weather information. AMIS may become a major platform for policy discourse if CAF are able to develop strategic plan and harmonize their operational guidelines across all the VCDP participating states.

Main issues

Main issues

The programme has engendered some changes in the agricultural sector with respect to transforming small scale agriculture into business using a private sector-led and market-drive approach. This has dovetailed to a greater participation of private sector and government buy-in. The VCDP has improved the smallholder farmers' perception and acceptance of agriculture as a business. The project has adequately prepared for institution and policy engagement. The FMARD's interest to replicate the CAF in the remaining 30 states of Nigeria was demonstrated at the national launch of the CAF in October 2018, and CASP, another IFAD-assisted project, has adopted the CAF model. The adoption of VCDP off-taker model in other commodities in other states and other LGAs, especially in Niger and Benue State has shown high policy engagement. The performance of VCDP and its policy engagement strategy has made Government of the participating states to establish commodity value chain committees with SPCs as members. Executive orders were given to small producers and processors on the use of standard weight and measures in Anambra and Ebonyi States. In addition, the project has necessitated the government support to upgrade/replace the antiquated mills in the processing clusters to improve the quality of processed rice, make processors competitive and enhance their income. The CAF has achieved cohesion among the stakeholders in rice and cassava value chain. *The mission recommends that they be strengthened to enhance their capacity as exit window for the programme. Similarly, though the capacity of the FOs has improved, they need to be strengthened to guarantee sustainability and effective exit for the VCDP.*

One challenge is the dependence of FOs on programme assistance even when their business is profitable. The SPs in extension services and FO strengthening have not effectively made the farmers realize their potential to self-finance their business from their profit, which had made some of them to continue to depend on the project for their inputs. Though the AVCGs have a good structure and good ideas of their importance as an exit strategy in the programme, these ideas are not reflected in any strategic plan. The AMIS, which has provided a platform for value chain commodity knowledge sharing, has no effective link with CAF and strategic plan.

Agreed Action	Responsibility	Agreed Date
Develop CAF's Strategic Plan Engage a consultant to develop CAF's strategic plan and harmonize guidelines across states with objective of making them sustainable	NPMU / SPMU	05/2019
Capacity of CAD Officials Build the capacity of CAF officials to strengthen them to provide needed services and be accountable to members through trainings on leadership, business ethics, price negotiation strategy and team building	NPMU / SPMU	06/2019
Capacity Building FOs Capacity building for FOs on business ethics, leadership, basic business management and calculation of cost and returns	SPMU	06/2019
Capacity AVCGs Build the capacity of AVCGs on basic business law, business ethics, negotiation skills and group dynamics	SPMU	06/2019
Integrity Training Engage a consultant to conduct integrity training in contract implementation for FOs and off-takers	NPMU	06/2019
PESPs Information to Farmers PESPs to inform farmers of the value of their services and provide financial literacy training to them to enable them finance their business	NPMU / SPMU	06/2019
Learning Route CAFs executives CAFs executives should undergo learning route among participating states	NPMU / SPMU	07/2019
Develop AMIS Strategic Plan Engage a consultant to develop AMIS strategic plan and harmonize guidelines across the states	NPMU / SPMU	07/2019
Study of Private Extension Services Engage a consultant to conduct research on farmer's willingness to pay for services of private extension services	NPMU	08/2019

Partnership-building

Rating: 6

Previous rating: 6

Justification of rating

VCDP has developed effective partnerships with various national and international / multinational public and private sector stakeholders for various services needed by the beneficiaries. There is a unique partnerships between farmers and large business operators who are providing reliable market outlets to farmers. These partnerships have resulted in the establishment of CAFs, which is an innovative 4P as the key exit strategy for the Programme. Promotion of contractual linkages between FOs and private off-takers are central for the sustainability of the outcomes of the programme. These linkages need to be scaled up for cassava and generally strengthened to ensure their sustainability. It will also be key for sustainability that CAF are capacitated before Programme completion to take over and manage partnerships.

Main issues

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Main issues

VCDP is partnering with numerous private and public partners. Main ones are; Offtakers (Olam, Onyx, Popular Rice Ltd, etc.) and processors who providing various services to the farmers; Input suppliers and IFDC and Cellulant for facilitation of input supply chains; NASC for seed certification; NAFDAC and SON for certification of the rice and cassava products of women processing groups for improved nutrition; NIMET in pre-season training of farmers on climate change using weather smart predicting equipment; NAIC for crop insurance; NIRSAL and CBN Anchor Programme to facilitate access to finance for farmers; FIs for financial services to programme beneficiaries; ADP for the strengthening of public extension services and establishment of seeds laboratory; NCAM for training of youth entrepreneurs; Africa Rice for training of rice seeds entrepreneurs; CORY for capacity building of youth entrepreneurs; NCRI and NRCRI on crop research, Tractors Owners Operators Nigeria for land development, NBRRI to build capacity of O&M committees for infrastructures, and NAN for communication and KM.

Promotion of contractual^[1] linkages between FOs and private offtakers is central to the sustainability of the outcomes of the programme. While most rice farmers are linked to offtakers, nature of the services provided by the offtakers vary. Some are providing a full range of services to the farmers (access to markets, provision of input finance and extension services), which is the most sustainable model. It has been observed that when offtakers are only buying farmers produce, risk of side selling and non-compliance with contractual commitments by the farmers is high, especially when there is high competition in the market, as was observed in Ebonyi. The mission recommends assessing possibility to support interested offtakers to widen their range of services, for implementation under AF and / or under the new design. This should be done in consultation with CAF to avoid perception that the Programme is favouring specific private actors and distorting competition.

Market linkages for cassava are less performing, due to lack of reliable offtakers and mismatch between offtakers requirements and farmers produces.

Partnership with FIs needs to be strengthened to ensure sustainable access to finance for beneficiaries. To go a step further than organizing linkages between beneficiaries and FIs, it is recommended to consider providing TA to FIs, preferably under AF or for the new design, depending on budget availability. Here again, CAF should be associated to the identification of FIs to be supported. Mostly importantly a competent financial inclusion expert who has the requisite skill to engage with and support FIs should be recruited.

From discussions with O&M committee for infrastructure, beneficiaries are well aware of their responsibilities. The same approach wasn't observed for the development of WUAs, although NWRI could have been engaged with O&M committees. No partnership was established with the Local Governments. Such officialised relation would have helped in setting up and implementing technical standards and specifications as well as ensuring ownership after project closure.

^[1] MoU is widely used. While no major default has been recorded, the use of contractual arrangement will enhance sustainability of the agribusiness model.

Agreed Action	Responsibility	Agreed Date
Assess Possibility to Provide Off-takers Assess possibility to provide TA to selected off-takers to enlarge their range of services	NPMU / SPMU	06/2019
Assess Possibility to Provide FIs Assess possibility to provide TA to selected FIs to develop adapted products	NPMU / SPMU	06/2019
Improve Monitoring Improve monitoring of the performance of the off-takers – Farmers linkages (see Additional aspects)	NPMU	06/2019
Recruit Financial Inclusion Expert Recruit a competent financial inclusion expert who has the requisite skill to engage with and support FIs should be engaged	NPMU	10/2019

Justification of rating

Capacity building and promotion of community driven empowerment mechanisms such as matching grants, GALS methodology, use of AMIS, FOs and CAF have contributed to strengthening the stakeholders' capacities in entrepreneurship, compliance to product standards, freedom of expression and active participation. The programme has supported linkages between key stakeholders comprising of farmer groups, produce off-takers, input dealers, financial institutions, insurance providers and the public sector through the CAF. The CAFs continue to provide the facilitating role towards business discussions and exchange on market demand. Farmers' production is now driven by business plans they prepare to respond to market demand identified through the CAF and expand their businesses.

Main issues

Main issues

FOs continue to innovatively support their members through savings and linkages with large scale agribusiness enterprises like Olam, Onyx, Popular Farms, Josan, and Hello Tractor operators to negotiate and engage in business transactions. With the private sector as the driving force, CAF does not only offer a platform for business transactions, market inclusion and empowerment for smallholder farmers but also provides a forum for policy debate and knowledge sharing, as well as a pathway for replication and scale-up of best practices in commodity value chain development. Given CAF's potential as an institution for the programme's sustainability, there is need to ensure that its capacity is developed in order to effectively deliver to its stakeholders.

A total of **3,594 FOs (73% of total profiled FOs) have saved N547 million** in financial institutions (FI). This figure has continued to fluctuate as groups deposit and withdraw for other investments and as a revolving fund to members as small loans. A total of 30 243 FO members have been linked to FIs for savings (32% women), representing 39 % of the total number of group members. The farmers have evolved savings in kind strategies whereby they save the produce and pay for the matching grant for inputs for the next cropping season. Majority of farmers who practice in-kind savings are those with little or no access to FIs because of distance. Some buy and resell paddy or fatten cattle to resell at higher prices. 7 920 FO members (37% women) have accessed individual loans from FIs, representing 10% of the total number of groups members, for a total amount of around N565 million (average N71,000)^[1]. This has been in particular achieved through linkage forums organized by the programme and under CAF. More men have been linked and accessed to credit from financial institutions than women. This could be because of the inability of most women to provide the mandatory collateral required by these institutions.

The mission takes cognizance of the following: (i) the varied performance of CAF across the states in terms of maturity, governance and business transactions; (ii) the challenge of low level of financial literacy and self-esteem which affects active engagement of some beneficiaries especially women; and (iii) limited exposure on relevance and opportunities of CAF.

^[1] This figure includes loans in kind provided by off-takers under MoU or contract with FOs.

Agreed Action	Responsibility	Agreed Date
GALS Tools Integrate the GALS tools towards a user friendly financial literacy training especially for women with low literacy levels	NPMU/SPMU	06/2019
CAF Performance Assessment Conduct a CAF performance assessment across the states to document success and capacity gaps	NPMU/SPMU	07/2019
CAF Training Conduct CAF trainings to address the capacity needs and gaps as well as share success for improved performance	NPMU/SPMU	08/2019
CAF Exchange Conduct CAF exchange visits to foster learning across CAF stakeholders	NPMU/SPMU	08/2019
Categorize CAF Categorize the CAF accordingly to strong, moderate and weak and define the type and level of technical assistance to be provided to each category	NPMU/SPMU	09/2019

Quality of Beneficiary Participation

Rating: 5

Previous rating: 4

Justification of rating

The project objectives, strategy and approach provide sound foundation that supports the quality of beneficiary participation. Identification of activities, planning and implementation was in response to the beneficiaries priorities, needs and capacities. The programme has cumulatively registered a total of 4,933 FOs in rice and cassava with a membership of 77,393. Of these 35,538 have received support in production (32% women), 4,782 in processing and marketing (63% women) and 8,615 youths (34% female) for agri enterprises. The mission recommends to further strengthen FO governance and management to ensure their sustainability, especially for FOs rated weak, and to monitor actual adoption of capacity building by beneficiaries.

