



PIATA- AGRA Kaduna Extension, Market & Regenerative Agriculture Consortium Project:
STAKEHOLDER INCEPTION WORKSHOP

Quarterhouse Hotel, Kaduna, 25-26 May 2022





Building Smallholder Farmer Resilience and Reducing Vulnerability in the Maize-based System in Kaduna State through Strengthened Market Participation

Extension & Regenerative Agriculture Consortium:
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Extension, Market & Regenerative Agriculture Consortium

A Consortium of 5 members

- NAERLS- *Lead Grantee*
- International Institute of Tropical Agriculture
- Premier Seed Nigeria Limited
- EXAF Consulting Limited
- PearlMutual Consulting Ltd



Introduction

Agriculture is a key component of the Nigerian economy

- 23% of GDP
- Supports 70% of the population
- Nigeria has 70.8 million hectares of agriculture land area with maize, cassava, guinea corn, yam beans, millet and rice being the major crops
- Agricultural productivity with agricultural imports is four times higher than the agricultural export
- Smallholder farmer income from agricultural production, processing and marketing is marginal
 - Climate change and land degradation
 - inherently infertile soils due to soil mining
 - Limited use of improved seeds and fertilizer inputs
 - High post-harvest losses and low attention to postharvest options
 - limited financing and poor access to markets
 - Other factors inability to participate in high value chains activities, high transaction costs, small and dispersed nature of holdings



Introduction... cont

- **Inclusive agricultural growth** integrates women, youth, and resilient and sustainable agricultural systems; it requires the use of, and benefit from, improved technologies and practices, as well as secured markets.
- The investment will demonstrate, in practical terms, how agriculture value chains can integrate both business sustainability and resilience in food systems.



Introduction... cont.

- Moreover, climatic fluctuation is putting Nigeria's agriculture system under serious threat and stress.
 - Extreme variations in rainfall and other climatic elements leading to droughts and floods
 - Climate change has deepened from being an environmental issue to a critical developmental issue.



Introduction... cont

- These climate change and market resilience issues will be addressed through the following consortia approach:
 - Seeds used by the farmers to include biotic and abiotic tolerant varieties,
 - Proper use of manure and fertilizer, water management practices through GAP,
 - Proper use of crop protection chemicals,
 - Postharvest management of practices
 - Selling through stable structured markets and SMEs strengthening.
 - A model climate smart village established through participatory approach to showcase best practices on climate smart technologies for upscaling in the state.
 - In addition to demonstrations, reports from this investment will document key lessons.



Introduction... cont

The investment targets
200,000 new farmers and
100,000 existing farmers in
Kaduna State between 2021 and 2024.



Overall Goal

To catalyze and sustain an inclusive agricultural transformation in Nigeria by building smallholder farmer Resilience, reducing Vulnerability and mainstreaming Gender in the Maize-Rice-Soybean, Cowpea and Vegetable Value Chains of Kaduna State through strengthened participation in markets.



Specific Objectives

- **Objective 1:** Increased staple crops productivity for smallholder farmers (maize, rice, soybean, cowpea and tomatoes) through facilitation of awareness and access to best bet knowledge, practices along with linkages to input market.
- **Objective 2:** Strengthened and expanded access to output market by strengthening capacities of SMES to support smallholder farmers.
- **Objective 3:** Increased capacity of smallholders farming households and agricultural system to better prepare for and adapt to shocks and stresses. Scaling up input finance, building smallholder farming-adapted supply chains and facilitate the growth of SMEs (inclusivity BDS)

Objective 1: Seed System Strengthening

To be achieved through:

1. Strengthened seed, input distribution and extension systems
2. Promotion of production maize, soybean, rice, cowpea and tomatoes with a focus on improved varieties.
 - Maize: hybrids will be promoted while
 - Rice long grain preferred varieties will be included
 - soy bean varieties which are high in oil content and protein
3. The cowpea and tomatoes enhanced production will address nutrition security of the household and crop diversification.

Objective 1: Seed System Strengthening...

Activities to strengthen the seed system:

- Support IITA in the production of breeder seeds of recently released, resilient and climate smart varieties for production of foundation and certified seeds by Premier Seed. This will increase volume of certified seed of diverse improved crops to farmers.
- Facilitate linkages between CGIAR, Researchers ,Breeders and private seed companies for enhanced partnerships that will sustain the system.

Objective 1: Input distribution systems Strengthening...

