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NIGERIA EXPANDED TRADE AND TRANSPORT PROGRAM (NEXTT)

YEAR 2 WORK PLAN

11 OCTOBER 2013–10 OCTOBER 2014

Contract No. AID-620-C-13-00002

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ACRONYMS AND ABBREVIATIONS

ACA	African Cashew Alliance
AfDB	African Development Bank
AGOA	African Growth and Opportunity Act
ALTTFP	Abidjan-Lagos Trade and Transport Facilitation Project
APS	Annual Program Statement
BDS	Business Development Services
BLP	Nigerian Better Life Program
CBN	Central Bank of Nigeria
CMG	Corridor Management Group
COP	Chief of Party
CRFFN	Council for the Registration of Freight Forwarders of Nigeria
DFID	Department for International Development
DIV	Development Innovation Ventures
ECOWAS	Economic Community of West African States
EDC	Entrepreneurship Development Centre
EMMP	Environmental Mitigation and Monitoring Plan
FERMA	Federal Roads Maintenance Agency
FMT&I	Federal Ministry of Trade and Investment
FTF	Feed the Future Initiative
GCCA	Global Cold Chain Alliance
GDP	Gross Domestic Product
GMP	Good Manufacturing Practices
GON	Government of Nigeria
ICT	Information and Communications Technology
LAKAJI	Lagos-Kano-Jibiya Corridor
Ltd	Limited
MAN	Manufacturers Association of Nigeria
MARKETS	Maximizing Agricultural Revenue in Key Enterprises in Targeted Sites Program
MOU	Memorandum of Understanding
MSME	Micro, Small and Medium Enterprise

NAFDAC	National Agency for Food and Drug Administration and Control
NAQS	Nigerian Agricultural Quarantine Services
NCS	Nigeria Customs Service
NEEP	Nigeria Expanded Exports Program
NEPC	Nigerian Export Promotion Council
NEXTT	Nigeria Expanded Trade and Transport Program
PMP	Performance Management Plan
PPP	Public-Private Partnership
RAMP	Rural Access and Mobility Project
SME	Small and Medium Enterprise
SMS	Short Message Service
SON	Standards Organization of Nigeria
SPS	Sanitary-Phytosanitary
TFTF	Trade Facilitation Task Force
TPAC	Trade Policy Advisory Council
UEMOA	West African Economic and Monetary Union
UN	United Nations
US	United States
USAID	United States Agency for International Development
VC	Value Chain
WATH	West Africa Trade Hub
WTO	World Trade Organization

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Background and Strategy

The USAID Nigeria Expanded Trade and Transport (NEXTT) program aims to promote inclusive economic growth and food security through an integrated approach to trade and transport competitiveness. The program builds upon Government of Nigeria (GON) and prior USAID efforts to stimulate investment in trade-related infrastructure and services, reform trade policies and procedures, and improve the position of Nigerian firms in global and regional markets. Over the four-year project lifespan, NEXTT is expected to leverage past and current efforts toward the following outcomes:

- \$25 million in new investment in projects along the LAKAJI Corridor
- A 30% reduction in transport costs along the LAKAJI Corridor
- Dynamic trade policy coordination institutions that integrate public and private sector priorities into a strategic framework for engagement with trading partners
- Modernization of customs procedures and systems for meeting international standards for agricultural goods
- \$30 million in additional exports as a result of more strategic positioning of Nigerian exporters by export promotion institutions and industry groups.

These outcomes are expected to lead to further and lasting impacts in the form of reduced costs and higher quality of food available in the domestic market, as well as jobs and income generation opportunities for people linked to firms exporting goods abroad. NEXTT interventions will focus on a narrow geography consisting of the eight states that the LAKAJI corridor passes through, plus four additional off-Corridor states. The program is expected to point the way for GON, donors and the private sector in their efforts to improve the livelihoods of Nigerians more broadly (80% of whom live on less than \$2 a day).

Realizing this vision requires strategic deployment of NEXTT resources and capacity, leveraging and building the capacity of existing platforms in corridor management, trade policy and facilitation, export and investment promotion, and food safety. NEXTT will also sponsor new initiatives, including the growth of a business development services (BDS) provider network targeting firms in non-oil export industries, and the design of the LAKAJI Agricultural Growth Corridor Initiative that defines and coordinates priority investments in critical agricultural infrastructure and projects along the corridor. These initiatives have grown out of prior efforts by GON and several USAID and World Bank programs, including the USAID Maximizing Agriculture Revenue in Key Enterprise and Target Sites Project (MARKETS), the USAID Nigeria Expanded Exports Program (NEEP), and the World Bank Micro, Small and Medium Enterprise (MSME) project.

The NEXTT project's role is to contribute technical assistance toward the development and impact of these initiatives through a combination of analyses (investment/export opportunities, corridor constraints, etc.) and direct support (training, expert consulting) to Nigerian partners. Throughout the life of the project, NEXTT team members are tasked with building the capacity of Nigerian partners to continue this level of support initially provided by NEXTT experts. In Year 1, activities were designed that lay the groundwork for this transition. This included a series of assessments of opportunities and constraints to improved corridor governance, investment facilitation, improved trade policy coordination, and others undertaken alongside Nigerian partners.

Strategy

The consensus view of public and private sector stakeholders is that oil—as the principal revenue stream—is an unsustainable, long-term, economic proposition for Nigeria. In line with this thinking, the government has consequently introduced an Agricultural Transformation

Agenda which focuses on growth in agribusiness, to drive future economic growth, wealth generation and employment.

In terms of agricultural production and markets, Kano in the north is a major source of supply (and the second largest market in the country) while Lagos in the south, the largest market in Nigeria, is surrounded by agriculture-producing states and also the key center for import and export of goods and materials into and out of the country. These economically strategic centers are linked by the Lagos-Kano-Jibiya (LAKAJI) corridor, which continues through to the border of the Niger Republic at Jibiya. The corridor also serves as an important element of regional market integration.

The conditions on the corridor currently impede a more rapid development of the agribusiness sector and constitute a major constraint to the competitiveness of Nigerian agribusiness. Improving the corridor, by addressing the barriers to efficient trade and transport, and by adding dedicated processing zones, business clusters and junctions for off-corridor states, will stimulate new agribusiness investments, as well as those in critical infrastructure, such as energy, water and ICT. Therefore, to serve as a driving force for agricultural development, the corridor requires a vision of transport improvement and infrastructure improvement (i.e. road, rail, air) that transcends any one state. There are a number of Nigerian-led institutions at varying levels of institutional development that have emerged in recent years--some with USAID support--that can play different roles in facilitating the achievement of this vision for agricultural and corridor development. NEXTT's role is to assist these entities build their institutional capacity so they have the capacity to seamlessly and efficiently facilitate the achievement of this emerging vision for corridor development.

