



AFOS AGRIC Project

Approach, Challenges, Learnings and Results

Bernhard Vester
Lagos, March 26, 2019

Who is AFOS?

- AFOS** International Cooperation and Development arm of the
- BKU** German Catholic Entrepreneurs Association
- Aim** To link Businesses, Politics, Churches & Sciences
- Values** Christian social teaching (respect for the individual, subsidiarity, solidarity)
- Focus** Philippines and West Africa
- Funding partner** **BMZ** *German Federal Ministry of Co-operation and Development*
- Sector-Projects in Nigeria** Microfinance + Agriculture

AFOS Project for Microfinance Sub-sector

- **Duration** 7 years (2012 – 2019)
- **Partners** 4 of the top 8 MFBs in Nigeria
in collaboration with the regulators CBN + NDIC, national association NAMB, GIZ and other
- **Achievements** Empowered top MFBs as role models for other MFBs
Creation of Nigerian Microfinance Platform (NMP) with 30 members
Microfinance Learning & Development Center (MLDC) as Sector Capacity Building Institute
- **Focus on** Management Development (senior + middle management + trainees / university graduates)
with 50 training days on soft, managerial and core biz skills + ToT + coaching & mentoring
Value-based Organizational Development & Strategy-supporting change projects
Annual Symposia (Corp. Governance, Agric Finance, Sector Consolidation,...)
Sector trainings
Studies and Development of innovative products

AFOS AGRIC PROJECT: Our Aim

- To improve the socio-economic situation of low-income families
- To support young agricultural workers and generate rural jobs
- To increase local value added so that managers be kept in rural areas instead of moving to the metropolises
- To improve the performance of small and medium sized businesses in rural Nigeria.
- To increase efficiency of companies
- To support financial service providers
- To improve financial flexibility and profitability with lower lending rates

Agric sub-projects and target groups

SUB-PROJECT	TARGET GROUP	PARTNER
Senior Management Training (SMT)	25 Agric Senior Managers	Chi Farms, FoodPro, TUNS Farms
Middle Management Training (MMT)	60 Talent pool and Trainees	Chi Farms, FoodPro, TUNS Farms
Small Holder Farmers (SHF)	30,000 farmers + 165 ToT	Chi Farms, FoodPro, TUNS Farms, LAPO MFB and Hasal MFB
MFB Training on Agric Finance	3,000 Agric loan officers	Hasal, Fortis MFB and LAPO
Technical Dual Training (TVET)	50 Live Stock Technicians 50 Quality Technicians	Chi Farms, FoodPro, TUNS Farms
AGR Value-Chain Platforms	Key stakeholders of a value chain	To be determined (in 2020)

Challenges of Agric Value Chains

Strengths	Weaknesses
<ul style="list-style-type: none"> • Favourable agro ecological zones • Abundance of arable land • Large pool of manpower for agriculture • Availability of international development agency support 	<ul style="list-style-type: none"> • Low skill levels amongst agribusiness managers • Poor knowledge of modern techniques by farmers • Poor access to inputs and equipment by farmers • Poor linkages between the farmers and the offtakers • Poor physical infrastructure (roads, storage facilities) • Lack of access to data by all actors • Low value addition
Opportunities	Threats
<ul style="list-style-type: none"> • Large domestic market • Access to the global export market • Value addition prospects 	<ul style="list-style-type: none"> • Proliferation of substandard inputs in the market • Smuggling of commodities into the country • Climate change and adverse weather events e.g. floods • Policy inconsistency and poor policy implementation • Conflict e.g. insurgency, farmer-herder crises

Study 2019 by JFSM

AFOS Learnings

The agric sector requires:

- a better **image** to attract qualified people and to keep them in the rural environment
- consciousness and training on **total quality management** along the value chains
- on-the-job and class room capacity building for **technical *and* managerial skills**
- integrated **agro-support services** to be organized for value chains
- linkages between farmers and **financial institutions**, e.g. via the Nigerian Microfinance Platform (NMP), to assist with tailored finance products for farmers and agribusinesses and to support investments and business expansion
- linkages for **input providers** and the **outgrower operators** to allow for better access to agric inputs, equipment and training on good agronomic practices
- an enabling environment for agribusinesses and farmers through **regulatory** bodies

Way Forward and AFOS Interventions

- Integrate more agribusinesses and value chains into the project
- Improve communication / networking along different value chains through physical and virtual platforms
- Reduce gaps along different value chains
- Develop Technical Dual Training (TVET) degree programs for specified agric job profiles and have them certified
- Develop E-learning modules for Agric loan officers
- Make use of the M & E data on the Small holder Farmer trainings
 - To select the top performers for ToT
 - To further develop the very best as best-practice entrepreneurs
 - To link them with our partners from industry, service providers and MFBs

**Thanks for listening
&
Enjoy your day**