Main issues

Main issues

There has been increasing demand from the project beneficiaries based on business performance and beneficiary testimonies. The programme has supported members of the FOs in production through provision of agricultural inputs such as seeds, fertilizers and agro chemicals against a 50% matching grant, members in processing groups with processing equipment and infrastructural support against a matching grant of 30%, and youths for agri enterprise development through similar matching grant mechanism.

FOs have started increasing their savings which now act as sources of fund to meet their matching grant requirement. Their capacity to obtain credit is being enhanced in addition to facilitating their linkages to market off takers. The GALS methodology has provided further quality to the beneficiaries by increasing women's participation. Some farmers are however unable to mobilize their contribution for matching grant for inputs. It is recommended to consider revising the percentages of contribution by the farmers over the 2 years of matching grant support from 50% – 50% to 30% - 70% using a reducing ration approach. The mission also noted cases where some farmers received the matching grant for only one year, which should be avoided.

The Programme is currently conducting a rating exercise of FOs through service providers. The mission notes that some FOs that are rated weak or moderately performing, highlighting the need to continue and strengthen capacity building in a more customized way (see below Responsiveness of Service Providers).

Concerning infrastructures, as reported by the programme, beneficiaries were consulted throughout the development process of activities, from their selection till their implementation for all targeted infrastructures. During construction works, they supported through in-kind contributions (unskilled labour, water fetching, food, etc.). In some cases this involvement

contributed to build their capacity for further operation and management of the assets. Others were employed (skilled labour) by contractors and could generate cash in return. This is considered as beneficiaries income or cash indirectly injected in the community by the programme and has not been captured as such.

Mechanisms such as use of community labour gangs for unskilled labour not only injects money to the rural economy but creates ownership of the structures and for some of the roads O&M committees have carried out light maintenance works (side clearing) at their own initiative.

Agreed Action	Responsibility	Agreed Date
Percentages of Contribution by Farmers Consider revising the percentages of contribution by the farmers over the 2 years of matching grant support from 50 – 50% to 30% - 70%	NPMU	05/2019
Training Financial Literacy Strengthen training of FOs in financial literacy including saving culture	NPMU/SPMU	06/2019
Training GALS Methodology Train in GALS methodology for FO strengthening in group dynamics and governance	NPMU	07/2019
Ensure Second Year Input Ensure that second year input matching grant is accessed by all farmers that have benefited from year 1 matching grant	NPMU	08/2019

Responsiveness of Service Providers

Rating: 4

Previous rating: 4

Justification of rating

The key Services Providers (SP) engaged by VCDP are 6 PESP (Private Extension Service Provider), one per State, and 6 Services Providers for FO institutional strengthening. NPMU commissioned an independent assessment of the performance of the SPs end of 2018, with an overall satisfactory evaluation. The mission was informed that SPs are providing reports timely, and review by the mission of a few sample reports submitted by NPMU showed an overall good quality, although deeper analysis of the adoption and outcomes of the trainings provided and challenges faced would be useful. VCDP also relies on private services providers to implement all infrastructure related activities, with overall satisfactory performance.

Main issues

Main issues

The services of the PESPs are yielding desired results as the trained farmers are using improved rice varieties and cassava stem cuttings resulting in increased yields and income for the farmers. The technical competence of the PESP is very good but they should harmonize and standardize the FFBS training modules across States.

The fact that FOs and members can keep farm records, apply basic business management and leadership principles, understand group dynamics and are able to use bulk purchase method to procure their inputs, is a testament of good quality of FO institutional strengthening Service Providers (ISSP).

The mission noted that NPMU required ISSPs to benchmark FOs in March 2019, before end of their current contract in May, using a comprehensive and relevant set of performance indicators. For instance, outcomes of this exercise in Benue shows that 44% of the FOs are rated Strong, 42% Moderate and 14% Weak. These ratings should be confirmed by SPMU on a sample basis. *Programme and SPs should build on these ratings to define customized support to the FOs. It would also be useful to determine when a FO can be exited for support, to concentrate efforts on building capacities of the weaker groups. This should be clearly articulated in the new contracts to be signed.*

The mission had the opportunity to review training modules developed by one SP in Ebonyi State: quality was average and there is room for improvement. NPMU should organize a round table gathering all SPs and relevant State staff, by thematic area, to exchange on best practices and lessons learnt, and agree on outcome indicators to be reported on. In

this context, payment of the SPs should be partly linked to achievement of outcome indicators (for at least 15-20% of the total contract amount) to incentivize performance. These could be for instance, for Institutional strengthening SP, number of FOs and FO members linked to financial institutions, number of FO having a functional bookkeeping system, number of FOs having developed new services for their members (bulk purchase, etc), number of FOs implementing their Business Plans, rate of adoption of good agricultural practices. Assessment of these indicators should be done by SPMU and compiled for the NPMU.

The mission recommends that supervision of the SPs by States and NPMU should be reinforced, with specific focus on quality of services and achievements of outcomes. Regular interaction with beneficiaries of the services should be organized regularly to assess and document quality of services and rate of adoption of the different expected trainings outcomes.

The programme has relied on private SPs to implement infrastructure related activities, including surveys/design, supervision and implementation. According to the programme, the majority of projects were implemented within contractual period. For road works, inflation of local currency has highly contributed to slow down the speed of delivery, but this has been mastered. Performance of SPs is overall acceptable but could be better if adequate supervision was provided. The construction of one road out of 51 is yet to be completed: due to poor design, implementation is highly above prescriptions and estimated costs are not enough.

Agreed Action	Responsibility	Agreed Date
Reinforce Supervision Reinforce supervision of SPs by State and NPMU with more focus on quality of services and achievements of outcomes	NPMU / SPMU	05/2019
Capacity Building FOs Build on benchmarking of the FOs to fine tune capacity building of FOs and determine when group should be exited for support	NPMU / SPMU	05/2019
Organize Round Table Between SPs Organize a round table between SPs to exchange on best practices and lessons learnt and agree on outcome indicators to be reported on	NPMU	06/2019
SP Remuneration and Outcomes Indicators Link a percentage of the SP remuneration to achievements of outcomes indicators	NPMU / SPMU	06/2019

Environment and Natural Resource Management

Rating: 4

Previous rating: 3

Justification of rating

The 100-day plan that VCDP set up to mainstream environment and climate adaptation into the programme has delivered results by kick-starting the mainstreaming process. For example, at the time of the mission, over 2300 farmers had been made aware of issues regarding/ trained in health, environment and safety standards (100-day target = 3400). 12 rice drying slabs have been constructed (no target set), and 'progress' has been made towards setting up the 12 planned negotiation meetings between pastoralists and farmers through the CAF. Youth 'spraying gangs' have emerged as a key link in the rice value chain. However, fuelwood remains the dominant energy source for heating by the VCDP agro-processors with concomitant negative implications for the environment. VCDP has introduced the use of briquetting which is now evolving.

Main issues

Main issues

The AF has provided both the stimulus and funds to address multiple outstanding issues with respect to the environment. VCDP has realised that, while its agri-business model is proving very effective, it cannot be at the expense of the environment: it can neither continue to be a cause of deforestation and a polluter at processing centres nor a threat to biodiversity and agro-ecosystem in the fields through monocultures, use of agrochemicals and deforestation under the name of "land development". There simply has to be a re-orientation towards "sustainable intensification". The process

has begun but efforts guided through the 100-day challenge need to be stepped up and interventions augmented by, for example, (a) strategic tree planting in LD sites, (b) intercropping cassava with legumes, (c) recycling processing centre waste (cassava peel for livestock feed; rice husks for mulching or briquetting), and (d) keeping all VCDP sites free of plastic waste (e) Strengthen partnership with regulatory agencies including NAFDAC and SON on training and certification of “Spraying Gangs” to improve food safety and human health (f) Institute periodic environmental assessment of the biological systems and environmental audits of production facilities.

Agreed Action	Responsibility	Agreed Date
Recruit Staff to Monitor Environmental/CC concerns Recruit staff at NPMU and State PMU to oversee and guide both environmental and CC concerns	NPMU	05/2019
100-day Action Plan Step up action under the current 100-day action plan plus extra initiatives (see points a, b, c, d, e and f in text above).	NPMU / SPMU	07/2019

Exit Strategy

Rating: 5

Previous rating: 5

Justification of rating

Exit strategy of the programme builds primarily on establishment and sustainability of the Commodity Alliance Forums (CAF), at LGAs, States and National Level (under establishment), which are designed to contribute to sustainability and development of services provided to the programme beneficiaries through various linkages with private and public service providers, key amongst them being off-takers – farmers linkage, and to policy dialogue to ensure conducive environment for market based value chain development. In addition, the Apex Value Chain Groups (AVCG), which have been established to strengthen farmers organization, as well as infrastructure Operations and Maintenance committees are among the exit window of the programme. All these actors however need to be consolidated for effective sustainability.

Main issues

Main issues

The Programme has documented an exit strategy. Although there is still more than 3 years until completion, the mission recommends developing and operationalizing this strategy through a detailed capacity building action plan aiming at strengthening CAF, AVCG, FOs and other key stakeholders to ensure that they become autonomous by programme end. It is also recommended to gradually wean CAF and AVCG members of programme subsidies, to contribute to ownership by their members. VCDP should also engage with the local government authority to internalize the concept of O&M committee and where possible absorb them in the local government system. The Programme should clearly define the maintenance mechanism of the established rural roads and community infrastructure during establishment.

Despite initial low emphasis, VCDP’s environmental and climate mainstreaming has started with the development of the ESMF and the 100-day challenge plan. Environmental sustainability of VCDP significantly depends on the extent to which the environmental and social management and monitoring plans are followed in the AF and beyond. For now, the process has started, progress is being made and it is hoped this sustainability trajectory will be maintained.