- Critical need to increase the quantities of seeds, and improved fertilizer blends, supplied by agrodealers.
- Need to strengthen the linkages between Hubs, Agrodealers and CBAs, and assist Agrodealers and CBAs to grow their businesses and improve service delivery to smallholder farmers
- The Consortium will leverage on, and strengthen networks to ensure farmers are able to access those inputs (seed, fertilizer, inoculum, aflasafe) that are promoted in the Programme in sufficient quantities.
- Hold meetings between Partner Input suppliers (seed and fertilizer Companies) and Hub-Agrodealers to strengthen and formalize business relationships.
- Facilitate meetings between Hub-Agrodealers and Retail Agrodealers at LGA level to strengthen and formalize business relationships
- Hold meetings between Hub-Agrodealers and Retail Agrodealers and CBAs at LGA level to strengthen and formalize business relationships to improve last-mile input delivery



Objective 1: Input distribution systems strengthening

- Set-up meetings between Hub-Agrodealers and Retail Agrodealers and CBAs and finance institutions to assess needs for finance, and develop products to enable all actors to gain access to loans to expand their businesses
- Identify 300 of the most entrepreneurial CBAs and train them in technical and business skills, and provide them with start-up grants to enable them to start agrodealer shops
- Monitor and capture input sales by Hubs, Retail Agrodealers and CBAs as well as the linkages established

Objective 1: Extension system strengthening

- Critical need to reduce Extension Agent: Farmer ratio through the identification and training of increased number of CBAs to reach a critical mass of farmers in the state, to be engaged in business (through Agents of seed Companies, Agrodealers, and Offtakers),
- Assist CBAs to access finance to expand their businesses, and to institutionalize the CBA model by the Kaduna State and Local Governments.
- The Consortium will leverage on and strengthen these existing networks of CBAs to introduce the concept of sustainable farming, and enhance CBA sustainability to ensure sustainable last mile delivery of inputs and advisory services to farmers.
- Project will recruit an additional 1,000 new CBAs, primarily women and youth, who will directly train 200,000 new farmers on sustainable farming techniques, including the use of ISFM, and planting of agroforestry and high value fruit trees to improve their productivity and resilience to shocks and stresses.

Objective 1: Extension system strengthening...

- To strengthen the Extension system, the following activities will be undertaken:
- Conduct Farmer needs assessments to understand current constraints to crop productivity and needs of farmers related to Sustainable farming
- Develop Extension content on Sustainable farming to improve soil/water/crop management of the following crops: maize, soybean, rice, cowpea and tomatoes to ensure needs of farmers are addressed, and to ensure that the interventions designed are adoptable by farmers
- Work with Government Extension Agents and Communities to identify 1,000 CBAs (women and youth)
- Hold meetings to introduce CBAs to private sector seed and fertilizer Companies who will teach CBAs on knowledge and utilization (GAPs) of products, and provide inputs for Mother and Baby demonstrations
- Conduct 1,000 Mother and 300,000 Baby demonstrations to teach farmers GAPs on maize, soybean, rice, cowpea, and tomato crops

Objective 2: Finance & Output Market Strengthening

- Most significant barriers common across all types of agriculture-focused SMEs are lack of access to financing and to markets.
- To engage 100,000 farmers within their farming communities (primarily through farmer representatives and CBAs),
- at least 6 off takers and
- 3, financial institutions offering access to financial services (prioritizing including savings and agricultural insurance), and output market linkages.
- Interventions will encourage farmer representatives to adopt better business practices, financial literacy skills in an appropriate manner through include training farmers on business skills and meeting market specification, improved access to finance by introducing risk sharing lending models, equipment finance model, as a
- Support producer organizations/SMEs to aggregate commodities, and link farmers to premium markets

Objective 2: Finance and output market strengthening...

Activities

- Disseminate Market intelligence including demand in domestic and other markets leveraged from key market institutions.
- Improved communication to SMEs (including cooperatives) by off takers and processors on set standards (includes product certification and other export regulations) and other requirements linked to offtake contracts
- Linkages created through B2B meetings between smallholder farmers, large traders and processors and secure supply contracts. Support the development of an agreement between producers and buyers by creating templates, support negotiations and facilitate the process
- 50 SMEs and 100,000 smallholder farmers trained on post-harvest management (covering aflatoxin and general grain quality control), use of improved drying methods supported by the off takers and processors.
- SME associations strengthened for more effective self-monitoring service to members.
- Post-harvest and quality assurance technologies demonstrated

Objective 2: Finance and output market strengthening...