A New Vision for Corridor Development

A new vision for corridor development began to take shape in June 2013, when NEXTT published an updated study on the time and cost involved in exporting and importing along the LAKAJI corridor. This study, demonstrating that the costs and delays to import and export along the LAKAJI corridor are much higher than those found on similar corridors both regionally and internationally, was released to representatives of the Nigerian public and private sectors, and specifically to the members of the Corridor Management Group (CMG), an entity of primarily parastatal institutions previously created by USAID with a mandate to identify and resolve problems associated with transport along a defined route or corridor. Notably, the study found that over 60% of the time required to import and export goods on this corridor is attributable to avoidable delays, and a disproportionately high percentage of delays and costs are incurred in the vicinity of Lagos and its ports. At this meeting, CMG members and new, emerging stakeholders, renewed their commitment to support improved corridor management, and also offered both time of their members and a space for the Corridor Management Group (CMG) to operate. However, as of the writing of this report, the CMG membership has been unable to complete the registration process to formalize this institution, which has undermined the ability of the CMG to access funding and initiate activities addressing the priorities already identified by the CMG membership and confirmed at the June 2013 event.

This new vision crystallized further upon NEXTT hosting an investor summit in August 2013, when the team released the second major corridor report of the year, which focused on viable agribusiness investment opportunities along the LAKAJI Corridor, which the LAKAJI Agricultural Growth Corridor Initiative of NEXTT was designed to both identify and facilitate, with support of a project development fund. At this event, NEXTT led key national and state-level stakeholders to buy into this vision of transforming the corridor from a congested, single strand of roadway, into a combination of road, rail, air, power and ICT – a multi-strand, multi-modal trade expressway with junctions for off-corridor states and other key agri-processing clusters that can

serve as a Launchpad to stimulate new investment throughout. The concept envisages the entire corridor from Jibiya to Lagos (1,150 km) as a single, end-to-end, linear park for agribusiness development, outside the local state system, with high and consistent standards of infrastructure and maintenance. This new vision also envisages a dedicated investment promotion component, a business-friendly enabling environment, and preferential status as a special processing zone or Free Zone for agri-processing and related services. Promoted in combination with Nigeria's high levels of investor return on investment (35%), more appropriate pro-business policies, improved transport and logistics services (that the CMG is potentially poised to address) and improved trade facilitation, the corridor can attract significant, new domestic and foreign investment.

The LAKAJI Agricultural Growth Corridor Assessment identified 35 significant and viable agribusiness investments along the LAKAJI Corridor that are ready to move forward now – if they are provided the right supports and incentives. The challenge for the NEXTT team moving forward is to facilitate the development of Nigerian-owned and Nigerian-driven structures to move these agribusiness investments forward (in some cases with project development financing support).

Institutions Capable of Driving Change

As evidenced from results of recent NEXTT-sponsored corridor management events, there is a clear consensus among project developers, banks, investors, government actors and donors that proactive, public-private collaboration can and must be at the center of efforts to attract and seal investment along the LAKAJI Corridor. This consensus mirrors CARANA's experience stimulating and overseeing the development of multiple-public-private alliances throughout the world and specifically in West Africa over the last 10 years. To date, the possibility for this level of proactive collaboration is most obvious among the members of the more than 70 mostly private sector partners that committed to playing a role in the LAKAJI Agricultural Growth Corridor Advisory Council at the August 2013 investor event. The initial LAKAJI Agricultural Growth Corridor Advisory Council (LCAC) and Executive Committee members have demonstrated a strong motivation to both identify investment opportunities, and to clear the path for investment-friendly developments. The members of this LCAC are powerful, private sector actors that already influence trade policy and agricultural investment in Nigeria, and are leading agricultural development efforts. Their initial interest, in addition to the positive outcome of the assessment report and August 2013 investor event, has motivated NEXTT to move forward with launching an Agricultural Growth Corridor Advisory Council (LCAC) and a smaller Steering/Executive Committee. The AGCI was envisioned by USAID as a sustainable entity that will promote agricultural investment and cluster development, and can also facilitate related improvements of the transport corridor and its related infrastructure and services. It will do this by promoting the idea of the corridor as an integrated, end-to-end, flagship trade route for Nigeria, facilitating improved linkage between suppliers, processors and markets throughout. While it is still early, the LCAC could potentially serve as a 'Big Tent' platform, under which all stakeholders (i.e. public, private, parastatals) operate from for the common purpose of developing the LAKAJI corridor.

The CMG also has an important role to play in the implementation of the emerging corridor vision, given its original mandate to identify and resolve problems associated with transport along a defined route or corridor. However, given the persistent challenges related to institutionalization of this entity, NEXTT must organize our strategy of support (via staff, STTA and subcontractors as needed) to the CMG in Year 2 towards organized and effective action on corridor issues, while facilitating the institutional structure of the CMG to coalesce around this.

Over the next six months, NEXTT, through support teams seasoned in developing investment platforms with private sector actors, will be working with the members of the AGCI LCAC to finalize this entity's vision, activities and structure (in this order of importance, based on CARANA's experience initiating and strengthening similar public-private entities throughout the world). Our premise, which we will seek to prove in Year 2, is that the LCAC will assume a strong leadership role to facilitate investment and improvement along the LAKAJI Corridor, and will be able to articulate the long term, *end-to-end* vision of the corridor, implementing Master Plans as they emerge.

In terms of activities, we begin with the expectation that the AGCI LCAC will focus primarily on investment promotion and support to an emerging project development facility to buy down the initial risk of investment and new agribusiness start up. Over time, additional responsibilities may be added to the LCAC as appropriate and as internal capability allows. If our premise is proven correct, we envision the LCAC to eventually provide leadership on all of the following activities:

- **Investment Promotion** – Identifying new and innovative agribusiness investment opportunities (deal flow) and facilitating these by connecting potential investors with appropriate partners and supportive services such as business support services, financing (via commercial sources and also other funding sources, such as the Development Innovation Fund), and investment via a project development fund. Investment promotion assumes communication activities (i.e. developing a brand for the corridor and marketing it)
- **Public-private dialogue** – Facilitating constructive dialogue between the public and private spheres related to the corridor (i.e. the LCAC can be a conduit to connect private sector players to the members of the CMG and other public actors critical to corridor improvement) and serving as a focal point for the private sector to voice its interest in specific policies or involvement in key corridor issues.
- **Technical Support** – Having the capacity to research and/or highlight critical corridor issues and making recommendations or taking actions related to specific investment opportunities as needed.

The LCAC could potentially become an autonomous legal entity responsible for end-to-end corridor management. However, at this stage we want to focus on the goal of investment facilitation that the creation of a legal entity—and the barriers that this would likely encounter in Nigeria—could entail. As with all public-private efforts supported by NEXTT, issues and actions must drive the LCAC initially, with appropriate governance structures emerging from these that facilitate the LCAC's work moving forward.

A strategic shift was required to align the center of gravity for corridor management more closely with market realities. By having a private sector orientation, the LAKAJI Agricultural Growth Corridor Initiative and LCAC committee can integrate marketing and market-led initiatives as a central element of its platform. Effective marketing and communication will be critical tools to support the success of agribusiness ventures along the corridor and improved corridor management. An intensive communications effort and media campaign will be needed to get the new message out and rebrand agribusiness investment along the LAKAJI corridor in Nigeria. Supporting this communications effort will be one of NEXTT's priorities for Year 2 for Component 1 work.