FFBS have exposed farmers to the need for quality high-yielding rice varieties and pro-vitamin A cassava stem cuttings. The PESPs should select and train at least two lead farmers per production group to step down the training to other farmers within the existing and new production groups with certificate of completion issued to them. By 2020 wet season, the lead-farmer to farmer-led training on FFBS would have been put in place as an exit strategy. In that case, the PESPs can only be hired for a refresher course once in two years. There is need to provide robust solar power energy to the seed laboratories for efficient seed quality assurance and environmental sustainability of the labs post VCDP.

Exit strategy for extension support to farmers should be addressed specifically, through private or public led models, in consultation with ADP. Private led model through off-takers appears to be the more sustainable, but there is in this case need for Government regulation. For farmers not receiving extension support from off-takers, a clear strategy should be designed, including how AVCG could be involved through management of private extension providers.

Effective implementation of Financial inclusion strategy will be key to enable beneficiaries to sustain and develop their enterprises after exiting programme matching grants.

Agreed Action	Responsibility	Agreed Date
Capacity Building Action Plan Design a detailed capacity building action plan to operationalize exit strategy	NPMU / SPMU	09/2019
Wean Operational Financial Support Wean progressively CAF and AVCG of operational financial support	NPMU / SPMU	12/2019

Potential for Scaling-up

Rating: 5

Previous rating: 5

Justification of rating

The potential for scaling up of VCDP approach is high, as demonstrated in particular by reaching out to more States and LGAs under Additional Financing, Government request for a VCDP second phase, involvement of the private sector and adoption of VCDP off-taker model in other commodities and locations, especially in Niger and Benue State, adoption of CAF by other states including the northern states through CASP, Government buy-in in the use of weight and measure in other commodities with executive order to facilitate adoption.

Main issues

Main issues

The Programme has developed an innovative market driven 4P approach, which current achievement vindicate for further scale up, including for other value chains than cassava and rice. It will be key for successful scale up that there is a conducive policy environment to develop this approach at Federal as well States level. Experience of Ebonyi State where the State Government had banned off take of farmers produce by private off-takers highlights risks in this regard. This issue has been happily resolved but this points out the need for CAF at all levels, including at National level, to play a strong role in policy advocacy, with VCDP support.

Potential for experiential and peer-to-peer learning in VCDP will be strong with the mainstreaming of climate adaptation and environment in the AF. The use of the Agricultural Market Information Systems (AMIS) also provides a veritable platform for reaching wider audience in climate-smart production and processing systems including sharing information on climate, sustainable land management, and good agronomic practices.

All the VCDP States have already established seed testing laboratories – clearing house for good quality seed. VCDP needs to facilitate the linkage of youth seed producers with seed off-takers such as the agro-input dealers, processors, private seed companies, and other farmers in the States.

Further implementation of infrastructure activities under AF should be built on lessons learnt from and good practices of this phase. Among these areas are the following: i) setting up clear selection criteria (economic/value for money, social, technical, environmental and financial) that will the 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.

Agreed Action	Responsibility	Agreed Date
Capacitate CAF Capacitate CAF at all levels for policy advocacy to ensure a conducive environment for scale up of the market driven 4P approach promoted by the programme	NMPU / SPMU	10/2019

c. Project Management

Quality of Project Management

Rating: 5

Previous rating: 5

Justification of rating

VCDP management is delivering result-focused implementation. 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 respectively chairing and vice chairing the CAF. This approach seems to be widely shared by the staff at NPMU and SPMU levels. The management has been proactive in terms of implementation readiness for Additional Financing. Key areas of focus during AF should be effective mainstreaming of Climate change and environment, Nutrition and Financial inclusion, as well as implementation of an effective exit strategy.

Main issues

Main issues

The Programme has made overall good progress in terms of Implementation readiness for AF. For the three new States (i) office premises for SPMU have been identified, (ii) staff have been advertised while recruitment is planned by end of June 2019, (iii) The ADP/SMA confirmed that they would open the accounts when the SPCO staff signatories have been identified, (iv) A 2019/20 AWPB for AF has been prepared accommodating the three new states, awaiting clearance from the ICO (v) the States indicated their willingness to contribute their counterpart funds (vi) The Procurement Plan is being finalized, and (vii) a draft PIM is being updated to reflect the 3 additional subject areas to be further mainstreamed in VCDP, with recruitment process for the three NPMU thematic experts being launched. Sensitization, mobilization and selection of new FOs in the new LGAs for existing States and in the new States is under way, through mobilization of existing staff. Start-up workshop is planned in 17-20 June 2019, following signature of Subsidiary agreement between the States and the FMF yet to be effective.

Since the last mission, there has been progress as regards office accommodation in the States. The mission noted imbalance in male and female employment at NPMU (10% women) and SPMUs (25%). Same applies for management positions (respectively 8% at NPMU and 14% at SPMU). *The mission recommends increased efforts to prioritise fair representation of women at all levels, without compromising required academic competencies and qualifications. Affirmative action should be taken during the recruitment processes.*

Reports provided by NPMU and SPMUs are informative but are focusing on output achievements. *The mission recommends to provide further analysis in terms of outcomes/impact, lessons learnt and challenges faced, actual adoption and effects of capacity building by the programme beneficiaries, quality and sustainability of the linkages between farmers and offtakers, functionality and ownership of the CAF and AVCG, quality of service providers and functionality of the various partnerships, opportunities for new partnerships, innovations developed, etc.*

The mission noted that Steering committee / Sub-committee meetings are held regularly. Last National Steering committee was held in April 2019, and between January and March 2019 for the States.

The mission also noted that decision is yet to be made on review of staff salary as recommended by last supervision mission. The mission recommends that an independent assessment of the VCDP and other projects' salary scale should be conducted through IFAD without further be made to inform a review of the salary grid to ensure that VCDP salaries are competitive to attract qualified experts.

Agreed Action	Responsibility	Agreed Date
Mainstreaming of CC and Environment, Nutrition and Financial Inclusion Specific attention to be given by management to mainstreaming of CC and environment, Nutrition and Financial inclusion	NPMU / SPMU	05/2019
Implementation for Additional Financing Fast track implementation readiness for Additional Financing	NMPU	06/2019
Review of Salary Grid Independent assessment to be carried out for the review of salary grid	NPMU / IFAD	06/2019
Recruitment of CC and Environment, Nutrition and Financial inclusion experts Fast track recruitment of CC and environment, Nutrition and Financial inclusion experts both at NPMU and SPMU levels	NPMU / SPMU	07/2019
Quality of Reports Improve quality of reports regarding analysis of outcomes, lessons learnt, challenges faced, quality of services, partnerships and innovations	NPMU / SPMU	07/2019
Financial Inclusion Strategy Engage consultant(s) to finalize Financial inclusion strategy (ref to Appendix 4.5 for details)	NPMU / IFAD	08/2019
Technical Management Meetings Organize technical management meetings to assess achievement of outcomes, lessons learnt, challenges faced, quality of services, partnerships and innovations to inform programme activities	NPMU / SPMU	09/2019

Knowledge Management

Rating: 4

Previous rating: 4

Justification of rating

VCDP has a Knowledge Management and Communication (KMC) Strategy which focusses on knowledge capture/or creation, knowledge sharing and dissemination and knowledge acquisition and application. Supported by the staff at national and state levels, the programme has compiled knowledge products such as compendium of programme success stories, newsletters, photo stories, documentaries, flyers. It has registered its presence on key social media platforms (Website, Facebook, etc.). Though there is appreciable level of knowledge gathering and dissemination through traditional media (print and electronic), the results from VCDP and lessons learned are not being sufficiently capitalized and shared with key stakeholders especially through effective use of social media and national workshop events.

Main issues

Main issues

VCDP has registered positive footprints in terms of outputs and outcomes. Substantial success stories are also visible at the community level where VCDP mentored farmer groups have demonstrated strong adoption of agricultural technologies and technical innovations which have led to positive impact on livelihoods of a lot of beneficiaries. *Although the programme has made efforts in showcasing these footprints of successes through the media, the mission recommends that VCDP NPMU should come up with knowledge capitalization plan that will (i) increase the visibility of programme results to key stakeholders – specifically decision makers at all levels of funding; (ii) serve as an input to programme strategy development and building thematic knowledge and expertise that will cause a country-level policy engagement and upscaling of the project successful initiatives; (iii) Transfer of programme generated knowledge and*

outcomes to promote the (re)use of programme outputs, foster the use of synergies and complementarities between programme sites, and ultimately, support a more coordinated and efficient deployment of IFAD funding.

there is need to intensify the use of social media and national workshop events. Social media provides added value for (i) authenticity – allowing real voices of beneficiaries to come through using You-Tube for instance; (ii) Transparency: ability for stakeholders to see the programme performance and information can also be made visible to the public; (iii) Immediacy - ability of key stakeholders and members of the public to communicate, and to engage in online conversations using twitter feeds for instance; (iv) Participation - possibility for anyone interested in development to participate in conversation regarding programme interventions through blogs; and (v) connectedness - ability to connect and share development results in thousands of places at an instant.

Agreed Action	Responsibility	Agreed Date
Best Practices Identify and document best practices across States and across program components	NPC/SPC/KMC Advisor/PME Advisor	05/2019
Intra/Inter Programme Exchange Visit Schedule intra and inter – programme States learning exchange visit	NPC/SPC	05/2019
Capacity Online Platforms Expand the capacity of online platforms to accommodate the sharing of program results using documents, audios and videos	KMC Advisor/MIS Officer	06/2019
Social Media Platforms Build the capacity of relevant staff to maximize the use of social media platforms	KMC Advisor/PME Advisor/MIS Officer	06/2019
Knowledge Products Develop a log of knowledge products in the programme including strategic documents that are shaping good programming in VCDP	M&E/KMC Advisor	09/2019

Value for Money

Rating: 4

Previous rating: 4

Justification of rating

VCDP approach has been effective in targeting the poorest and the remote villages, including the inclusion of women and youth whose participation stands at 36% and 44%. Improved overall livelihoods of the targeted beneficiaries are expected resulting from productivity gains of the targeted value chain crops – rice and cassava (rice yield has increased from 2-5 MT in 2015 to 7-8 MT per ha on some sites, cassava yield up to 35 MT/ Ha from just 12 MT in 2015). Additional value chain activities as well as land reclamation for irrigated agriculture are expected to reduce unemployment in the targeted rural areas. Return on investment at the farmer is up to 90%. The 100day action has been prepared to enhance farmers resilience to climate change.