- Train and assist financial institutions, farmer-based organizations, and agribusinesses in deploying the risk sharing lending models for input and output finance to increase access to finance in the agricultural value chain
- Youth groups (50) supported with matching grants using the equipment finance model through contracted financial institutions, to buy threshers, shellers and harvesters
- Women groups (120) supported with matching grants using the equipment finance model through contracted financial institutions, to buy Rice parboiler, threshers, and harvesters
- Train both youth and women to carry out these activities as a business and proof the business case for investments in post-harvest equipment
- 1,020,687MT (50% of production) of grains sold to contracted aggregators and buyers with support of the CBAs.
- 3 Local fabricators to supply PHAP machines

Objective 3: Smallholders Households & Agric. System Strengthening

- Project value chain commodities are vulnerable to shocks and stresses and this has negative implications on their business.
- Effects of climate change like drought, pests and disease outbreaks are occurring on a regular basis and require mitigation.
- Project will support various smallholders farming households, institutions and companies to help to better prepare for and adapt to shocks and stresses
 - Seed companies will be incentivized to ensure resilient varieties are produced & promoted
 - CBAs & extension workers to promote CSA practices and technologies
 - Federal and state governments to ensure that conducive policies and regulations are in place and grain market players to address market volatilities,
 - insurance institutions to provide appropriate and affordable products,
 - promote efficient water use efficiency in rice irrigation and systems of rice intensification technologies.
 - Work with financial institutions to reduce their due diligence turnaround by adopting the bankability metrics,
 - the investment will enhance agri-SMEs competitiveness, resilience and access to finance through more tailored BDS package.

Objective 3: Smallholders Households & Agric. System Strengthening

- Enhance smallholder farmers resilience through the offer of adapted agricultural insurance and savings services and building smallholder farming-adapted supply chains.
- The consortium will establish two model sites for upscale based to generate evidence at local scales of what climate-smart agricultural options work best, where, why, and how, and use this evidence to draw out lessons for policy makers, agricultural development practitioners, and investors from local to global levels.
- Testing will be done through a multi-stakeholder collaborative platform at CSV sites. The strategy of the CSV approach is to:
 - Understand the effectiveness of a variety of CSA options (practices, technologies, services, programs, and policies) not only to enhance productivity and raise incomes, but also to build climate resilience and increase adaptive capacity
 - Develop solutions in anticipation of future climate change impacts;
 - Understand the socioeconomic, gender, and biophysical constraints and enablers for adoption;

Objective 3: Smallholders Households & Agric. System Strengthening

- Test and identify successful adoption incentives, finance opportunities, institutional arrangements, and scaling out/ up mechanisms while ensuring alignment with local and national knowledge, institutions, and development plans.
- Activities
- Conduct baseline assessment to assess climate-related risks and vulnerabilities to agriculture at the household/village/landscape level
- Support the establishment of 2 climate smart village through stakeholder's engagement in a participatory manner
- Promote climate smart agricultural technologies and practices (seed-drought tolerant, flood tolerant, heat stress, striga resistant, ISFM, PHAP, water harvesting, irrigation farming, Organic Manure, Inter cropping , off farm activities etc) - Incentivize Financial institutions to Conduct financial literacy training for FBOs and SMEs
- De-risk or incentivize BDS providers and financial institutions to support and coach FBOs and SMEs to access affordable finance (including savings and insurance) products

Objective 3: Smallholders Households & Agric. System Strengthening

- Support FBOs and SMEs to prepare bankable business plans for access to finance
- Increase the usage of Scope Insight as a tool to assess SME capacities with the view of developing tailored BDS to enhance their performance
- Support financial institutions in incorporating the bankability metrics to increase their efficiency in the due diligence for agricultural SMEs
- Digitization of the CBAs
- NFHL de-risked/incentivized to provide market and other resilience services to farmers.
- Inception workshop during which stakeholder and gender analysis will be undertaken
- 3 Partnership development and synergy workshops and B2B meeting to close contracts and prepare the season
- Enhance use of early warning systems and other absorptive mechanisms

Objective 3: Smallholders Households & Agric. System Strengthening

- Train women on food preparation that support household nutrition,
- Support Women-owned enterprises to graduate from informal sector to SME sector
- Link farmers to mechanization service providers (TATA, TOHFAN, Hello Tractor) through incorporating them from inception as major partners of the consortium and working with CBAs as agents.