NEXTT's Role in Corridor Management

There are risks inherent in implementing the strategies included in this work plan around building public-private partnerships to facilitate corridor improvement and investment. Many laudable public-private efforts to facilitate trade and competitiveness in Nigeria have failed in

spite of significant investment by both internal and external parties when these efforts are: 1) not owned and/or driven by local actors, 2) structure-led rather than issue and action-led, and; 3) out of alignment with market realities. Institutional development of these public-private institutions, partnerships and entities is not necessarily a linear process; we must also recognize that building these institutions in a sustainable manner will take time, and we will experience “bumps in the road”. NEXTT can largely mitigate these risks by ensuring that we use all the resources at our fingertips (USAID, staff, STTA and subcontractors) to build capacity of these emerging groups, and that we maintain a unified focus on building corridor improvement, export promotion and trade facilitation entities in Nigeria that are championed by local actors, are issue and action-focused, and are fully aligned with market realities.

Component 1: LAKAJI Corridor Improvement

Context

The LAKAJI corridor is Nigeria’s busiest, facilitating the movement of 30 million tons of goods per year valued at more than US \$6 billion, and accounting for 36% of the country’s total throughput. More than 90 million Nigerians live along the corridor, making it the most important transport route in the country from both a food security and export perspective. The corridor connects West Africa’s largest agricultural market in Dawanau, Kano, with the region’s largest consumer market in Lagos, and links key production and processing zones for strategic exports to the Lagos ports. Investment in agribusiness activity along the corridor continues to be constrained, however, by high transport and logistics costs and delays in moving agricultural products, which reduce the competitiveness of producers and processors. Similarly, investment in transport and logistics services is severely constrained by administrative barriers to efficient operations and poorly maintained infrastructure.

NEXTT conducted two major studies in Year 1 to dig deeper into the costs and delays for moving goods along the corridor, and to identify the most attractive agribusiness opportunities along the LAKAJI Corridor. These two studies and the process to validate and share these with the public and private sectors also allowed the NEXTT team to reflect upon the formation of the corridor institutions that were envisioned to push forward a vision for a corridor that can contribute to the country’s Agricultural Transformation Agenda. We believe both institutions originally envisaged (the CMG and the LAKAJI Agricultural Growth Corridor Initiative and Advisory Group) still have a role to play in improving corridor performance (the LCAC with the primary goal of promoting and facilitating innovation and new agricultural investment along the corridor, and the CMG to push forward the transport, logistics and other improvements to support new agribusiness investment). Although these roles are easily defined on paper, in practice these institutional agendas often overlap, such as with private investors taking the lead on removing barriers to investment via their own political influence, and government/parastatals also facilitating investment in agribusiness.

NEXTT is highly encouraged by the emergence of a dynamic Agricultural Growth Corridor Initiative Advisory Council (LCAC), a private-sector led group which emerged from the Agricultural Growth Corridor Investment Summit hosted by NEXTT in Abuja in August 2013. This group of more than 70 mostly private (but also public) agribusiness players includes the actors with the most immediate, market-driven interest in improving corridor performance quickly in Nigeria. The dynamic leadership emerging from this group presents an immediate opportunity for NEXTT to build upon for the benefit of the corridor via a holistic approach to agribusiness trade and transport development, and with the ability to significantly and quickly influence the development of the agriculture sector and the ATA strategy in Nigeria.

NEXTT is also encouraged by the emerging importance of ICT as a leverage point for agribusiness investment, and efforts to collaborate more closely with the Federal Ministry of Communications and Technology. NEXTT has developed a strong relationship with this Ministry, and the Minister and her staff are demonstrating very strong commitment to NEXTT's vision of a multi-modal, highly connected transport corridor. The Minister is also willing to commit FCT resources to ensure that this corridor and its major stakeholders are fully connected with appropriate Internet Broadband, and are enabled to play a more proactive part in stimulating ICT innovation in agribusiness.

Overall Approach

Our original approach has not changed from Year 1: NEXTT will continue in Year 2 to strengthen regional corridor governance and development planning, through new and dynamic LAKAJI corridor institutions. However, we will do this leading with a more clear vision for the LAKAJI Corridor, which complements the Government of Nigeria's Agricultural Transformation efforts, and stimulates the development of a faster, more cost-efficient, fully integrated trade and transport corridor linking suppliers with markets in Nigeria and West Africa, via improved networking, market-led and private sector-driven solutions. This vision includes the transformation of the corridor from a congested single strand of roadway to a multi-strand combination of road, rail, air, power and ICT - a multimodal trade expressway with junctions for off-corridor states and other key agri-processing clusters. Promoted in combination with Nigeria's other investment features, appropriate pro-business policies and improved trade facilitation, the corridor can attract significant investment and become a model for the rest of the country in implementing the Agricultural Transformation Agenda (ATA) of the Government of Nigeria (GON).

Significant improvement in the efficient movement of goods and new agribusiness investments along the corridor will be stimulated in part through pushing the concept of connectivity at all levels, namely:

- Connectivity between corridor operators and service providers to facilitate efficient agribusiness operations and logistics
- Connectivity between Federal Ministries, agencies, and corridor state governments to provide the enabling environment for the corridor and support the Staple Crops Processing Zones of the ATA
- Connectivity and convergence of the private sector for a more organized, unified voice in *'tailoring'* infrastructure to better meet the needs of users. A focus for this new energy will be provided by the enlarged CMG in combination with the LCAC
- Connectivity between the Nigerian chapter of the Borderless Alliance and corridor improvement efforts domestically and internationally to create a Pan-West African trade and transport route
- Connectivity between the different Components of the NEXTT project (Trade Policy, Customs Reform, Export Development and Corridor Improvement) and with other USAID and donor projects

"More needs to be done to 'Connect the dots' in relation to ICT, infrastructure, research and development, financing and public-private partnerships, if Nigeria is truly to become a global agricultural power house"

Foluso Phillips, Chairman of the Nigerian Economic Summit (NESG) at the conclusion of the recent NESG 19 event in Nigeria, Sept 2013 (Theme: "Growing Agriculture as a Business to Diversify Nigeria's Economy")

To build on this Connectivity concept, in Year 2, NEXTT will provide technical assistance to the Federal Ministry of Communication Technology in its effort to support agribusiness investment and entrepreneurship via ICT solutions. Specifically, NEXTT will work with the Federal Ministry

of Communications to shape its Techlaunchpad Initiative by including in this initiative a list of ICT agribusiness topics that this initiative should address, by nominating tech startups from the corridor that can be involved in the FCT's incubation programs, and by nominating members of corridor governance institutions to be involved in selecting appropriate agribusiness ICT projects to invest in along the LAKAJI Corridor. Also in line with this connectivity concept, NEXTT will apply a task force approach to focus the efforts of all of NEXTT's Components on corridor-related improvements. In other words, Policy and Trade Facilitation within Component 2, and Business Expansion and Export work within Component 3 will be closely coordinated with Component 1, defining specific tasks and activities related to corridor improvement.

In terms of developing dynamic LAKAJI Corridor institutions, NEXTT envisions the CMG by the end of Year 2 as a functional connector of operators and service providers for speedier and more cost-effective logistics/operations along the corridor. We also see the Agricultural Growth Corridor Initiative and its LCAC as a larger, private-sector driven (but public-sector inclusive) platform for facilitation of public-private dialogue and agribusiness investment along the corridor. As a nexus of public-private dialogue with government entities in Nigeria, the LCAC can also support effective use of government incentives and resources to rehabilitate and modernize the major infrastructure along the corridor.

