



FEED THE FUTURE

The U.S. Government's Global Hunger & Food Security Initiative

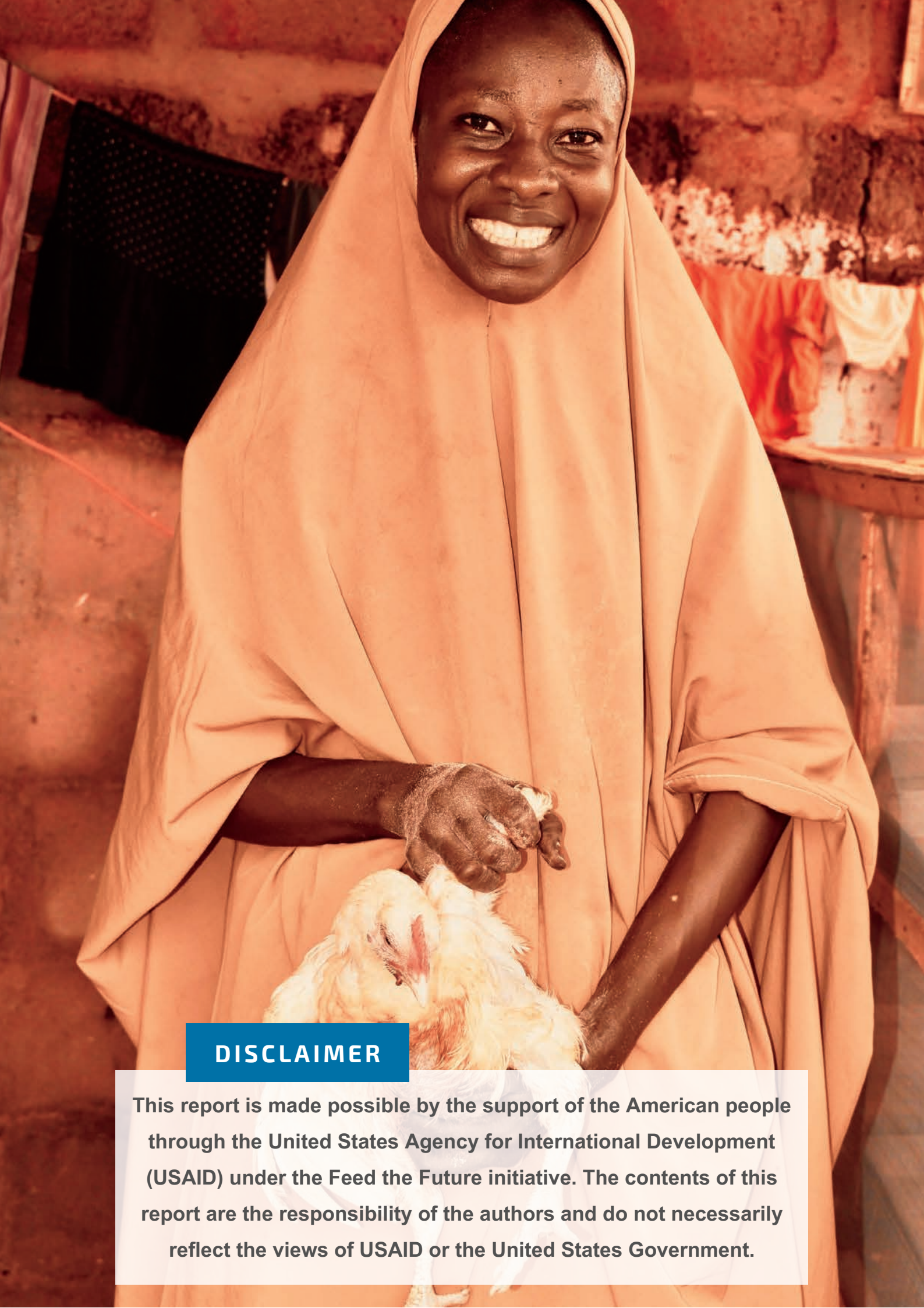
Annual Impact Report

Oct 2021 - Sept 2022



**RURAL
RESILIENCE
ACTIVITY**





DISCLAIMER

This report is made possible by the support of the American people through the United States Agency for International Development (USAID) under the Feed the Future initiative. The contents of this report are the responsibility of the authors and do not necessarily reflect the views of USAID or the United States Government.