Main issues

Main issue

The current financial system is not fully programmed and integrated into the M& system to track the cost of each programme output. It was however observed that the programme interventions have had positive effects on agricultural enterprises at group and individual levels. A single 16 million Naira sales was observed in one of rice marketers group's record books and more than 90% return on investment with some young agricultural entrepreneurs.

The table below provides a basic VFM estimate for selected outputs.

Subcomponent/Output	USD As At 31 March 2019		%	Number	USD
	Sub-Component Expenditure	Output Cost	% of Sub component total expenditure	# of Individuals Trained	Cost Per Individual
Subcomponent 1.1 (Support to Value Addition & Market linkage)	2,267,003				
Processors trained in recommended technologies		248,290	11%	4,782	52
Subcomponent 1.2 (Support to Market Infrastructure)	18,732,111				
People trained in infrastructure management (roads, markets, water supply, processing and storage facilities)		118,892	0.6%	630	189
Subcomponent 2.1 (Strengthening of Farmer Organizations)	1,596,619				
Group leaders trained in good governance issues		464,683	29%	9,092	51
Subcomponent 2.2 (Support to Smallholder Production)	18,214,354				
Youth farmers trained in spraying techniques/Other income generating enterprises		523,844	2.9%	8,615	61
Farmers trained in improved technologies		2,026,446	11%	35,536	57

Coherence between AWPB and Implementation

Rating: 4

Previous rating: 4

Justification of rating

As at March 31, the overall performance on the 2019 AWPB was an achievement of 53% physical and 21% financial. Performance varies across the subcomponents (see details in the table below) and across the States. As the details in the Annexes show, some states achieved more of their physical targets than the financial targets across all subcomponents and vice versa. Further detail can be found in the table provided under. The mission recognises that physical operations are has just started to gain momentum during the first quarter of the year.

AWPB Inputs and Outputs Review and Implementation Progress

Physical and financial performance as at 31 March 2019		
Component / Sub component	Physical	Financial

Sub component 1.1	58%	22%
Sub component 1.2	47%	17%
Sub component 2.1	39%	15%
Sub component 2.2	51%	23%
Sub component 3.1	65%	22%
Sub component 3.2	43%	29%
Sub component 3.3	67%	16%
Overall	53%	21%

AWPB Review

Based on the data analysed from the States and SPMU, the total budget for Financial Year 2019 was estimated at USD 9.91 million allocated for implementation of various planned programme activities. The budget for the first quarter was estimated at USD 4.21 million. As of 31 March 2019, programme had spent USD 1.97 representing 47% of the planned first quarter spending and 20% of the total planned budget for 2019. The WA is yet to be submitted to IFAD as at the time of the mission. By component, the 2019 AWPB financial progress indicates that sub-component 3.2 PME and KMC has the highest execution rate of 199% based on quarterly planned spending and 29% based on 2019 planned spending. Subcomponent 1.2 Support to market infrastructure had the least execution rate of 28% based on quarterly target while subcomponent 2.1 - support to farmer organizations has the least execution rate of 15% based on 2019 target. See table below:

Component / Sub component	Financial (USD)			% Q1 Target	% 2019 Target
	2019 Target	Q1 Target	Q1 Achievement		
Sub component 1.1: Support to value addition and market linkages	409,836	106,544	90,423	85%	22%
Sub component 1.2: Support to market infrastructure	3,812,193	2,372,885	652,636	28%	17%
Sub component 2.1: Support to Farmers Organizations	451,533	98,825	66,226	67%	15%
Sub component 2.2: Support to Smallholder production	1,598,039	756,579	374,785	50%	23%
Sub component 3.1: Management and coordination	2,494,689	523,098	553,803	106%	22%
Sub component 3.2: PME and KMC	398,787	57,705	114,861	199%	29%

Sub component 3.3: Finance management, audit and procurement	748,666	299,590	121,486	41%	16%
Overall	9,913,743	4,215,226	1,974,220	47%	20%

With reference to the physical achievements, the overall average performance as at 31 March 2019 reached 53%. See table below for further details:

Component / Sub component	Activities achievements as % of 2019 targets
Sub component 1.1: Support to value addition and market linkages	58%
Sub component 1.2: Support to market infrastructure	47%
Sub component 2.1: Support to Farmers Organizations	39%
Sub component 2.2: Support to Smallholder production	51%
Sub component 3.1: Management and coordination	64%
Sub component 3.2: PME and KMC	45%
Sub component 3.3: Finance management, audit and procurement	71%
Overall average	53%

Financial and activity performance vary across components and from State to State. See Appendix 4.7 for further details.

Main issues

Although standard templates are used in preparing the AWPBs, the methods of preparation and presentation differ from States to States. There is also insufficient analytical rigor in preparing the quarterly financial allocation.

Traditional method of computing physical achievements is used even though it does not take into considerations various units and the quantity of the activities. Rather, a simple item counts are used. This causes wide variations between financial and activities achievements. *Going forward, it is recommended that: (i) SPMU enforce standard format of preparing and analysing the AWPB. (ii) Quarterly allocations be made based on historical trends on achievement and performance should be analysed using quarterly rather than annual allocations. (iii) In computing average achievements on activities, items with same units of measure should be grouped together.*

Agreed Action	Responsibility	Agreed Date
Consultative PME Staff meeting to enforce AWPB standards SPMU to arrange technical meeting and/or training to discuss framework for preparing AWPB as well as standards for review and analysis	PMEC, Technical Specialist at National and State levels	06/2019

Performance of M&E System

Rating: 4

Previous rating: 4

Justification of rating

VCDP has a functional Monitoring & Evaluation system with adequate staffing structure at the LGA (extension agents and LGA desk officers), SPMU and NPMU levels. Data collection tools developed to capture, analyse and report programme implementation data on outcome, outputs and activities are generally acceptable and are used at different levels to make operational decisions. The tailor-made MS Access based Management Information System (MIS) for data capture and analysis to aid planning and reporting is also being utilized.

M&E System Review

M&E system Review

The Mission noted that VCDP has implemented the recommendation made during the 6th Supervision Mission with regards to the need to review the Performance Monitoring Plan (PMP). The task has been awarded in late March 2019 and inception report has been submitted. The inception report has taken into consideration the need for the review of key elements of the PMP; (i) IFAD-VCDP theory of change, (ii) performance indicator profile that highlights the definition, disaggregation requirements and responsibility of collection from the beneficiary up, for core and non-core indicators in the log-frame, (iii) performance indicator tracking table (PITT), to capture the periodic trends on each key performance indicator at each level of the result chain, (iv) M&E task schedule highlighting key M&E related programme tasks, (v) data quality assurance guide that will contain full meanings and the methodology on how to ensure the adherence to the following data quality standards: validity, integrity, precision, timeliness, reliability and (vi) an evaluation plan that will be used to assess and present the outcome/impact of VCDP strategies and interventions implemented focusing on key evaluation questions that address relevance, effectiveness, impact, efficiency and sustainability.

The mission recommends that based on the PMP review, the tailor-made MS Access-based Management Information System (MIS) used for data capture and analysis should also be reviewed so that disaggregation (gender, age, activity type) and computational analysis fields should be added. Currently no such fields are found on the platform. Similarly, it is expected that the capacity of M&E and other technical leads should be further developed at all levels to encourage working synergy as well as common understanding of appropriate tools for measuring, analysing and reporting programme interventions.

From data collection and analysis point view, VCDP has concentrated more in generating output performance. Mission noted that 5 year to implementation, more emphasis should be on reporting outcomes, especially as the programme has generated lots of economic and social benefits.

Although programme review meetings are conducted on need basis, it is recommended that regular quarterly review meetings should be conducted to discuss data collected and reporting, sharing knowledge, experiences and lessons learned. The participants should be strictly SPMU M&EO, and all NPMU technical leads.

Agreed Action	Responsibility	Agreed Date
Institute Mandatory Quarterly Programme Review Meetings To discuss programme implementation data/information collection, analysis and reporting	NPMU	05/2019
Review of Programme MIS platform Review of MIS platform to create disaggregation and computational fields and update the capture of indicators (Core and Non Core)	NPMU	09/2019

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

Rating: 4

Previous rating: 3

Justification of rating

The rating here is increased from the previous mission because there has been a well-managed process through the development of the SECAP (before the last mission and recommended by the MTR - although why this was not conducted at project design is not obvious), then an ESMF (again, before the last mission). Some good practices were noted in Anambra where a full Environmental and Social Impact Assessment had been conducted for land development and an irrigation scheme.

SECAP Review

SECAP Review

While both documents (SECAP and ESMF) were comprehensive, they were relatively strong in terms of background but lighter with regard to specifics. However, these shortcomings have been largely remedied by a clear, target oriented 100-day action plan covering both the environment and climate related-issues. This fits well with the requirements of the AF and helps to address those concerned that VCDP is not well enough engaged in these issues. If VCDP goes forward to plan second phase then a SECAP and related plans are essential from the start.

Agreed Action	Responsibility	Agreed Date
Roll-over Plan Follow-up the current 100-day action plan with a roll-over plan that takes VCDP through to the end of this calendar year, setting new targets and introducing fresh activities where necessary	NPMU	06/2019

d. Financial Management & Execution

Disbursement by financier

Type	Name	Current Amount	Disbursed Amount	Actual Rate
Domestic Financing breakdown	National Government (add)	\$27,800,000		
	Private sector local	\$15,000,000		
	Beneficiaries additional financing	\$1,200,000		
	National Government	\$15,600,041		
	Beneficiaries	\$8,068,690		
Co-financing breakdown,	To be determined	\$0		
	Co-financiers	\$6,800,000		

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 withdrawal of funds under the IFAD grant.	PMU	06/2018
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
Improve on quality of budgeting and budget control Set achievable targets in AWPBs and involve finance teams to assure financial feasibility of budgets	NPMU	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

There has been significant effort to fix issues around the flexible accounting system. Overall the flexible accounting challenges identified at the last mission have been fixed.