Specifically in Year 2, NEXTT will work with the LCAC membership to formalize the coalition into a functional platform that aligns agribusiness interests and advances efforts to seal investments and implement corridor improvement efforts. NEXTT will also support the LCAC by assisting its members to generate Development Innovation Venture (DIV) proposals for financing, finalizing the commitments made by regional banks, Ministries and other actors to finance "windows" of a Catalytic, project development fund, and pushing the banks, Ministries and other actors to make good on their commitments to buy-down risk for new agribusiness investors along the LAKAJI Corridor. NEXTT will also provide immediate technical assistance to the LCAC to finalize Project Development Fund design and an implementation strategy, and – pending USAID commitments for additional assistance in this area – provide initial fund management efforts to stimulate financing and grants disbursements to get "soft" finance in the hands of new investors during Year 2. NEXTT will also provide the LCAC with technical assistance support to create a complementary communications and media relations campaign to appropriately brand and further consolidate corridor investment and improvement efforts.

Regarding the CMG, NEXTT will continue – in conjunction with the Agricultural Growth Corridor Initiative's LCAC – to support the CMG's development and ability to deliver value-added services and promote action on corridor improvement. Principally, we will support the CMG to work with the Nigerian Customs Service and the Railway Corporation, to bring about significant reductions in time and cost of trading along the corridor (the target for the year is a 5% reduction). NEXTT also will train the CMG in the methodology utilized for transport and logistics study and in monitoring corridor reform priorities and actions, and will utilize the CMG's membership to assist us in sealing the necessary commitment from Federal and State governments towards corridor improvement.

NEXTT will similarly support the Nigeria Chapter of the Borderless Alliance to consolidate its membership and articulate its platform, ensuring a place for this nascent Alliance as part of the CMG and LCAC.

The success of Component 1 in Year 2 will be reflected in:

- An operational LAKAJI corridor platform, with the Corridor Management Group and the LAKAJI Corridor Advisory Council working together using a market-oriented approach to facilitate concrete investments by new agribusiness players, and to solidify enabling environment commitments from Federal and State governments.

- A comprehensive corridor master plan and identified phases to implement this, built on the revised, holistic corridor vision.
- Further reductions (5%) in the time and cost of moving goods along the corridor as a result of focused efforts and effects in targeted Corridor ‘black spots’ such as, in the near-vicinity of Lagos, where most of the cost and delays are incurred.
- US \$2 million in new investment in eight new agribusiness ventures along the corridor, driven by \$7 million in combined financing stimulated via the Project Development Fund, Development Innovation Venture financing and other financing in close coordination with the LCAC.¹
- Improved coordination with NEXTT’s Component 3 and other agribusiness USAID projects (such as MARKETS II) to support increased exports in particular along the LAKAJI Corridor.
- A unified understanding of corridor development and improvement across the Federal Ministries of Trade, Agriculture, Communication Technology, Transport (Rail), Works (Road), Finance (Customs), Aviation (Cargo Airports); Power (Energy), National Planning and other relevant ministries.

Activities

Task 1: Provide technical capacity and support to the Lagos-Kano-Jibiya Corridor Management Group

NEXTT will continue to strengthen the capacity of the LAKAJI Corridor Management Group (CMG) to address corridor governance and improvement in Year 2. We will do this via engaging the CMG to develop a renewed focus on prioritizing issues and actions for corridor improvement related to transport and logistics, strengthening connections and engagement with state actors, and participating in the broader, private-sector led LCAC that will help clear the path for new investment, while strengthening and enlarging the platform for overall success of the corridor.

Key activities the NEXTT project will conduct in support of this task include:

- Operationalizing the CMG governance structure
- Finalizing state government commitments
- Supporting the CMG to carry out corridor improvement actions
- Building capacity for stakeholder advocacy through a strong Nigerian Borderless Alliance chapter

Specifically in Year 2, NEXTT will prioritize engaging the CMG in issues and action to address specific areas for corridor improvement, while institutional issues (such as registration) are sorted. Our strategy is that this new prioritization will stimulate the CMG members towards making progress on high priority transport and logistics recommendations resulting from the June 2013 baseline assessment workshop. NEXTT also plans to provide CMG membership with training on the methodology of the transport and logistics study collecting time and cost of import and export along the LAKAJI Corridor, with the expectation that this group can eventually take on this task as its capacity grows. Given that the CMG will likely not have the dedicated resources in Year 2 to undertake such a labor-intensive data collection and analysis effort in

¹ These figures (\$2 million and \$7 million) are a combined total of Year 1 and 2 targets for indicators 1.2.2 and 1.2.4, added to the PMP midway through Year 1 at USAID’s request.

Year 2, we proposed that we focus on building the capacity and institutional structure of the CMG in Year 2 in order for this entity to implement this study again in Year 3. NEXTT will also provide technical assistance to the CMG to guide this entity in developing an action plan to work with terminal operators, the Nigerian Customs Service and the Railway Corporation to bring about a 5% reduction in time and cost of trading along the corridor (indicators 1.1.3 and 1.1.4), Specifically, NEXTT will assist the CMG to support the campaign to use rail in moving containers from ship-side to inland container depots in Kaduna and Kano. Part of this action plan will require user-advocacy efforts to focus on rail as a cost-effective means for moving cargo on the corridor.

To finalize state commitments to contribute to LAKAJI Corridor Improvement, NEXTT will support the CMG membership in obtaining commitments from Federal and State governments toward corridor improvement and to get the necessary eight (8) MOUs with state governments signed, actions that will build momentum towards designating the corridor as a preferential zone for agribusiness investment and a unified linear national route for trade and transport. Last, NEXTT will also support the Nigerian Chapter of the Borderless Alliance to increase membership, support its advocacy efforts, and link to additional trade and transport routes.

Activities and Milestones

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Operationalize Governance Structure					
Support the CMG to prioritize the most important issues in transport and logistics that can be effectively addressed in Year 2, and organize working groups accordingly.	Oct 2013– Dec 2013	Meeting agendas Meeting minutes Final baseline assessment report	A list of the highest priority transport and logistics issues that can be effectively addressed in Year 2 Working group members assigned	CMG stakeholders LCAC Advisory Council	COP LAKAJI Corridor Development Manager RBS STTA
Host issue-specific working group meetings among the CMG membership to develop action plans for corridor improvement.	Jan – March 2014	Working group meeting agendas Meeting minutes	Action plans developed for each priority transport and logistics issue	CMG stakeholders LCAC Advisory Council	COP LAKAJI Corridor Development Manager RBS STTA
Monitor the implementation of action plans and provide support to the CMG as necessary to complete action items	April 2014 – October 2014	Working group meeting agendas Meeting minutes Trip reports	Updated action plans for each issue	CMG stakeholders, LCAC Advisory Council	COP LAKAJI Corridor Development Manager RBS STTA
MOUs with State Governments					