Table of Contents

1

Message from
Chief of Party

Page 4

2

Overview of the
Activity

Page 5

3

Impact and
Results

Page 9

4

Nutrition and Food Systems

Page 16

5

Climate Smart
Investments

Page 13

5

Women & Youth
Empowerment

Page 20

6

Enhancing Resilient Systems
for Resilient Households

Page 19

7

Partnerships

Page 22

8

Access to Finance
Dialogue

Page 23

Message From Our Chief of Party

The success of the Feed the Future Rural Resilience Activity is based on the relationships we have built over the years, and we really wouldn't be where we are without you. Over this past year we have added new partnerships, have innovated, expanded our funding, and reached more participants than we set out to reach. We are grateful for the opportunity to work with, and for you.

FY 2022 was filled with a multitude of both challenges and victories. Every year is different but this one has been filled with more change than normal. The world is evolving quickly, and its impact on Nigeria's last mile communities is unprecedented. It is reassuring to see how our team has risen to meet every roadblock, always looking for ways to strengthen food security, to increase yields, to help our participants to adapt to changing climate conditions, and to secure alternative sources of revenue.

We are so excited for all that FY 2023 has in store for us – enthusiasm and anticipation are building around new opportunities in all our Northeastern locations. Our marketplace of 25 million people presents viable investment opportunities, and we remain committed to unveiling all that the Northeast has to offer in FY2023!



Our passion for helping our participants out of vulnerability and to become more resilient remains strong.



OVERVIEW

OF THE ACTIVITY



THE RURAL RESILIENCE ACTIVITY

ABOUT US

The Feed the Future Nigeria Rural Resilience Activity is a five-year program (October 2019 to October 2024) funded by the United States Agency for International Development (USAID) to facilitate economic recovery and growth in vulnerable, conflict-affected areas by promoting systemic change in market systems.

The Activity is part of the U.S. Government's global hunger and food security initiative aimed at giving families and communities in some of the world's poorest countries the freedom and opportunity to lift themselves out of food insecurity and malnutrition. The Activity also empowers vulnerable households,

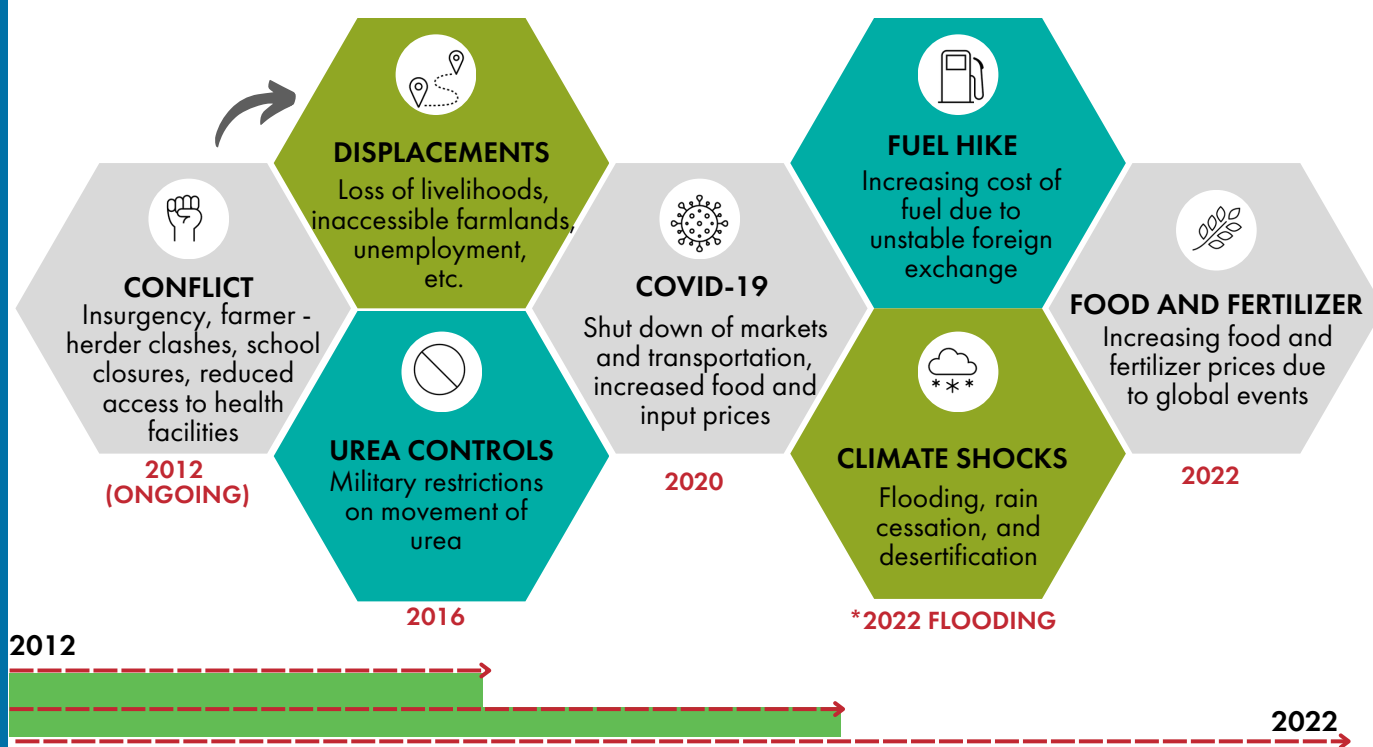
communities and systems to cope with current shocks and stresses and to be prepared to withstand future ones.