Expected Roles: Partners

- NAERLS- Extension (Create awareness on available technologies, capacity building for farmers, EAs & best agricultural practices, ICT4Ag collaboration with CropiN)
- IITA- Breeder Seed & other crop production tech.
- Premier Seed- Supply of foundation and certified seeds
- EXAF- Market & Financial Linkages for farmers, (Provide support to SMEs and farmers Market Access and Financial linkages)
- Pearl Mutual- BDS/Scope Insight (Provide Business development support SMEs Bankability Metrics)



Expected Roles: Government

- FMARD to create an enabling environment for consolidating the CBA approach into government extension policy.
- facilitate the implementation of agriculture-friendly policies that will bring about achievement of the investment goals.
- They will be involved in field activities highlighting successes of the investment
- Provide directions on policy options at the Federal level.
- Kaduna state ministries of agriculture as well Local Government Affairs who have concurrent roles on policy direction will be involved in working closely with the CBA's and farmers.
- Kaduna State Agricultural Development Agency have been Support with structure, Extension agents, upscaling & management of CBAs.
- The Local Governments also have extension staffs in their Department of Agriculture who participated in the previous grant. The extension staff from state agencies will contribute to the investment in the following ways:
- Facilitation of grassroot extension/ FBO capacity building/ - Facilitating farmer to farmer extension
- FMARD, NIFAAS, SG2000 and other extension stakeholders. Will promote Grassroot and other extension options arising from the project activities



Expected Roles: Private Sector

- Options and strategies for enhancing sustainability of Small scale farmers, farmers organizations/cooperatives
- Partnering to empower farmers to access market and finances.
- Production of certified seed
- Provision of appropriate credit packages for inputs and WRS to farmers
- Partner to conduct financial literacy training for FBOs and SME
- Provision of seeds, fertilizers and embedded extension
- Provided capital and promote inclusion.
- Supply of foundation and certified seeds
- Support agrodealers and awareness of improved technologies
- Digitization of CBAs Farmers
- Provide off-take agreement production needs

Value for Money Statement

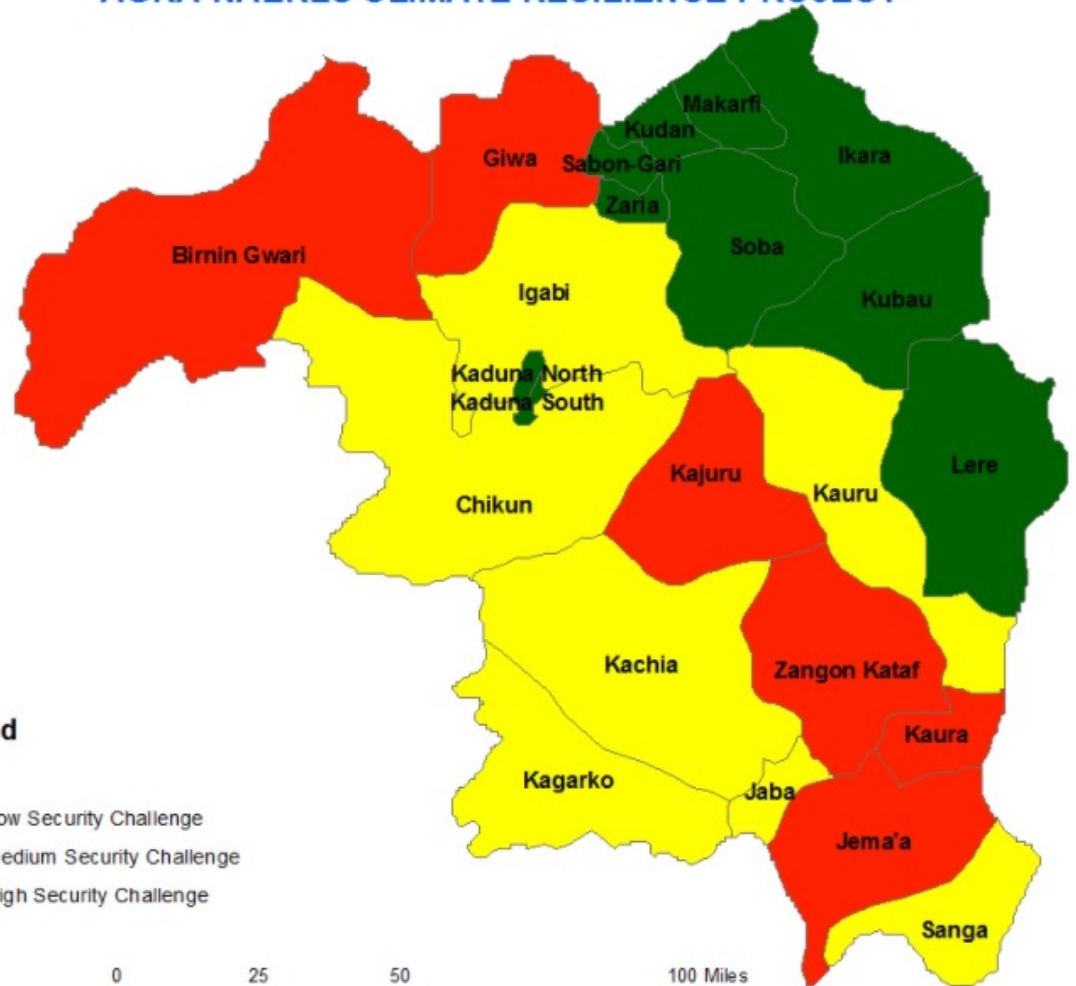
- Project will increase their revenue and profits from farming, service provision, and processing.
- **Indirect economic multiplier effect:** This investment will potentially drive the growth in the manufacturing industry as the demand for mechanized threshing services increased.
- **Induced economic multiplier effect:** Farmers who make money by participating in the supply chain of the targeted processors/traders will be able to invest in productive assets. Some of them will leverage the business relationship with the feed industry to invest in poultry business (day-old chicks, egg, and meat production). The poultry sector getting maize and soy cake at or below import parity and processor will widen the 'economy of scope' by processing soy chunks, soy milk, bread, and other derivatives