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Develop and put in place a plan to support the CMG in negotiating and signing MOUs with eight state governments	Oct–Dec 2013	Meeting agendas	Meeting minutes Plan to sign MOUs with state governments	CMG stakeholders	COP LAKAJI Corridor Development Manager RBS STTA
Sign eight MOUs with state governments	April 2014	Trip reports on outreach to state governments; Technical support with development of MOUs	Draft MOUs developed Eight MOUs signed by Governors MOUs signed in signing ceremonies	CMG stakeholders, LCAC Advisory Council State Governments	COP LAKAJI Corridor Development Manager RBS STTA
Support the CMG in efforts to seal deals with federal and state governments towards corridor improvement	July–Sept 2014	Outreach to state governments; Technical assistance	Corridor improvement actions underway	CMG stakeholders, LCAC Advisory Council State Governments	COP LAKAJI Corridor Development Manager RBS STTA
Corridor Performance Monitoring and Action					
Training for CMG in corridor transport and logistics data collection and analysis	Aug-Sep 2014	Training agenda and materials	Training report	CMG stakeholders, LCAC Advisory Council	COP LAKAJI Corridor Development Manager RBS STTA
Support the CMG to develop an action plan to institute corridor improvements related to rail	Nov 2013–Feb 2014	Meeting agendas	Meeting minutes Action plan for corridor improvement	CMG stakeholders LCAC Advisory Council Borderless Alliance Terminal operators Nigerian Customs Service Nigerian Railway Corporation	COP LAKAJI Corridor Development Manager RBS STTA
Support Borderless Alliance					
Support Nigeria Chapter of Borderless Alliance to host 2014 Global Conference in Nigeria	Nov 2013–Feb. 2014	Conference work plans and punch lists developed; meetings and consultations on conference	Stakeholders mobilized	CMG LCAC Advisory Council Nigerian Borderless Alliance Chapter Regional Borderless Alliance	COP LAKAJI Corridor Development Manager STTA

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
				Counterparts	
Support Borderless Alliance of Nigeria expand membership	Nov 2013 – July 2014	Marketing meetings	Expanded membership over prior levels	CMG LCAC Advisory Council Borderless Alliance	COP LAKAJI Corridor Development Manager STTA
Participate in Borderless Alliance of Nigeria meetings to improve advocacy efforts	Oct 2013 – Sept 2014	Meeting agendas	Meeting minutes	CMG Borderless Alliance	COP LAKAJI Corridor Development Manager STTA

Task 2 - LAKAJI Agricultural Growth Corridor

In support of the Government of Nigeria’s Agricultural Transformation Agenda (ATA), NEXTT will assist the LAKAJI Agricultural Growth Corridor Initiative (AGCI) Advisory Council (LCAC) to become a sustainable platform to maintain the momentum generated from the Agricultural Growth Corridor Investment Summit held in August 2013, successfully generating new pipeline of agricultural investment, facilitating the completion of new agricultural investment along the corridor, and successfully sealing concrete corridor improvements.

The immediate priority for NEXTT in Year 2 related to the AGCI is supporting the LCAC to evolve into an operational platform so it can continue the momentum towards corridor investment and improvement that was generated at the AGCI Investment Summit in August 2013. NEXTT will provide technical assistance to the LCAC in the first quarter of FY 2014 to bring stakeholders together to finalize an integrated corridor governance platform and membership (the Advisory Council and more select group of the AGCI Executive Committee). Following the finalization of membership, NEXTT will support the LCAC and Executive Committee to form the sector working groups of the LCAC (focusing on investment and exports, policy and advocacy and corridor improvement work) and will put these immediately to work on concrete tasks emerging from investments identified.

One of the first tasks for the AGCI LCAC is the finalization of a Project Development Fund², so that this fund can play a project development role to buy down risk of new investments and finalize existing investments identified along the corridor, as well as to finance new agribusiness investments identified by the members of the AGCI. The Project Development Fund is envisioned to be overseen by the AGCI LCAC, but initially managed by a Fund Manager located within NEXTT, assuming the availability of additional funds. The Project Development Fund will have multiple windows of financing, based on the interests and funding streams of its financiers.

² The Project Development Fund is the new title assigned by USAID Nigeria to what was formerly referred to as the “Catalytic Fund”.

We expect the Project Development Fund to be financed initially from multiple sources, including the Nigerian Government, Private Financial Institutions and USAID.

Most importantly, the AGCI LCAC and its Executive Committee must be empowered to push forward existing agribusiness investments that were identified at the AGCI Investor Summit in 2014, and to develop a methodology to continuously generate a pipeline of new agribusiness investments. NEXTT will support the LCAC to conduct investment promotion where needed with domestic and international actors, policy advocacy to remove critical barriers to investment along the corridor (i.e. the statute that excludes private sector investment in rail) and to support financing to innovative ICT agribusiness solutions, and Development Innovation financing.

Last, NEXTT must assist the LCAC to develop a renewed communications strategy and branding and marketing approach to ensure that corridor business is more closely aligned with market realities. A public-private marketing team, supported by an intensive communications and media campaign, can get the new message out and rebrand agribusiness investment in Nigeria.

Key activities the NEXTT project will conduct in support of this task in Year 2 include:

- Building the AGCI LCAC institutional platform
- Operationalizing the Project Development Fund
- Supporting continued corridor investment
- Expanded communications and branding

Activities and Milestones

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Building the AGCI Institutional Platform					
Host meetings to finalize membership in AGCI LCAC and Executive Committee	Oct–Nov2013	Meeting agendas	Meeting minutes	LCAC members Borderless Alliance	COP LAKAJI Corridor Development Manager STTA
Form AGCI LCAC working groups and finalize initial workshop topics and upcoming meeting agendas	Nov-Dec 2013	Meeting agendas Workshop topic list	Meeting minutes	LCAC members Borderless Alliance	COP LAKAJI Corridor Development Manager STTA
Host working group meetings and workshops on various topics (e.g., rail, connectivity, SCPZs, etc.)	Dec 2013 – Sep 2014	Meeting agendas Workshop agendas	Meeting minutes Workshop reports	LCAC members CMG stakeholders Borderless Alliance	COP LAKAJI Corridor Development Manager RBS STTA
Support LCAC to expand membership as	Oct 2013 – Oct 2014	Membership analysis New membership	New member commitments	LCAC members CMG stakeholders	COP LAKAJI Corridor Development

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
needed		targets defined		Borderless Alliance	Manager RBS STTA
Develop and implement selection process to define 4 more states to add to the corridor to optimize SCPZs and ATA	Dec 2013 – Mar 2014	Draft selection process Meetings Workshop agenda	Workshop minutes	LCAC members CMG stakeholders GoN and State Govt Agencies	COP LAKAJI Corridor Development Manager RBS STTA
Operationalizing the Project Development Fund					
Finalize private and regional Project Development Fund Commitments and sign appropriate MOUs	Oct – Dec 2013	Consultations Meetings	MOUs drafted	EBID Ministry of Agriculture Ministry of Communications and Technology	COP LAKAJI Corridor Development Manager INTEGRA STTA
Host LCAC meetings to finalize the Project Development Fund concept, management requirements and platform to review fund proposals and continuously develop new pipeline	Nov 2013 – Jan 2014	Meeting agendas	Meeting minutes Project Development Fund design and implementation plan	LCAC members	COP LAKAJI Corridor Development Manager STTA
Recruit and hire a Project Development Fund manager (pending new USAID resources)	Dec 2013 – Feb 2014	Position requirements SOW Advertise position Recruit candidates Interviews	Fund Manager selected	LCAC members	COP LAKAJI Corridor Development Manager
Design Project Development Fund tenders	Feb 2014 – March 2014	SOW RFP	Methodology designed	LCAC members	COP LAKAJI Corridor Development Manager STTA
Project	April – May	RFPs released	Grants awarded	LCAC members	COP