The Activity is implemented by Mercy Corps, in partnership with the International Fertilizer Development Center (IFDC) and Save the Children (SCI), primarily in the Northeast states of Adamawa, Borno, Gombe, and Yobe.

Using market-led approaches, the Activity will move over 590,000 individuals out of chronic vulnerability and poverty.

Through the COVID-19 Mitigation Response Program, the Activity's operational areas also included Benue, Kebbi, Niger and Ebonyi states, as well as the Federal Capital Territory.

Shocks and Stresses in Northeast Nigeria (2012 - 2022)



Source: Recurrent Monitoring Survey 2022, by TANGO International

OPERATING CONTEXT

Our market actors, comprising about 25 million people, have faced several shocks and stresses over the years. The conflict with Boko Haram by its 12th year has created 2.1 million IDPs in the NE region alone. Climate change has also significantly contributed to fragility. The Lake Chad Basin has been shrinking for decades, while in 2022, the worst flooding in a decade wiped away 77% of crops produced, reduced yields, and contributed to poor soil quality. At the macro level, we observed rising food, fuel, and fertilizer prices. The Russian invasion of Ukraine also impacted the availability of imported items such as wheat and other farm inputs.

OUR VISION

FOR NORTHEAST NIGERIA



North East Nigeria achieves transformation in the economy driven by competitive, inclusive and resilient growth – where growth withstands the test of time, supported by structures and systems with the ability to adapt and evolve, overcome risks and challenges, and create new opportunities to maintain growth.