Main issues

Although now there are clear efforts towards using the flexible accounting system also as a budget control tool, the uploading of the approved budget onto the system still needs improvements. This is in terms of ensuring that indeed the uploaded budget reconciles well to the approved one at all sites. Commitment control/ encumbering of funds at the time of entering contracts is not yet effective. The Finance teams still receive requests for payments which were entered into without prior verification as to whether there is still financial budget. Contract registers are still not readily accessible by the finance units. Contract monitoring forms are attached to payment requests but the finance teams generally do not check their accuracy. Contract management should be seen as a joint effort between technical staff, procurement and the finance departments/ units. Financial instruments such as performance guarantees are not generally enforced. Contract variations are sometimes not well documented. Retention monies are sometimes released without evidence of site visits to confirm there are no defects. At NPMU the finance team staffing level still lacks two accounts assistants to achieve the desired segregation of duties and spread of work load. This could partially explain the recurring complaints about work load levels and constraints to meeting key standards. Attracting staff to fill these positions has not been easy because of the apparent low pay levels. The salary adjustments provided for in AF need to be implemented to attract / and or maintain competent staff. Traceability in terms of flow of funds is satisfactory. The flexible accounting system has been designed to generate SOEs that are easy to vouch by systematic reference numbers to the underlying supporting documents. The reconciliation of the designated account (DA) has substantially improved but still disclosures of details of amounts withdrawn but not yet replenished are still not included as a note to DA reconciliations. For instance, the last WA 39 had USD 87,328.68 without any substantive details

Agreed Action	Responsibility	Agreed Date
Complete staffing in the NPMU FM unit Two more finance officers should be employed at the NPMU given the work load	NPC	06/2018
NPMU Internal auditor to be trained to understand the system he is auditing Internal auditor should be trained to appreciate disbursement processes including details such as designated account reconciliations, smart SOEs. In this respect he should study the project FM manual and the IFAD E-learning course.	Internal Auditor and Financial controller	12/2018
Substantiate balancing figures on Designated Account (DA) Reconciliations 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	FC	12/2018
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
Reconcile the flexible accounting software Clean-up the accounting software to remove internal inconsistencies. In the mean time as stop gap measure maintain off the system analysis of expenditures by component and category that reconcile to IFAD disbursement record	FC and Flexible accounting service provider	12/2018
Strengthen internal audit capacity Train internal auditor in IFAD disbursement processes and also in the mechanics of the flexible software.	Flexible software provider IFAD for disbursement training	01/2019
Recruit two more finance officers at NPMU As agreed at MTR the two vacant positions at NPMU should be filled	NPC	02/2019

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	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%)	FC	05/2019
Recruit two more finance officers at NPMU As agreed at MTR the two vacant positions at NPMU should be filled	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: 5

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 cash 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 and 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 VAT and duties.	MOF to request IFAD for an amendment of the Financing agreement.	06/2018
States should meet their counterpart obligations All States should be not relax on the momentum they exhibited in the early years of VCDP towards counterpart contribution.	All States	12/2018
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.	MOF to request IFAD for an amendment of the Financing agreement.	12/2018
FGN/States should meet their counterpart obligations	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

Additional Financing has added additional loan covenants that should be complied with. This including entering MoUs with all States. The issues around counterpart funds remain a compliance gap plus the work regarding mainstreaming thematic areas such as financial inclusion, nutrition, climate and conflict resolution will need to be followed up.

Main issues

Main issues

The few remaining areas under the accounting software should be fixed but reconciling opening balances is still on-going. The project is supposed (and is taking necessary efforts) to ensure to mainstream Financial inclusion for Programme beneficiaries; Nutrition and Climate Smart adaptation measures; Conflict mitigation to mitigate farmers and herdsman conflict for land resources; and enhancement of youths in Agriculture.

Agreed Action	Responsibility	Agreed Date
Fix the remaining few areas in the accounting software Invoke fully the budget control and introduce encumbrance of funds at point of signing contracts (commitment control)	All States / FGN	05/2019
Mainstream identified thematic areas under AF: <ul style="list-style-type: none"> • Financial inclusion • Nutrition and Climate Smart adaptation measures • Conflict mitigation to mitigate farmers and herdsman conflict for land resources • Enhancement of youths in Agriculture 	NPMU	12/2019

Procurement

Procurement

Rating: 4

Previous rating: 4

Justification of rating

The programme improved in process and documentation, unlike what it was during the last review. In specific terms, the procurement files can independently speak to a process with little or no request for clarifications. Also the contract registers are properly kept and updated as the time of the review. The programme adhered to the procurement methods and approval thresholds contained in the approved procurement plan for the period under review.

Procurement Review

Procurement Review

The mission reviewed Procurement implementation of VCDP for 2018 and 2019 activities across the six (6) participating states of Anambra, Benue, Ebonyi, Ogun, Niger, and Taraba. The mission noted improvements in the procurement process of the states based on the outcome of the last mission.

With reference to procurement implementation, the mission observed that procurement of works are implemented in a consistent manner across the programme, but observed inconsistencies in the procurement of goods and consultancy services across the programme, especially on the procurement of Agro-inputs for goods. The mission also observed that contract agreements used, and contract management process are not consistent across the programme especially for civil works and supply of Agro-inputs

With reference to documentation, the mission observed remarkable improvement in the procurement documentation of the programme for the period under review, as procurement and contract files are properly kept and referenced.

With reference to adherence to procurement guidelines, the mission noted that implementation was based on approved Procurement plans, adherence to approved procurement method and thresholds, and that applicable approvals are obtained as contained in IFAD guidelines.

For the procurement review being reported, all procurement files and supporting documentation were provided and access granted.

The VCDP Procurement structure has the NPMU and other six participating states of Anambra, Benue, Ebonyi, Ogun, Niger and Taraba each with a Procurement Officer and an Assistant. The procurement activities are handled independently by each state and the NPMU based on their approved activities in the procurement plans. The NPMU provides oversight on the SPMU to ensure compliance with process without interfering in their activities.

For the period under review, the activities were carried out with reference to the procurement plan, Terms of Reference (ToR) were used to support consultancy services, however, it was observed that the ToR are poorly prepared with critical elements such outputs and deliverables missing, for goods and works specifications and unpriced BEME are attached to Solicitation letters but not in all cases: however, it was observed that solicitation letters are acknowledged by the recipients. Procurement process are followed with an initiation memo used to commence the process, and approved procurement methods were used by the programme.

With reference to contract drafting, the mission observed that the contract agreements in use are generic across the various engagements for the period under review. Specific to civil works, the contract agreements were not detailed on payment terms/schedules, related to contract management, the use of contract management form (CFM) was not

applicable on all contract files. It was observed that for Agro-input procurements, input delivery reconciliation form was substituted for the contract monitoring form.

Record keeping m fully meet standards as the contract files were properly labelled and referenced, documents sequentially arranged depicting the process, and contract registers were updated and properly referenced.

Agreed Action	Responsibility	Agreed Date
Contract Review Review existing contract agreements in use and recommend different contracts for each procurement method capturing the basic requirements of a contract, specific to payments terms/schedules and with relevant clauses protecting the programme from default properly spelt out	NPC	05/2019
Contract Management Process Develop and disseminate across the programme contract management process and documentation for adherence and immediate implementation	NPC	05/2019

F. Agreed Actions

Agreed Action	Responsibility	Agreed Date
Development Effectiveness		
Incorporate Food Security impact indicator the Log Frame % and (number) of households in the highest Coping Strategy Index (CSI) score category (assesses the extent to which households use harmful coping strategies when they do not have enough food or enough money to buy food. The result is reported as numeric score)	NPMU / IFAD	05/2019
Participation A quota of 50% to be instituted for interventions with below LOP 35% female participation to improve their participation such as land development	NPMU/SPMU	05/2019
Data Collection & M&E system Use the data collection tools developed by the Gender and Youth Unit, to review the M&E system so that Gender disaggregated data can be collected and reflected in the reporting	NPMU	05/2019
Adult Literacy Continue to support the functional adult literacy classes across the states	NPMU/SPMU	05/2019
Develop business models on enterprises along the rice and cassava value chains Engage consultants to develop business models and train youth and women	NPMU	05/2019
Alignment Nutrition strategy Finalise the review of the draft Nutrition strategy to align it with the VCDP interventions	NPMU	05/2019

Recruitment Finalise the recruitment process of the 2 Food and Nutrition Specialists at National and 9 Nutrition officers at State levels	NPMU	05/2019
Support Groups Support groups towards product certification in order to meet market quality standards and product competitiveness to join the formal markets	NPMU	05/2019
Review and Update Targeting Strategy Review and update the targeting strategy to reflect the additional targets with the AF and new cross cutting areas of emphasis in AF document	NPMU	06/2019
Review/update G&Y Strategy Review and update of the G&Y Strategy to include interventions specific to women / youths and expanded interventions	NPMU/SPMU	06/2019
GALS Strategy Review and operationalize the draft GALS Strategy	NPMU/SPMU	06/2019
Gender Training Conduct a refresher gender training for all technical and administrative staff at national and state level and publicize the revised Gender and Youth Strategy	NPMU/SPMU	06/2019
Sensitization Events Conduct sensitization events such as field days on user friendly low cost labour saving equipment e.g threshers, driers	NPMU/SPMU	06/2019
Harmonize and standardize the existing extension training guides for FFBS Request PESPs to adopt one standardized format across the States Build capacity of at least 2 lead farmers per production group	SPMU	06/2019
Organize refresher course for youth and women seed producers across the States Train youth and women seed producers on novel production techniques	NPMU	06/2019
Workshop Nutrition Strategy Hold a validation workshop of the nutrition strategy for all project staff (national and state level) for feedback, ownership, and operationalization	NPMU	06/2019
Update Nutrition Training Manual Review and update the nutrition training manual to reflect interventions in the nutrition strategy	NPMU	06/2019