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Development Fund grants awarded	2014	and evaluated			LAKAJI Corridor Development Manager
Provide technical assistance to the LCAC to develop a pipeline of opportunities for Development Innovation Venture (DIV) support	March – May 2014	Meeting agendas Meetings	Pipeline to generate future DIV proposals established	LCAC members Borderless alliance CMG	COP LAKAJI Corridor Development Manager INTEGRA STTA
Provide technical assistance to firms to submit DIV proposals	May –Sept 2014	Pipeline of DIV opportunities generated	Minimum of 2 DIV proposals submitted	LCAC members Borderless alliance	COP LAKAJI Corridor Development Manager INTEGRA STTA
Supporting Continued Corridor Investment					
Convene the LCAC to agree on the platform and concrete actions to move forward existing and new investments on the corridor	Dec 2013 – Feb 2014	Meetings and consultations with LCAC members Action plans developed SOWs completed	Action plans developed SOWs for external support completed (if deemed necessary)	LCAC members	COP LAKAJI Corridor Development Manager STTA
Undertake actions to eliminate priority barriers to investment (such as repealing statute excluding private investment in rail)	March - June 2014	Meetings Workshops Consultations/out reach Media efforts	Decrees/public Announcements/com mitments made	LCAC members CMG Borderless Alliance	COP LAKAJI Corridor Development Manager STTA
Support FMCT to stimulate new agribusiness ICT investments and the Techlaunchpad Initiative	Oct – Dec 2013	Meetings Meeting agendas	Action plans developed Agreement from members on role under Techlaunchpad Initiative	FMCT LCAC members CMG Borderless Alliance	COP LAKAJI Corridor Development Manager INTEGRA STTA
Organize a second LAKAJI Agricultural Growth Corridor Investment	Mar - Aug 2014	Date/location Agenda/objectives Participant List	Summit held	LCAC members Private sector partners	COP LAKAJI Corridor Development Manager

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Summit		Speakers defined and confirmed Partner support campaign implemented Confirmed attendees			RBS External firms (e.g. media and event planning) STTA
Expanded Communications and Branding Strategy for the Corridor					
Convene the LCAC to develop a corridor investment promotion strategy, including priority barriers to investment to address, and a branding and communications effort.	Feb 2014	Meetings and consultations with LCAC members SOWs drafted	Investment promotion strategy drafted (including branding and communications) 2-3 priority barriers to investment actions identified	LCAC members Borderless Alliance	COP LAKAJI Corridor Development Manager STTA
Organize the LCAC private and public sector members to implement the investment promotion strategy with domestic and foreign investors.	April – Sept 2014	Meetings and discussions with private sector partners	Marketing of the corridor launched	Corridor Governance Board, LCAC	COP LAKAJI Corridor Development Manager GCCA INTEGRA STTA
Implement the branding and communications strategy, involving the public and private sectors	Mar-Sept 2014	Meetings STTA SOWs Communications tools (website, logo, promotional materials)	Communications tools developed, distributed and promoted (website, logo, promotional materials)	LCAC members CMG Borderless Alliance	COP LAKAJI Corridor Development Manager STTA

Component 2: Trade Policy and Trade Facilitation Support

Context

The NEXTT project commenced its Year 1 Activities based on the assumption that Nigeria's trade policy-making process had, at the minimum, fulfilled the basic characteristics of global standards for a trade policy mechanism. For example, we assumed that Nigeria had in place the Trade Policy Advisory Council (TPAC) recommended by the WTO to all member countries, responsible for coordinating trade activities of private sector partners to participate in the formulation of trade policies. We also assumed that the National Food Safety Management Committee (NFSMC) was in existence and functionally coordinating food policy and implementation issues.

However, upon beginning project implementation, we discovered that the GON had in place two entities—the Enlarged National Focal Point (ENFP) and the Trade Facilitation Task Force (TFTF)—that were meant to function in place of the TPAC. We also found that the NFSMC Committee was not fully operational, stalling our ability to initiate our capacity building efforts with this entity. Last, we found the level of commitment from within the GON to support reforms and modernization in trade policy processes, food safety and trade facilitation, overall much weaker than was necessary to have the requisite “buy-in” for NEXTT's intensive training and capacity building activities.

Implementation of the Trade Policy and Trade Facilitation Component of NEXTT was therefore modified in accordance with this reality. We began our efforts to build the institutional relationships necessary to obtain appropriate buy-in and commitment from the GON. We expanded our networks to include donor partners and projects with similar interests in trade policy formulation and trade facilitation to understand how they could contribute to our agenda, and we evaluated the capacity of the remaining GON institutions to determine how we could move forward with NEXTT's reform efforts. Specifically in Year 1 for this component, we:

- Conducted an audit of the Trade Policy Process (TPP) in Nigeria and provided recommendations for institutional reforms for trade policy
- Provided technical assistance to the GON in creating four trade policy related documents, including Trade Policy 2012, Nigeria Trade Strategy and a Feasibility Study for Okerete Trans-National Border Market

Roles of Functional Trade Policy Institutions

The ENFP and TFTF (a technical committee, responsible for analyzing the effects of specific tariffs) work in lieu of the WTO recommended TPAC to coordinate the formulation and implementation of the trade policy process in Nigeria.

NFSMC was created to oversee implementation of food safety policy, strategy and action plan. These three public trade policy formulation and implementation groups are currently housed by the FMIT&I.

Customs Excise Management Act 2011

CEMA 2011 repeals the CEMA 1958, proposing a professional customs service organization with significant level of autonomy under the supervision of the Ministry of Finance and a governing Board, also chaired by this Ministry.

CEMA 2011 provides a legal basis for modern, technology-driven, customs procedures in classification, valuation, determination of origin and associated rules, risk management, post clearance audit and intelligence. It also updates the penalties procedures in customs operations.

The draft CEMA 2011 was presented to the House of Representative in Nigeria as a private interest bill. The House conducted a public hearing in 2012 and passed the bill through the three statutory readings, concluding in June 2012. When the bill was passed to the Upper Legislative Chamber for consideration however, numerous contentions were raised by public and private stakeholders, which have yet to be resolved.

- Designed modules of training and capacity building for FMIT&I, NCS, Ministries of Finance, Agriculture and other relevant MDAs on trade and associated policy issues, including tariff analysis
- Supported legislative process of the Customs and Excise Management Act (CEMA) 2011

The main result of NEXTT's audit of Nigeria's Trade Policy Process is that the TPP must evolve into a better coordinated, multi-stakeholder-driven trade policy process, with improved decision making ability based on modern analytical techniques.