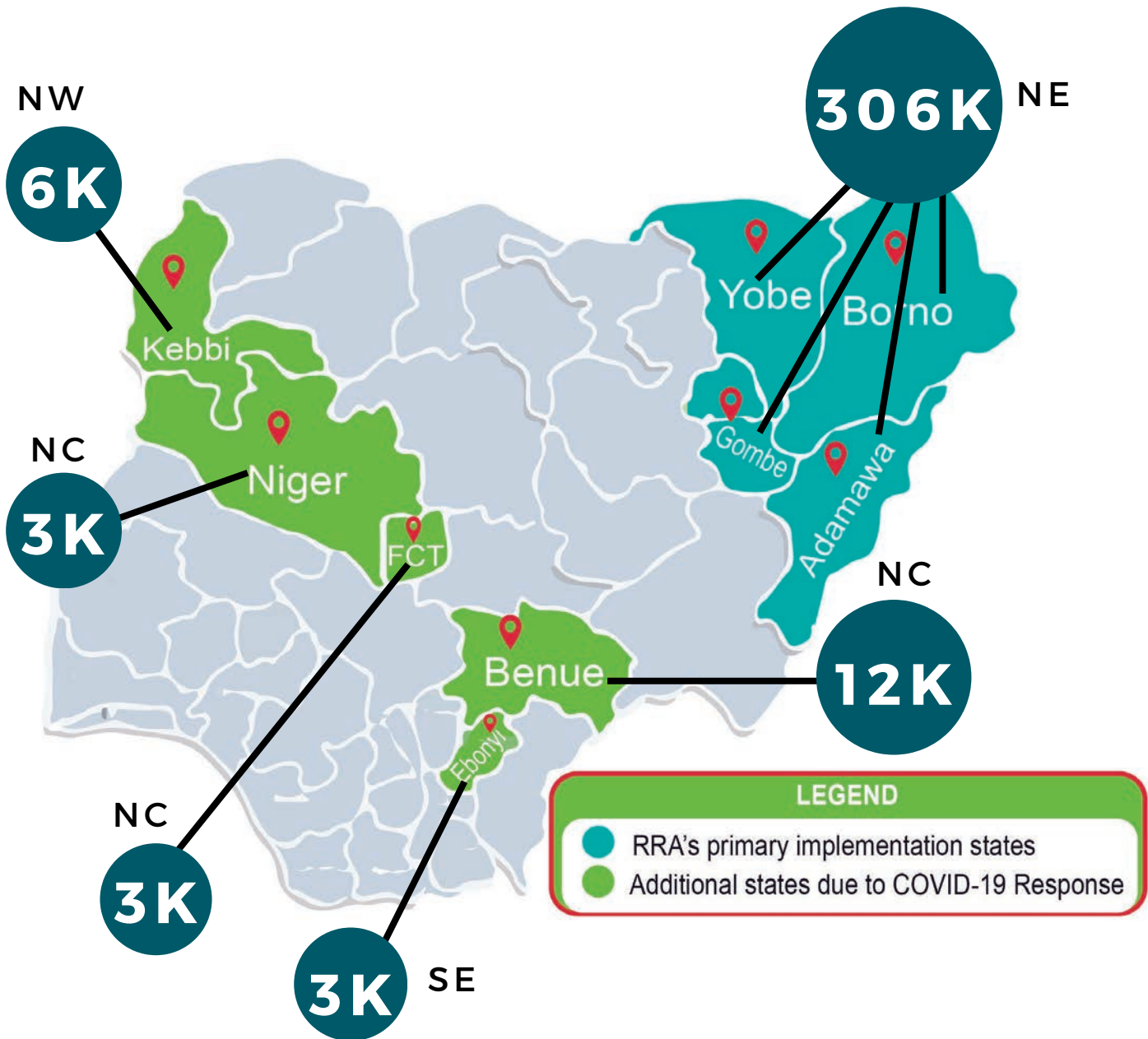
CONTRIBUTING TO ECONOMIC TRANSFORMATION
IN NORTHEAST NIGERIA



IMPACT & RESULTS

Increasing Resilient, Inclusive and Peaceful Economic Recovery and Growth for a more Food Secure Future

PARTICIPANTS REACHED



▲ **116%** of target participants reached



Male (39%)



Female (61%)

333,185
PARTICIPANTS REACHED

In FY 22, a total of 333,185 participants were reached through MSD and COVID-19 Mitigation Response Interventions targeted at women, men, youth, IDPs, and persons with disabilities.

SALES



\$37,575,690

278%

of annual target

CREDIT & LOANS



\$14,488,637

139%

of annual target

JOBS CREATED

F (51%)



M (49%)

9,550

138%

of annual target

LEVERAGE



\$4,023,971

161%

of annual target

Sales

The Activity's private sector partners - comprised of micro, small, medium and large firms - made sales of livestock, grain, seeds, insurance products, charcoal briquettes, solar products, and a number of market products traded by microenterprise owners, worth **US\$ 37,575,690** in FY22.

Jobs Created

The Activity's private sector partners, through their interventions, employed agents, agent supervisors and field staff, while participants and microenterprise owners whose capacities have been strengthened also created employment opportunities for community members. Other jobs created include direct sales agents, POS agents, Community Animal Health Workers (CAHWs), extension workers, seed entrepreneurs, etc.