Knowledge management

- The investment will target dissemination of results to the different stakeholders.
- develop a website for dissemination of results
- create a Meta database were lodge data.
- produce brochures, pamphlets
- produce radio and documentaries to disseminate results.
- publish results in scientific journals, conferences, and bulletins for the wider scientific community, as an International Public Good (IPG).
- At farmers' level, the on-farm demonstrations, open field days and exchange visits will be key in passing the messages.
- use of published extension materials- extension bulletins, posters, leaflets, among others.
- Communicate some outputs through attendance of planning, and regional workshops where the investment team will share experiences with other actors in the research and development field.

PRESENCE
OF PROJECT
ACROSS THE
STATE

AGRA-NAERLS CLIMATE RESILIENCE PROJECT



Exit Strategy

- The proposed robust trainings demonstrations of the use of resilient and climate smart technologies, strengthening of farmer-based organizations, research institutes, community-based, government and NGO extension agents, and agro-input dealers will ensure sustainability at the end of the grant period. The key being that this is private sector development resulting in businesses in the communities where this works.
- . The CBAs complementing public extension and last mile input delivery at grass root level will encourage use of improved inputs.
- Policy makers at the three tiers of government in Nigeria (Federal, State and Local Government) will be involved at every stage of investment implementation to ensure sustained support for the initiatives after investment completion; they are likely to own and mainstream the process into their activities through regular allocation of funds. Partnerships, networks, business linkages and out-grower schemes developed will ensure sustenance after the investment has ended.
- Creation of strong linkages between farmers, financial institutions and agro-dealers will ensure continuous transactions.
- Participatory approaches proposed will ensure stakeholder ownership of investment activities to enable them to realize the benefits ingrained therein; this will lead to continuation of the activities after investment life.



Collaborating Institutions/ organizations

- Institute for Agricultural Research (IAR)
- Federal Department of Agricultural Extension (FMARD)
- State and LGA's extension outfits
 - Kaduna State Agricultural Development Agency (KADA)
 - LGA Departments of Agriculture, Kaduna State Ministry of Local Government affairs
- Fertilizer manufacturers and dealers: FEPSAN, OCP, Notore, Indorama, Zaria Fertilizers etc
- Seed companies: Premier seeds, SeedCo, Value Seeds, Da-Algreen, Gold Agric etc
- NIFAAS, NESG
- Sterling Bank, Jaiz Bak, Stanbic-IBTC, Bank of Agriculture
- North West Agro Input Dealers Association (NOWAIDA)
- CROPIN, FewNet
- Others, as necessitated by activity
- AFEX, Flour Mill, Hybrid Feed, Umza & Onyx)



Thank You for Listening.

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