In spite of our best efforts, two broad issues remain outstanding from Year 1, namely:

- Finalization of the TPAC/ENFP and TFTF with functional secretariats
- Stakeholder-led reform and capacity building for the broad trade policy process, ENFP/TPAC and TFTF

In terms of NEXTT's customs work, last year NEXTT supported the modernization of customs operations through needs assessments of the legislative process of the Customs and Excise Management Act (CEMA 2011), and provided technical assistance and support to the Nigerian Customs Services to engage inter-ministerial and legislative working groups on passage of CEMA 2011. A number of activities remain outstanding from Year 1 to be addressed in Year 2, including: i) Provision of technical assistance to NCS to design procedures to implement CEMA 2011; ii) capacity building to NCS to improve risk management; and, iii) training and capacity building to support improved valuation and classification and automation and improved clearance procedures.

NEXTT has built on lessons learned in Year 1 to develop a plan to overcome institutional constraints experienced to date to achieve our activities in the Year 2 work plan. We will adopt a private sector driven, public policy making system to reform trade policy and trade facilitation mechanisms. In collaboration with other donors, NEXTT will work closely with established private sector actors including the Borderless Alliance, National Association of Nigerian Traders (NANTS) and trade policy training institutions, among others, to create private sector-led frameworks for trade policy and trade facilitation. We will also ensure buy-in and unconstrained participation and ownership by the FMIT&I, NCS and other relevant public policy making institutions, to move our reform and capacity building and training efforts forward.

Overall Approach

NEXTT's overall approach for this component remains consistent with what was proposed in the Year 1 work plan. This component will align the formulation, coordination and implementation of trade policies, regulatory frameworks and facilitation services in ways that maximize market-driven competitiveness, supporting expanded trade, investment and job opportunities. By the end of NEXTT, improvement in trade policy and facilitation will be reflected in: 1) Effective mechanisms for stakeholder engagement in the prioritization, coordination and follow-up of the most critical constraints to trade and investment, especially in opportunities with the greatest potential for creating jobs and improved livelihoods; 2) measurable performance improvements in customs and port/border post clearance times to reduce costs and time to market for traders; and, 3) a process for the development of food safety standards and infrastructure that facilitates agricultural trade and meets international standards.

NEXTT's approach to this component is built around the following key principles:

- Prioritizing trade reform issues that will make the greatest difference to our LAKAJI Corridor development and export program bottom-line objectives of agricultural investment and increased export competitiveness. Success in tackling a limited number

of high-impact reforms (e.g. as reforming investment laws related to the private sector in rail) will energize stakeholders and encourage further change

- Building stakeholder engagement and commitment (from the public and private sectors) to priority activities and initiatives, with measurable targets, communication of results and corresponding adjustments to strategies and tactics
- Building on international best practices, as well as previous and ongoing initiatives introduced by the Nigerian Government, USAID, other donors and the private sector (i.e. the World Bank, DfID, GIZ, Oxfam, UNIDO, the Borderless Alliance)

Using the above approach, NEXTT's overall ambition in Year 2 is to strengthen public-private collaboration and dialogue to facilitate trade, and improve the planning, implementation and analytical capabilities of relevant public and private institutions and individuals in trade-related areas. We will provide training and technical assistance to support stakeholders to reform, redesign and empower the trade policy and trade facilitation processes in Nigeria. Success in reforming the TPP will impact the time and cost of trading for the benefits of all actors on the LAKAJI Corridor, and the economy as a whole.

Twinning of indigenous institutions with overseas counterparts will be explored to facilitate knowledge transfer through exposure to "best practice" models. NEXTT will also support customs modernization by providing assistance to the Nigeria Customs Service so it can make changes leading to measurable performance improvements in customs post clearance times to reduce cost and time to market for traders. On food safety, NEXTT will continue to support the nascent National Food Safety Management Committee (NFSM) towards becoming an entity that can serve as a single point of interaction between government standards bodies and the industries they regulate and support.

In Year 2, Component 2 will align its work with that of NEXTT's Components 1 and 3 in the following areas of trade facilitation by:

- Supporting an enabling policy environment for investment, production and exporting along the LAKAJI corridor
- Assisting in providing mechanisms for free movement of goods and persons nationally, and on the corridor in particular, through functional ENFP and TTF
- Creating a production environment that supports compliance of agricultural exports with international standards and food safety requirements
- Supporting modernization of the freight forwarding value chain. The project will build capacity in customs and other relevant port operators to evolve a more efficient and dynamic freight forwarding system including the customs fast track and the Authorized Economic Operators (AEOs) system.

By the end of Year 2, improvement in trade policy and facilitation will be reflected in:

- Effective mechanisms for stakeholders' engagement to address identified gaps in the trade policy process (TPP) and support institutional structures to address them; particularly in areas with the greatest potential for creating jobs and improved livelihoods
- Identification and implementation of strategies for utilization of preferences offered by the USG under AGOA
- Improvement in public-private collaboration and dialogue to facilitate trade, especially on the LAKAJI corridor
- Measurable performance improvements in customs post clearance times to reduce cost and time to market for traders
- A clear plan to implement the proposed Partnership for Trade Facilitation (PTF) together with USAID

- A process for the development of food safety standards and infrastructure that facilitates agricultural trade and meets international standards.

Activities

Task 1: Provide Technical Capacity Support to the Federal Ministry of Trade and Investment

Based on gaps identified in the TPP audit report, trade policy formulation in Nigeria requires strong collaboration among multiple, public and private stakeholders, championed by the Federal Ministry of Industry, Trade and Investment.

Key activities the NEXTT project will conduct in support of this task include:

- Strengthening National Trade Policy Coordination through redesign of the ENFP/TPAC and TFTF
- Conducting capacity building for tariff analysis
- Supporting the evolution of the Trade Facilitation Task Force (TFTF)
- Conducting broad trade issues training
- Supporting the development of an AGOA export strategy via technical assistance to the GON to utilize preferences offered under the AGOA preferential trade arrangement from the USG to African countries

Activities and Milestones

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Strengthening of National Trade Policy Coordination					
Conduct multi-stakeholder workshop on TPP and recommendations for reform	Before Dec 2013	Date defined with FMIT&I Agenda and workshop objectives finalized with FMIT&I Locale defined SOWs for STTA	Multi-stakeholder recommendation on TPP finalized and presented to the GON	FMIT&I ENFP Secretariat; Economic Management Implementation Team Office of the Economic Advisor to the Nigerian President Office of the Ministries of Foreign Affairs, Agriculture Finance Nigeria Customs Service Central Bank of Nigeria Private sector actors Borderless Alliance	COP Trade Policy and Capacity Building Manager STTA