Credit & Loans

In FY 22, **78,515** participants accessed **\$14,488,637** in financial support and credits through the USAID-supported COVID-19 grants, loans from commercial banks and credit from savings groups.

Leverage

The Activity attracted **\$4,023,971** in investments by private sector partners. This is largely due to infrastructural, operational, logistical and personnel remuneration by partners in developing fintech solutions, agro-input e-commerce platforms, market network structures and equipment for increasing the scale of transactions in NEN market.



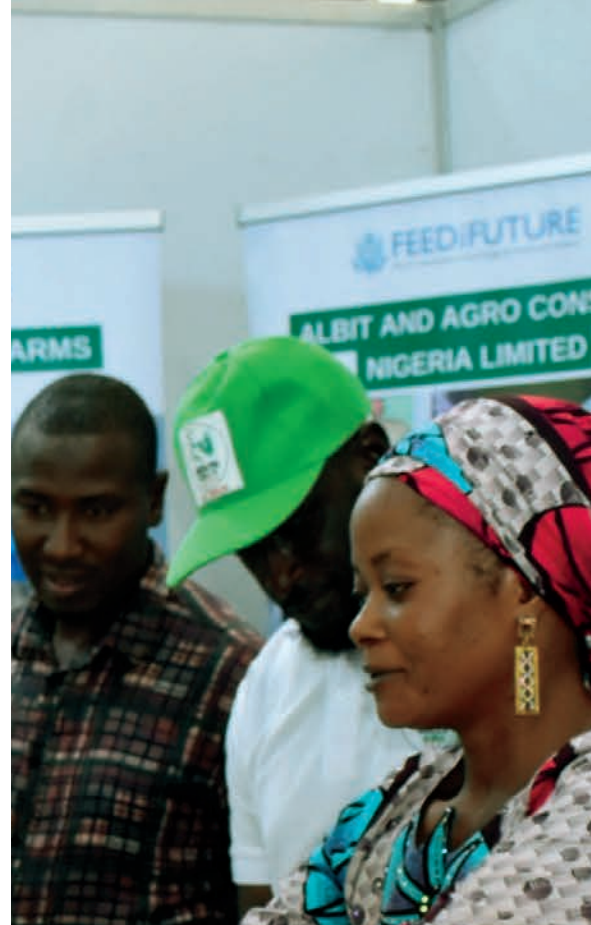
Climate Smart Investments

- Strengthening Input Supply
- Community Seed Multiplication



151

New community seed entrepreneurs raised in the Northeast



Strengthening the seed entrepreneurs is improving the adoption of climate-smart seed varieties by smallholder farmers.

151 seed entrepreneurs were trained by the Activity in collaboration with the National Agricultural Seeds Council (NASC) as community-based seed producers and businesses. 93 of them established 120.93 hectares of seed farms to produce improved climate-smart seed varieties. An estimated 3290.73MT of seeds were off taken from the seed entrepreneurs by nine of RRA's private sector partners.

In response to the impact of the 2022 flooding on farmers, some seed companies and seed entrepreneurs have resolved to produce additional climate-smart varieties of seeds in FY 23, while others are considering signing up for insurance. Cultural/religious beliefs would be the major deciding factors.

Certified seeds by NASC will improve access to improved seeds by targeted farmers. The Activity promotes the introduction of short-duration, drought-resistant varieties as a climate-smart practice for optimizing crop production and increasing the yield of smallholder farmers in its target locations.





11 Agro-input fairs organised in BAY-G states

61% Male

39% Female



15K

Farmers Participated



US\$ 5,186,946
agro-input sales recorded

- The Activity organized agro-market days in 11 locations where 34 input companies participated in selling assorted agricultural inputs (seeds, fertilizers, and crop protection products).
- Over 15,000 farmers participated and accessed agricultural inputs of their choice during the various agro-market days. Messaging on climate information and agri-insurance was bundled into certain varieties to test the validity of new services.
- Total revenue of USD 5,186,946 (NGN2,230,386,850) was generated by the companies that participated in the sales of agricultural inputs, including GAIL, SeedCo, Asma'u Seeds, and Candel Company Ltd.
- Only certified seeds were permitted to be traded at the agro market day. There was no subsidy of any sort also offered.
- NB: \$1= NGN 430



“

My company, Albit, was invited by Mercy Corps to the input fair. My team and I promoted farm implements such as weeders, planters and organic fertilizer, which is used for seed immunization before planting. With this fertilizer, farmers don't need to use NPK on the farm. The turnout of farmers was very encouraging and we made very good sales.