Follow-up Climate change and environment 100-day action plan Follow-up the current Climate change and environment 100-day action plan with a roll-over plan that takes VCDP through to the end of this calendar year, setting new targets and introducing fresh activities where necessary	NPMU	06/2019
Training Conduct trainings on compliance with work safety standards and creation of decent jobs to implementing staff for inclusion in their trainings (ToT)	NPMU/SPMU	07/2019
Multi-stakeholder Workshop Hold a multi-stakeholder workshop to review the draft report on youths and women business models for ownership and operationalization	NPMU/SPMU	07/2019
'Green Energy' Desk Study Conduct a 'green energy' desk study to investigate the feasibility of replacing indigenous logs with woodlots, briquettes and bio-digesters for processing plants	NPMU	07/2019
Develop an MoU Develop an MoU with NIMET to further the process of climate forecasting and related field-activity advice	NPMU	07/2019
Financial Inclusion Youth Identify youths friendly guarantee mechanisms to facilitate their access to finance as part of the financial inclusion strategy.	NPMU	09/2019
Establish Demonstration Plots Establish demonstration plots of dry season planting along the river banks e.g rice and vegetables and flood resistant rice varieties for the flood prone areas	NPMU/SPMU	10/2019
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	10/2019
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
Study Briquette Technology Conducts a study to quantify the potential energy generating capacity or feasibility of the briquette technology	NPMU / SPMU	11/2019
Conduct Micro –Studies Across Sub components Conduct micro studies across sub-components in order to track outcome and impacts of the programme interventions	NPMU / IFAD	12/2019

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
Sustainability and Scaling up		
Develop CAF's Strategic Plan Engage a consultant to develop CAF's strategic plan and harmonize guidelines across states with objective of making them sustainable	NPMU / SPMU	05/2019
Percentages of Contribution by Farmers Consider revising the percentages of contribution by the farmers over the 2 years of matching grant support from 50 – 50% to 30% - 70%	NPMU	05/2019
Reinforce Supervision Reinforce supervision of SPs by State and NPMU with more focus on quality of services and achievements of outcomes	NPMU / SPMU	05/2019
Capacity Building FOs Build on benchmarking of the FOs to fine tune capacity building of FOs and determine when group should be exited for support	NPMU / SPMU	05/2019
Recruit Staff to Monitor Environmental/CC concerns Recruit staff at NPMU and State PMU to oversee and guide both environmental and CC concerns	NPMU	05/2019
Capacity of CAD Officials Build the capacity of CAF officials to strengthen them to provide needed services and be accountable to members through trainings on leadership, business ethics, price negotiation strategy and team building	NPMU / SPMU	06/2019
Capacity Building FOs Capacity building for FOs on business ethics, leadership, basic business management and calculation of cost and returns	SPMU	06/2019
Capacity AVCGs Build the capacity of AVCGs on basic business law, business ethics, negotiation skills and group dynamics	SPMU	06/2019
Integrity Training Engage a consultant to conduct integrity training in contract implementation for FOs and off-takers	NPMU	06/2019
PESPs Information to Farmers PESPs to inform farmers of the value of their services and provide financial literacy training to them to enable them finance their business	NPMU / SPMU	06/2019

Assess Possibility to Provide Off-takers Assess possibility to provide TA to selected off-takers to enlarge their range of services	NPMU / SPMU	06/2019
Assess Possibility to Provide FIs Assess possibility to provide TA to selected FIs to develop adapted products	NPMU / SPMU	06/2019
Improve Monitoring Improve monitoring of the performance of the off-takers – Farmers linkages (see Additional aspects)	NPMU	06/2019
GALS Tools Integrate the GALS tools towards a user friendly financial literacy training especially for women with low literacy levels	NPMU/SPMU	06/2019
Training Financial Literacy Strengthen training of FOs in financial literacy including saving culture	NPMU/SPMU	06/2019
Organize Round Table Between SPs Organize a round table between SPs to exchange on best practices and lessons learnt and agree on outcome indicators to be reported on	NPMU	06/2019
SP Remuneration and Outcomes Indicators Link a percentage of the SP remuneration to achievements of outcomes indicators	NPMU / SPMU	06/2019
Learning Route CAFs executives CAFs executives should undergo learning route among participating states	NPMU / SPMU	07/2019
Develop AMIS Strategic Plan Engage a consultant to develop AMIS strategic plan and harmonize guidelines across the states	NPMU / SPMU	07/2019
CAF Performance Assessment Conduct a CAF performance assessment across the states to document success and capacity gaps	NPMU/SPMU	07/2019
Training GALS Methodology Train in GALS methodology for FO strengthening in group dynamics and governance	NPMU	07/2019
100-day Action Plan Step up action under the current 100-day action plan plus extra initiatives (see points a, b, c, d, e and f in text above).	NPMU / SPMU	07/2019

Study of Private Extension Services Engage a consultant to conduct research on farmer's willingness to pay for services of private extension services	NPMU	08/2019
CAF Training Conduct CAF trainings to address the capacity needs and gaps as well as share success for improved performance	NPMU/SPMU	08/2019
CAF Exchange Conduct CAF exchange visits to foster learning across CAF stakeholders	NPMU/SPMU	08/2019
Ensure Second Year Input Ensure that second year input matching grant is accessed by all farmers that have benefited from year 1 matching grant	NPMU	08/2019
Categorize CAF Categorize the CAF accordingly to strong, moderate and weak and define the type and level of technical assistance to be provided to each category	NPMU/SPMU	09/2019
Capacity Building Action Plan Design a detailed capacity building action plan to operationalize exit strategy	NPMU / SPMU	09/2019
Recruit Financial Inclusion Expert Recruit a competent financial inclusion expert who has the requisite skill to engage with and support FIs should be engaged	NPMU	10/2019
Capacitate CAF Capacitate CAF at all levels for policy advocacy to ensure a conducive environment for scale up of the market driven 4P approach promoted by the programme	NMPU / SPMU	10/2019
Wean Operational Financial Support Wean progressively CAF and AVCG of operational financial support	NPMU / SPMU	12/2019
Project Management		
Mainstreaming of CC and Environment, Nutrition and Financial Inclusion Specific attention to be given by management to mainstreaming of CC and environment, Nutrition and Financial inclusion	NPMU / SPMU	05/2019
Best Practices Identify and document best practices across States and across program components	NPC/SPC/KMC Advisor/PME Advisor	05/2019

Intra/Inter Programme Exchange Visit Schedule intra and inter – programme States learning exchange visit	NPC/SPC	05/2019
Institute Mandatory Quarterly Programme Review Meetings To discuss programme implementation data/information collection, analysis and reporting	NPMU	05/2019
Implementation for Additional Financing Fast track implementation readiness for Additional Financing	NMPU	06/2019
Review of Salary Grid Independent assessment to be carried out for the review of salary grid	NPMU / IFAD	06/2019
Capacity Online Platforms Expand the capacity of online platforms to accommodate the sharing of program results using documents, audios and videos	KMC Advisor/MIS Officer	06/2019
Social Media Platforms Build the capacity of relevant staff to maximize the use of social media platforms	KMC Advisor/PME Advisor/MIS Officer	06/2019
Consultative PME Staff meeting to enforce AWPB standards SPMU to arrange technical meeting and/or training to discuss framework for preparing AWPB as well as standards for review and analysis	PMEC, Technical Specialist at National and State levels	06/2019
Roll-over Plan Follow-up the current 100-day action plan with a roll-over plan that takes VCDP through to the end of this calendar year, setting new targets and introducing fresh activities where necessary	NPMU	06/2019
Recruitment of CC and Environment, Nutrition and Financial inclusion experts Fast track recruitment of CC and environment, Nutrition and Financial inclusion experts both at NPMU and SPMU levels	NPMU / SPMU	07/2019
Quality of Reports Improve quality of reports regarding analysis of outcomes, lessons learnt, challenges faced, quality of services, partnerships and innovations	NPMU / SPMU	07/2019
Financial Inclusion Strategy Engage consultant(s) to finalize Financial inclusion strategy (ref to Appendix 4.5 for details)	NPMU / IFAD	08/2019

Technical Management Meetings Organize technical management meetings to assess achievement of outcomes, lessons learnt, challenges faced, quality of services, partnerships and innovations to inform programme activities	NPMU / SPMU	09/2019
Knowledge Products Develop a log of knowledge products in the programme including strategic documents that are shaping good programming in VCDP	M&E/KMC Advisor	09/2019
Review of Programme MIS platform Review of MIS platform to create disaggregation and computational fields and update the capture of indicators (Core and None Core)	NPMU	09/2019
Financial Management & Execution		
Process and 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 VAT and duties.	MOF to request IFAD for an amendment of the Financing agreement.	06/2018
Initiate the withdrawal of funds under the IFAD grant.	PMU	06/2018
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
Complete staffing in the NPMU FM unit Two more finance officers should be employed at the NPMU given the work load	NPC	06/2018
NPMU Internal auditor to be trained to understand the system he is auditing Internal auditor should be trained to appreciate disbursement processes including details such as designated account reconciliations, smart SOEs. In this respect he should study the project FM manual and the IFAD E-learning course.	Internal Auditor and Financial controller	12/2018
Recovery of the Authorised Allocation (AA)	NPMU and IFAD	12/2018
Improve on quality of budgeting and budget control Set achievable targets in AWPBs and involve finance teams to assure financial feasibility of budgets	NPMU	12/2018
Approve the reallocation of funds IFAD should implement the decision at MTR to reallocate funds across expenditure categories	IFAD	12/2018

States should meet their counterpart obligations All States should be not relax on the momentum they exhibited in the early years of VCDP towards counterpart contribution.	All States	12/2018
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.	MOF to request IFAD for an amendment of the Financing agreement.	12/2018
Substantiate balancing figures on Designated Account (DA) Reconciliations 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	FC	12/2018
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
Reconcile the flexible accounting software Clean-up the accounting software to remove internal inconsistencies. In the mean time as stop gap measure maintain off the system analysis of expenditures by component and category that reconcile to IFAD disbursement record	FC and Flexible accounting service provider	12/2018
Strengthen internal audit capacity Train internal auditor in IFAD disbursement processes and also in the mechanics of the flexible software.	Flexible software provider IFAD for disbursement training	01/2019
Recruit two more finance officers at NPMU As agreed at MTR the two vacant positions at NPMU should be filled	NPC	02/2019
Fix the remaining few areas in the accounting software Invoke fully the budget control and introduce encumbrance of funds at point of signing contracts (commitment control)	All States / FGN	05/2019
Contract Review Review existing contract agreements in use and recommend different contracts for each procurement method capturing the basic requirements of a contract, specific to payments terms/schedules and with relevant clauses protecting the programme from default properly spelt out	NPC	05/2019

Contract Management Process Develop and disseminate across the programme contract management process and documentation for adherence and immediate implementation	NPC	05/2019
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	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%)	FC	05/2019
FGN/States should meet their counterpart obligations	All States / FGN	05/2019
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
Recruit two more finance officers at NPMU As agreed at MTR the two vacant positions at NPMU should be filled	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