”

Dr. Yusuf Yakubu Yerima Ballah
Executive Director Albit & Agro Consult Limited



42,771
Hectares
422% of target

under improved management practices or technologies that promote improved climate risk reduction and/or natural resources management



Grain Aggregation

Nutrition and Food Systems

In FY22, RRA facilitated grain aggregation and trading of 68,823 MT of grains against a target of 60,000 MT, injecting close to US\$ 37M into the economy of NEN.

The Activity through its grain aggregation and grain trade intervention supports and promotes the coordination, inclusiveness and structuring of the grain market to increase its efficiency and help smallholder farmers meet the standards and requirements of modern markets. This approach enables a network of village agents to mop up grains from smallholder farmers at harvest, reducing food losses and saving them the cost of transportation and multiple levies.



\$36,484,481

Value of grain traded



“This program is a welcome development. In fact, it’s a way to boost the market system. It will help us produce crops that will be of high quality and accepted even in the international market. The problem we usually have is the lack of proper storage facilities which will result in 20-30% food shortage. This cocoon installation is a welcome development and by God’s grace we will protect it with all the instructions given.



– Abdulrazak Kusa –
Grain aggregator
(Participant)



5,976,015 Reached



An estimated 5,976,015 persons were reached across the BAY-G states through nutrition radio messaging

In addition to radio messaging, 14,880 women caregivers were reached through key nutrition messages. A total of 34,898 women were reached through nutrition messaging on Minimum Dietary Diversity across the BAYG states.

Nutrition Messaging



25,404

The 2022 annual survey shows that, through nutrition-focused interventions, 28% (25,404) of the 90,000 female participants are consuming a diet of minimum diversity, despite the shocks and stresses in 2022 that reduced the purchasing power and food preferences of households.

19,009



Children under five (0-59 months) were reached through their caregivers.

Food Processing and Microenterprises



“Thank you Mercy Corps for the constant support and for encouraging me to upgrade into macro production. I got a message this morning that Afrieden foods will be supported with another hammer mill.”

– Gladys Dalung (CEO – Afrieden Foods)

Protecting Gains

In FY22, the Rural Resilience Activity, with the support of USAID layered the COVID-19 Mitigation Response (cash intervention) on its Market Systems Development approach to jumpstart the local economies of targeted communities in the BAYG states. This was aimed at supporting the target households and businesses to cope and adapt to the secondary effects of the COVID-19 pandemic and other shocks and stresses that affected the productivity of participants.


249,889
Participants

75% of RRA participants surveyed during the FY22 Annual Survey say their households are better able to manage and cope with future shocks and stresses.

COVID-19 Mitigation Response Intervention

“I want to use this medium to appreciate and thank USAID for the aid they have given our wives, my wife is one of the beneficiaries of the cowpea processing machines. We are so happy because this equipment will go a long way to improve the livelihood of our families and the community at large.”

– Mr Ezekiel
(right in picture)



Enhancing Resilient Systems for Resilient Households

Livestock Feed Production (hydroponics)

"They have taught us how to do business to support ourselves and be self-reliant. With the training and support given to us, we are going to teach the people in our community how to formulate the feed because most people in our area rear poultry birds."

- Halima Aminu Jotinga
(Poultry farmer)



The Activity built the capacity of 197 Community Animal Health Workers (CAHWs) on animal health service delivery and business management while linking them to sources of quality veterinary inputs to maintain consistent supply. **The CAHWs report increased customer base, stocking of inputs and better relationship with livestock farmers.**

The Activity trained 752 feed sellers and millers, poultry and livestock lead farmers, herders, and service providers on various alternative climate-smart and improved feeding technologies, such as commercial hydroponics, feed block technology, and silage-making maggot production among others. **This has reduced farmers' tendency to abandon livestock production because of the cost-effectiveness of the new feeding technologies.**

The Activity engaged the Veterinary Council of Nigeria (VCN), which regulates CAHW practice to integrate a market-driven component into the national CAHW implementation scheme. **The engagement with the VCN led to the lifting of the ban on CAHWs in February 2022.**



Women and Youth Empowerment

Using the Commercial Agency Model, the Activity stimulated the clean energy market to create business opportunities for women and youth, promote a shift towards clean energy usage, and create sources of income for the participants. Entrepreneurship models like this are helping families accrue more risk-diverse income sources to better meet their food needs consistently throughout the year.

The Activity identified and mainstreamed 154 female aggregators into the grain supply chain. The Activity achieved this through its business-to-business (B2B) and business-to-customer (B2C) linkages, as well as roundtable dialogue sessions on grain trading, creating wide networking opportunities, including online commodity trading and better relationship with other merchants.



Solar Sister's direct sales agent used the profit from her solar product business to build a kiosk where she sells solar products, household items, soft drinks and kunu, a local food drink.

1,848

Number of youth and women supported through special purpose vehicle

\$1,026,420

Value of sales accrued to women and youth

314

Total number of jobs created as Direct Sales Agents (DSAs)





Alheri Cooperative members in Mairi community, Jere LGA, Borno State

“This RRA program and their staff have motivated us in so many ways. We didn’t know how to do business. The way they have been coming to guide us, we are very happy about that. To be sincere, we have learned many things from RRA and their staff. Sometimes, when we want to fall, they raise us to the extent that there are some women here that take their products to Cameroon, and it’s because of this RRA.”

*- Bata Peter Bwala
VSLA and microenterprise
(participant)*



Briquette production

1,848

The Activity facilitated access to economic opportunities for women by training 1,848 women in charcoal briquette production in Biu, Hawul, and Kwaya Kusar, Borno State.



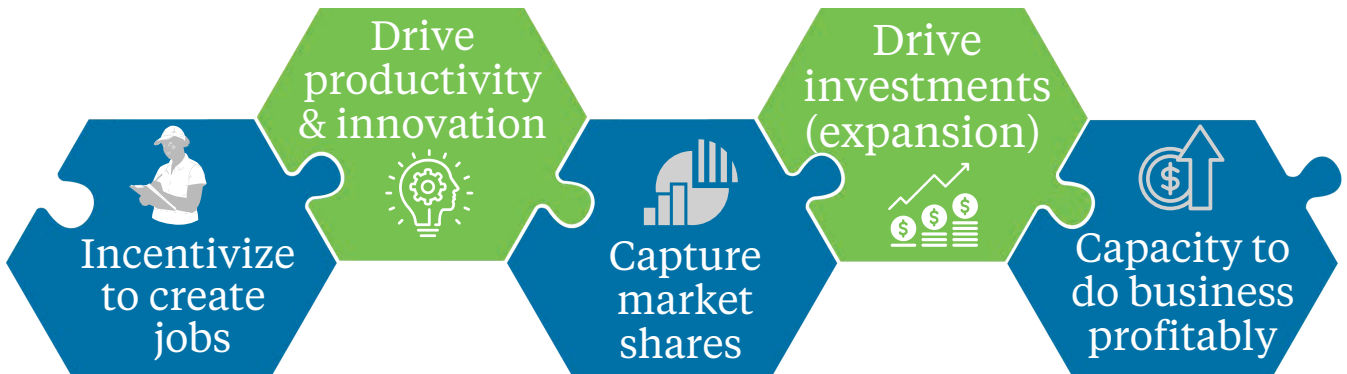
NEYA Initiative

7,519

The Northeast Young Agripreneurship (NEYA) Initiative trained 7,519 youths on GAP, safe pesticide use, and Agri-insurance, with assistance from its partner, Intrio Synergy Limited.