Mainstream identified thematic areas under AF: <ul style="list-style-type: none"> • Financial inclusion • Nutrition and Climate Smart adaptation measures • Conflict mitigation to mitigate farmers and herdsman conflict for land resources • Enhancement of youths in Agriculture 	NPMU	12/2019
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
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	

Value Chain Development Programme

Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
Outreach VCDP	1.b Estimated corresponding total number of households members										
	Household members			320 880	77 994	287 736	89.7				
	1.a Corresponding number of households reached							RIMS	annual	PMU	
	Women-headed households			53 480	12 999	47 956	89.7				
	Non-women-headed households										
	Households				12 999	47 956					
	1 Persons receiving services promoted or supported by the project										
	Females			21 392	5 200	19 015	88.9				
	Males			32 088	7 799	28 941	90.2				
	Young			13 370	3 250	5 015	37.5				
	Not Young										
	Indigenous people										
	Non-Indigenous people										
	Total number of persons receiving services			53 480	12 999	47 956	89.7				
	Groups receiving project services							RIMS	annual	PMU	
Outreach groups			2 674	650	2 398	89.7					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	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 (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
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	66	467	1 297.2				
Output Improved market linkage and increased market information	national trade promotion organised (per year)							Farmer Survey	annual	PMU	
	Trade promotion			1	1	3	300				
	state trade activity organised (per year)							Farmer Survey	annual	PMU	
	Trade activity			6	4	19	316.7				
	state innovation platforms formed (per year)							Farmer Survey	annual	PMU	
	Innovation platform			6	8	37	616.7				
	meetings organised (per year)							Farmer Survey	annual	PMU	
	Meeting			12	9	48	400				
	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	
	Agricultural Information System			32 080	12 450	18 444	57.5				
	MoU signed between Fos and processors							Contractual agreements	annual	PMU	

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
	MoU			60	1 567	3 292	5 486.7				
	Enterprises accessing facilitated financial services							RIMS	annual	PMU	
	Enterprises			2 674	0	3 060	114.4				
	Marketing groups formed/strengthened							RIMS	annual	PMU	
	Marketing groups			40	6	103	257.5				
	Marketing groups formed/strengthened with women in leadership positions							RIMS	annual	PMU	
	Female leadership			10	2	26	260				
	People in marketing groups formed/strengthened							RIMS	annual	PMU	
	Males			480	15	932	194.2				
	Females			320	48	1 044	326.3				
	2.1.2 Persons trained in income-generating activities or business management							RIMS	annual	PMU	
	Females			7 890	1 195	15 210	192.8				
	Males			9 590	1 948	13 099	136.6				
	Indigenous people										
	Non-Indigenous people										
	Young			9 000	1 175	8 422	93.6				
	Not Young										
	Persons trained in income generating activities or business management			17 480	3 143	28 309	162				
	People trained in post production, processing and marketing							RIMS	annual	PMU	
Total			9 000	1 175	8 422	93.6					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
	Males			4 610	317	2 543	55.2	RIMS	annual	PMU	
	Females			3 070	476	1 960	63.8				
	Staff of service providers trained										
	Males			12	6	21	175				
	Females			12	3	15	125				
	2.1.1 Rural enterprises accessing business development services										
	Rural enterprises			874	98	646	73.9				
Output Value addition technology promoted	processors trained in recommended technologies							Programme ME/progress reports, supervision reports, MTR, completion reports	annual	PMU	
	Processors			7 680	793	4 503	58.6				
	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	6 499	23 978	106.6				
	service providers (consultants/firms) for market linkages trained							Programme ME/progress reports, supervision reports, MTR, completion reports	annual	PMU	
	Service Providers			24	9	36	150				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	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	16	65	100				
	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	50	50	71.4				
	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 Kilometers of roads constructed, rehabilitated or upgraded							Contract reports, RIMS	annual	PMU	
	Length of roads (km)			300	94	229	76.3				
	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	7	39	36.1				
	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	8 452	18 649	230.2				
	Bridges by PY 3							Contract reports	annual	PMU	
	Bridge			120	3	12	10				
	Culverts by PY 3							Contract reports	annual	PMU	
	Culvert			210	10	186	88.6				
	Markets by PY 3							Contract reports	annual	PMU	

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
	Market			60	16	35	58.3				
	Stalls by PY 3							Contract reports	annual	PMU	
	Stall			300	168	271	90.3				
	Drinking water systems constructed/rehabilitated							RIMS	annual	PMU	
	Water system			108	7	39	36.1				
Output Marketing, processing and storage facilities improved	2.1.6 Market, processing or storage facilities constructed or rehabilitated							Contract reports, RIMS	annual	PMU	
	Market facilities constructed/rehabilitated			60	16	35	58.3				
	Processing facilities constructed/rehabilitated			108	6	21	19.4				
	Storage facilities constructed/rehabilitated			450	50	251	55.8				
	Groups managing productive infrastructure formed/strengthened							RIMS	annual	PMU	
	Groups			30	4	18	60				
	Groups managing productive infrastructure with women in leadership positions							RIMS	annual	PMU	
	Female leadership			9	5	5	55.6				
	People in groups managing productive infrastructure							RIMS	annual	PMU	
	Males			300	47	213	71				
	Females			150	10	59	39.3				
	People trained in infrastructure management							RIMS	annual	PMU	
	Males			300	47	213	71				
	Females			150	10	59	39.3				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
	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	72	307	49.7				
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	1 610	4 636	173.4				
	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	717	1 751	77.8				
	group leaders (3 executives per group) trained in good governance issues by PY 5							Service providers/operators reports	annual	PMU	
	Leaders			6 750	2 764	8 342	123.6				
	2.1.3 Rural producers' organizations supported							RIMS	annual	PMU	
	Rural POs supported			2 250	839	4 135	183.8				
	Total size of POs										
	Males		9 000	27 000	12 633	43 680	161.8				
	Females		6 000	18 000	1 651	22 177	123.2				
	Young										
	Not Young										
	Indigenous people										
	Non-Indigenous people										

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
	Women in leadership position			450	75	476	105.8				
	1.1.5 Persons in rural areas accessing financial services										
	Persons accessing financial services - savings			53 480	10 612	27 929	52.2				
	Persons accessing financial services - credit										
	Persons accessing financial services - insurance										
	Persons accessing financial services - remittances										
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							
	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							

Results Hierarchy	Indicators							Means of Verification			Assumptions		
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility			
	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	6 754	16 489	104.7						
	Females			15 750	5 544	13 541	86						
	Youth			7 875	3 070	7 508	95.3						
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									
	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	552	1 751	77.8						

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
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	811	6 325	140.6				
	Males			4 500	364	2 097	46.6				
	Young			9 000	1 175	8 422	93.6				
	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	12 170	40 673	301.3				
	Females			9 000	2 175	21 177	235.3				
	Young			5 625	3 544	15 420	274.1				
	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	107	465	96.9				
	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			45 000	6 904	37 105	82.5				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	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	15 077 000	239 421 962	25 956.2				
	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	2 834	5 998	20				
	1.1.4 Persons trained in production practices and/or technologies							RIMS	annual	PMU	
	Men trained in crop			27 000	6 673	21 072	78				
	Women trained in crop			18 000	4 359	13 959	77.6				
	Young people trained in crop										
	Not young people trained in crop										
	Indigenous people trained in crop										
	Non indigenous people trained in crop										
	Men trained in livestock										

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
	Women trained in livestock										
	Young people trained in livestock										
	Not young people trained in livestock										
	Indigenous people trained in livestock										
	Non indigenous people trained in livestock										
	Men trained in forestry										
	Women trained in forestry										
	Young people trained in forestry										
	Not young people trained in forestry										
	Indigenous people trained in forestry										
	Non indigenous people trained in forestry										
	Men trained in fishery										
	Women trained in fishery										
	Young people trained in fishery										
	Not young people trained in fishery										

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
	Indigenous people trained in fishery										
	Non indigenous people trained in fishery										
	Persons trained in crop			45 000	11 032	35 031	77.8				
	Persons trained in livestock										
	Total persons trained in forestry										
	Persons trained in fishery										
	People accessing advisory services							RIMS	annual	PMU	
	Males			13 500	6 583	20 982	155.4				
	Females			9 000	4 389	14 049	156.1				
	staff of service providers trained							RIMS	annual	PMU	
	Males			24	30	73	304.2				
	Females			12	5	14	116.7				
	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated										
	Hectares of land			3 000	4 987	6 549	218.3				

Nigeria

Value Chain Development Programme

Supervision Report

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

Mission Dates: 15 April to 30 May 2019
Document Date 02/10/2019
Project No. 1100001594
Report No. 5099-NG

West and Central Africa Division
Programme Management Department

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

Table 1: Financial performance by financier

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD loan	74,400	60,154	81%
IFAD grant	500	113	23%
State Governments	10,400	8,834	85%
Federal Government	9,900	223	2%
Local Governments (LGAs)	4,300	-	0%
Beneficiaries	2,100	-	0%
Complimentary finance	2,800	-	0%
Total	104,400	69,324	66%

In SDR terms the Disbursement rate is high at 89% due to the depreciation of SDR: USD

Table 2: Financial performance by financier by component (USD '000) cumulative to 31 March 2019

	Component	IFAD Loan			IFAD Grant			State Governments			Federal Government			Local Governments			Beneficiaries			Complementary finance			Total		
		Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1	Agricultural Market Development																								
1.1	Support to value addition and market linkages	14,600	2,334	16			-	1000	271	27	300		-	600		-	400		-	200		-	17,100	2,605	15
1.2	Support to market infrastructure	27,700	18,476	67			-	1900	2,508	132	3100		-	2900		-	800		-	1300		-	37,700	20,984	56
	Sub Total	42,300	20,810	49	-	-	-	2,900	2,779	96	3,400	-	-	3,500	-	-	1,200	-	-	1,500	-	-	54,800	23,589	43
2	Small Holder Productivity Enhancement																								
2.1	Support to farmer organization	2,600	1,691	65	400	113	28	1000	160	16	0		-	0		-	0		-	100		-	4,100	1,964	48
2.2	Support to smallholder production	23,900	18,182	76			-	1100	1,465	133	3100		-	600		-	900		-	1200		-	30,800	19,647	64
	Sub Total	26,500	19,873	75	400	113	28	2,100	1,625	77	3,100	-	-	600	-	-	900	-	-	1,300	-	-	34,900	21,611	62
3	Programme Management & Coordination	5,600	12,891	230	100	-	-	5400	3,299	61	3400	223	7	200		-	-	-	-	-	-	-	14,700	16,413	112
	Total	74,400	53,574	72	500	113	23	10,400	7,703	74	9,900	223	2	4,300	-	-	2,100	-	-	2,800	-	-	104,400	61,613	59
	Unreconciled amounts		4,915																						
	Unspent balances in Bank accounts		1,665				-		1,131															2,796	
	Grant Total	74,400	60,154	81	500	113	23	10,400	8,834	85	9,900	223	2	4,300	-	-	2,100	-	-	2,800	-	-	104,400	69,324	66