Partnerships

Catalytic Investment for Resilience





\$9.4 M
Total EIF fund size



70
Current Partnerships



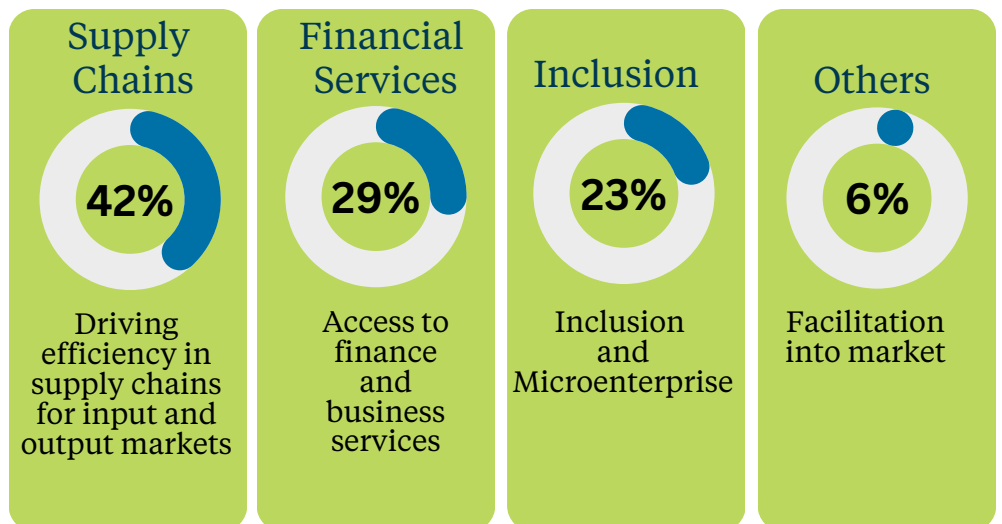
\$7.3 M
Partners' Investment



15,000
Jobs Created

The Rural Resilience Activity is building the resilience of participants as well as businesses in the Northeast through the Enterprise Investment Fund (EIF), a co-investment fund, meant to reduce investment risks, prove the business case for new inclusive models, facilitate entry into new markets, scale-up innovative approaches, incentivize investment to expand market opportunities and services, and improve access for market actors in Northeast Nigeria.

Portfolio Analysis



EIF Fund Committed to Partnerships Per Quarter



Key Learning & Adaptations

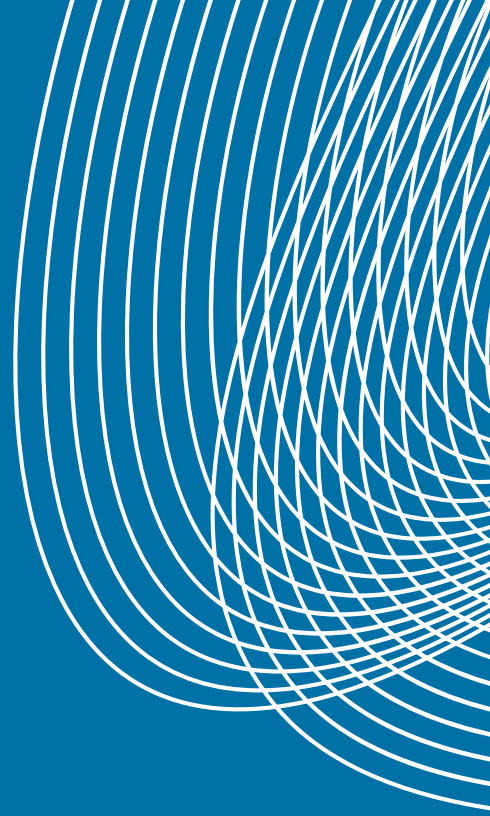
- Business to Business (B2B) linkages unblock & deepen economic opportunities & services for rural communities.
- Prioritizing indigenous partners is likely to lead to scale, sustainability, and ownership.
- Information sharing with large firms through assessments (e.g flood assessment) attracts investment
- Large players now see prospects to invest in Northeast Nigeria

Access to Finance Dialogue

The Access to Finance Dialogue was held on Thursday, 30th June 2022. It brought together over 130 participants from various organizations across the financial and complementary sectors in Nigeria to examine issues, challenges, and opportunities for expanding the frontiers of financial services for Nigerians in remote and hard-to-reach areas, with an emphasis on the Northeast region.



QUESTIONS? CONTACT US.



Margarita Aswani

Chief of Party, Rural Resilience Activity

Email: maswani@mercycorps.org

<https://nigeria.mercy Corps.org/what-we-do/rural-resilience-activity>