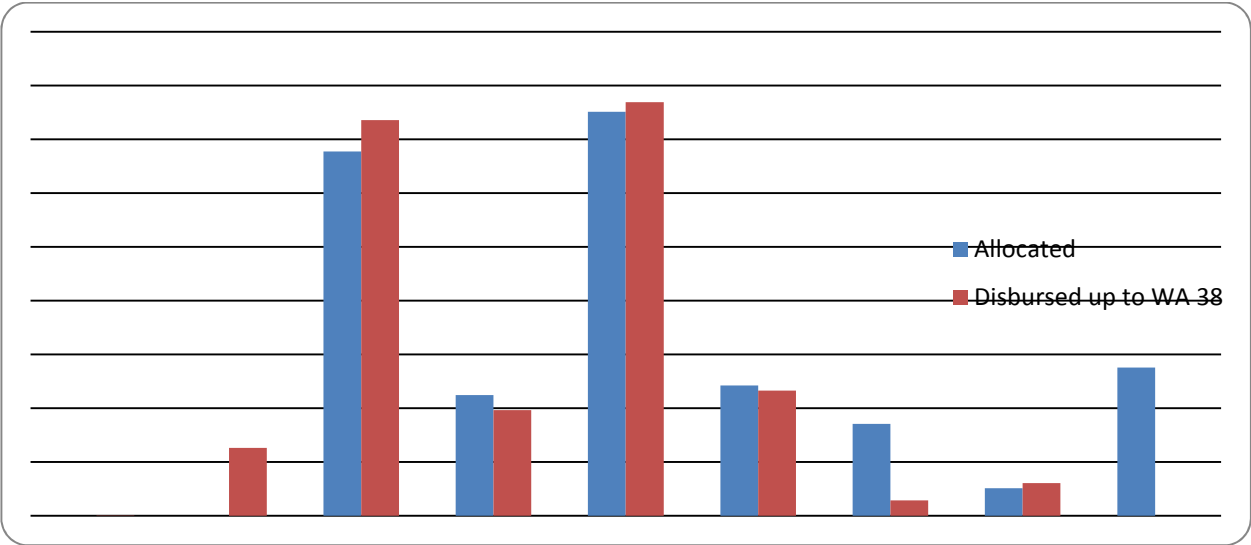
Key Qualification:

There is an amount of USD 4,915,000 that cannot be substantiated/ reconciled component wise. And there are obvious posting errors it cannot be at 230% overruns

Table 3: IFAD loan disbursements (SDR'000, as at 31 March 2019)

Code	Category	Allocated	Disbursed up to WA 38	% disbursed at 31/03/2019	WA 39 in pipeline	Total after WA in pipeline	%	Available
270001	Authorised allocation 1	-	1	-	-	1	0%	(1)
270002	Authorised allocation 2	-	2,523	-	-	2,523	0%	(2,523)
121068	Civil works	13,540	14,710	109%	476.84	15,187	112%	(1,647)
121069	Vehicles, equipment, materials and agric. inputs	4,490	3,928	87%	18.46	3,946	88%	544
121070	Training,TA, service providers, studies and workshops	15,020	15,376	102%	162.63	15,539	103%	(519)
121071	Matching grant fund	4,840	4,658	96%	126.61	4,785	99%	55
121072	Salaries and allowances	3,420	576	17%	28.12	604	18%	2,816
121073	Office equipment and maintenance expenses	1,030	1,210	117%	33.40	1,243	121%	(213)
121074	Unallocated	5,510	-	0%	-	-	0%	5,510
		47,850	42,982	90%	846	43,828	92%	6,546

Figure 1: IFAD loan/grant disbursement, comparisons between original and revised allocations and actual disbursement (SDR)



Nigeria

Value Chain Development Programme

Supervision Report

Appendix 2: Physical progress measured against AWP&B

Mission Dates: 15 April to 30 May 2019
Document Date 02/10/2019
Project No. 1100001594
Report No. 5099-NG

West and Central Africa Division
Programme Management Department

Appendix 2: Physical progress measured against AWP&B

Component /Sub-Component	Indicator	Unit	Period: Jan 2019	
			AWP&B	
Component 1. Agricultural Market Development				
Subcomponent 1.1 Support to Value Addition & Market linkage	National trade promotion activities organized	Nos	1	
	State trade promotion activities organized	Nos	6	
	State Innovation Platform formed	Nos	6	
	Consultative meetings of innovation platform	Nos	12	
	Number of Smallholders that use Agricultural market information generated from AMIS	Nos	6,416	
	MoUs signed between FOs and Processors	Nos	717	
	Contractual arrangements formalized between FOs and processors	Nos	6	
	Processors trained in recommended technologies.	Nos	1,500	
	Service providers (consultants and firms) for market linkages trained	Nos	6	
Subcomponent 1.2 Support to Market Infrastructure	Roads constructed/rehabilitated	Nos	90	
	Bridges constructed/rehabilitated	Nos	18	
	Culverts constructed/rehabilitated	Nos	30	
	New water schemes linked to cassava and Rice VC constructed	Nos	30	
	People in programme communities that have adequate access to safe and sustainable drinking water	Nos	3,240	
	Market constructed/rehabilitated	Nos	5	
	Number of stalls in the market constructed/rehabilitated	Nos	70	
	Processing unit with stores constructed/rehabilitated	Nos	6	
	FO commodity stores/village bulking centres constructed/rehabilitated	Nos	3	
	Number of stores in FO commodity stores/village bulking centres	Nos	36	
	Processing clusters that have been supported with at least one piece of equipment	Nos	22	
	People trained in infrastructure management (roads, markets, water supply, processing and storage facilities)	Nos	360	
	Matching grants for processing facilities	Nos	29,533,725	1
Component 2. Smallholder Productivity Enhancement				
Subcomponent 2.1 Strengthening of Farmer Organizations	FO Strengthened by the programme that use bulk purchase method to procure their inputs	Nos	165	

Component /Sub-Component	Indicator	Unit	Period: Jan 2019	
			AWP&B	
	FOs legally registered with the Department of Cooperatives	Nos	535	
	Group leaders trained in good governance issues	Nos	1300	
Subcomponent 2.2 Support to Smallholder Production	Small holder farmers that have adopted at least one technology promoted by the programme	Nos	4,410	
	Farmers provided with recommended rate of seeds fertilizers and agro-chemicals	Nos	6,300	
	Matching grants for production inputs	Naira	231,000,000	3
	Youth farmers trained in spraying techniques/Other income generating enterprises	Nos	578	
	Farmer organisation that received VCDP supported extension services	Nos	225	
	Farmer field schools/Business schools established	Nos	60	
	Service providers (consultant and firms) for production trained	Nos	12	
	Farmers trained in improved technologies	Nos	6,300	
	Land area under irrigation production	Ha	600	
	Small scale farmers protected from seasonal flooding	Nos	6,000	
	Matching grants for agricultural equipment	Naira	10,903,000	
Component 3. Programme Coordination and Management	Number of AWPB prepared & produced	Nos	1	
	Number of M&E Progress Report prepared & produced	Nos	4	
	Number of Financial Progress Report prepared & produced	Nos	4	
	Number of Management meetings per annum.	Nos	12	
	Number of Stakeholder meetings per annum.	Nos	20	

Nigeria

Value Chain Development Programme

Supervision Report

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 15 April to 30 May 2019
Document Date 02/10/2019
Project No. 1100001594
Report No. 5099-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
Section B 6	There shall be two (2) designated accounts (the "Designated Accounts") denominated in USD and opened and maintained by the Borrower/Recipient in a bank acceptable to the Fund to receive the proceeds of the Loan and the Grant, respectively	At Loan effectiveness	Full compliance. Accounts opened as required and have since been transferred to the Central Bank of the TSA arrangement.
Section B 7	There shall be three (3) programme accounts (the "Programme Accounts") opened and maintained in a bank acceptable to the Fund by the Borrower/Recipient at each of the Federal and State levels. At each level, the first two accounts shall receive the proceeds of the Loan and the Grant respectively; the last one shall receive the counterpart funds as committed by the Borrower/Recipient in the subsequent paragraph, based on the Programme's Annual Work Plans and Budgets (the "AWPB")		All the accounts have been opened and maintained. Account A has received the Grant and the counterpart funds for operation of the SPMU.
Section B 8	A Memorandum of Understanding on the implementation of this Agreement between the Borrower/Recipient and the implementing States in the Programme Area as specified in Schedule 1 to this Agreement shall be executed		Compliance. States have signed the MoU.
Section E 1(a)	The National Programme Management Unit (the "NPMU") shall have been duly established and key staff appointed		Duly established. New staff have been appointed and established.
Section E 1(b)	The Borrower/Recipient shall have deposited in the Programme Accounts adequate counterpart funds for the first Project Year as specified in the AWPB		At design, USD 9.9 million was deposited. The date but received only 2%.
Section E 1(c)	The Finance and Administration section of the Programme Implementation Manual (the "Finance and Administration Manual") shall have been submitted to and approved by the Fund		Compliance.
Section E (2)	The Matching Grant section of the Programme Implementation Manual (the "Matching Grant Manual") shall have been submitted to and approved by the Fund		The Manual has been submitted and approved by the Fund.
AF Amendments	The few remaining areas under the accounting software should be fixed but reconciling opening balances is still on-going. The project is supposed (and is taking necessary efforts) to ensure to mainstream Financial inclusion for Programme beneficiaries; Nutrition and Climate Smart adaptation measures; Conflict mitigation to mitigate farmers and herdsman conflict for land resources; and enhancement of youths in Agriculture		Compliance. Progress is being made.