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Re-design the TPP and relevant implementing institutions (ENFP/TPAC)	Feb 2014	Work with FMIT&I to create issue-based sub-committee/working groups for the implementation of TPP	Structure, responsibilities and membership of the ENFP/TPAC designed Proposal on improvement plans presented Agreement reached on redesign of the ENFP/TPAC	FMIT&I ENFP Secretariat; Economic Management Implementation Team Office of the Economic Advisor to the Nigerian President Office of the Ministries of Foreign Affairs, Agriculture Finance Nigeria Customs Service Central Bank of Nigeria Private sector actors Borderless Alliance	COP Trade Policy and Capacity Building Manager STTA
Establish a small secretariat for the coordination of TPP and ENFP/TPAC	Mar 2014	Staff appointed TPP and ENFP/TPAC secretariats equipped.	Functional secretariat established with structure, responsibilities defined and finalized	FMIT&I ENFP Secretariat; Economic Management Implementation Team Office of the Economic Advisor to the Nigerian President Office of the Ministries of Foreign Affairs, Agriculture Finance Nigeria Customs Service Central Bank of Nigeria Private sector actors Borderless Alliance	COP Trade Policy and Capacity Building Manager STTA
Hold meetings of the TPP Committee and ENFP/TPAC Secretariat	Mar 2014	Meeting agendas Participant lists Participants confirmed	Meeting minutes	TPP Committee ENFP/TPAC Secretariat	COP Trade Policy and Capacity Building Manager
Provide technical	Mar-Sept	STTA SOW	Working group	FMIT&I	COP

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
assistance to the TPP Secretariat and ENFP/TPAC to elaborate an effective working group structure, including themes and membership	2014	Develop technical assistance strategy	structure defined and finalized	ENFP Secretariat; Economic Management Implementation Team Office of the Economic Advisor to the Nigerian President Office of the Ministries of Foreign Affairs, Agriculture Finance Nigeria Customs Service Central Bank of Nigeria Private sector actors Borderless Alliance	Trade Policy and Capacity Building Manager STTA
Hold TPP working group meetings of public and private stakeholders	Feb–Sep. 2014	Conduct meetings, working groups.	TPP working group meetings held; Legal, regulatory or institutional actions taken to improve compliance with international trade and investment agreements.	FMIT&I ENFP Secretariat; Economic Management Implementation Team Office of the Economic Advisor to the Nigerian President Office of the Ministries of Foreign Affairs, Agriculture Finance Nigeria Customs Service Central Bank of Nigeria Private sector actors Borderless Alliance	COP Trade Policy and Capacity Building Manager STTA
Evaluate TPP progress	Sept-Oct 2014	Develop evaluation SOW and outline Review data sources Conduct interviews	Report developed and submitted	FMIT&I ENFP Secretariat; Economic Management Implementation Team Office of the	COP Trade Policy and Capacity Building Manager

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
				Economic Advisor to the Nigerian President Office of the Ministries of Foreign Affairs, Agriculture Finance Nigeria Customs Service Central Bank of Nigeria Private sector actors Borderless Alliance	
Capacity Building for Tariff Analysis					
Conduct three training workshops on tariff impact analysis for GON economists	Nov 2013 - Sept 2014	Workshop methodology developed; Workshop materials developed	Training workshops held	FMIT&I NCS Ministries of Agriculture and Finance; private sector actors	Trade Policy and Capacity Building Manager STTA
Provide technical assistance to FMIT&I on the implementation of trade policy, trade strategy and tariff analysis unit	Oct 2013 – Sept 2014	Technical assistance strategy developed	Technical assistance provided	FMIT&I	Trade Policy and Capacity Building Manager
Support the Evolution of the Trade Facilitation Task Force (TFTF)					
Coordinate with relevant stakeholders to redesign GON TFTF	Nov 2013- Jan 2014	Meetings/consultations Document review conducted (previous TFTF in Nigeria) New structure for TFTF TOR for the TFTF	Meeting minutes Report on redesign	TFTF and related Ministries FMIT&I NCS	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Hold two workshops on TFM for TFTF members on the effectiveness of trade facilitation measures against existing metrics	Mar–Sept 2014	Workshop agenda Assessment report on trade facilitation measures Recommendation for improvements	Workshop report includes recommendation for improvement gathered	TFTF and related Ministries FMIT&I NCS	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents)
Engage the TFTF and NCS on	Aug-Oct 2014	Meetings	Assessment report completed	TFTF and related Ministries	Trade Policy and Capacity

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
implications of benchmarking for customs modernization and conduct annual assessment of the TFTF capacity and effectiveness		Interviews Focus Groups Data metrics reviewed SOW developed for the TFTF annual assessment		FMIT&I NCS	Building Manager Customs Advisor (Crown Agents) STTA
Trade Issues Training					
Engage GON to review trade training priorities and provide regular assistance on implementation of trade policy, trade strategy and trade facilitation issues.	Jan – Aug 2014	Meetings Interviews to identify technical capacity shortfalls within the GON Review “best practices” in trade training	Training report of training priorities developed including recommendation on training needs provided for consideration of FMT&I Agreement from FMIT&I on establishment of a trade training unit Trade issues training unit established	FMIT&I GON officials	Trade Policy and Capacity Building Manager STTA
Conduct prioritized trade training using the “Train the Trainer” methodology	Jan - Sep 2014	Develop training methodology and materials (trade and investment, environment themes) Select trainees to be trained by trainers	Training reports	FMIT&I GON officials	Trade Policy and Capacity Building Manager STTA
Develop annual report on GON trade issues training capacity and effectiveness	Sept-Oct 2014	Develop report methodology	Report developed and submitted	FMIT&I GON officials	Trade Policy and Capacity Building Manager
AGOA Strategy Implementation					
Provide technical assistance to FMIT&I to develop an AGOA Implementation Strategy (with qualification of agricultural exports for AGOA)	Jan – July 2014	Develop Strategy Review AGOA Implementation plans of other countries SOW for STTA	Technical assistance provided AGOA Implementation Strategy developed and submitted to FMIT&I	FMIT&I TPAC West Africa Trade Hub	Trade Policy and Capacity Building Manager; Manager, Component 3 STTA
AGOA Strategy implementation	Apr -Sept 2014	Process defined Agendas	TPAC working group meetings held with	FMIT&I	Trade Policy and Capacity

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
review integrated into select ENFP/TPAC and TFTF working group meetings		developed for TPAC working group meetings including AGOA	AGOA agenda items	TPAC West Africa Trade Hub	Building Manager Export Development and Promotion Specialist

Task 2: Support Customs Modernization

In Year 2, NEXTT will support the Nigerian Customs Service (NCS) to design procedures for CEMA 2011's implementation. We will support a systems approach to solving trade facilitation problems in Nigeria, focusing not only on the NCS, but involving all agencies as stakeholders in the trade facilitation "common" window. Year 2 will bring a focus on the outstanding issues listed to achieve modernization of procedures aimed at improved clearance times in support of a greater trade facilitation role. There will be an increased engagement with private sector actors to ensure change is managed as a partnership approach between the NCS and the various actors, for example the Nigerian Shippers' Council and Freight Forwarders' Association. This approach is consistent with the outcome of the trade facilitation audit under the Partnership for Trade Facilitation (PTF).

NEXTT will work with NCS and relevant agencies to continue its program of enhancing existing, or introducing new, procedures and supporting the progressive automation of the customs clearance process, in order to streamline customs operations. It will also engage the NCS and relevant actors to synchronize the proposal for PTF with the vision of the LAKAJI corridor. The project will ensure that NCS planning activities capture developments in this area, focusing on where it will impact most upon their operations. NEXTT will also support the NCS in the extension of the Lagos Fast Track process as a fore-runner to a full Authorised Economic Operators (AEOs) program, demonstrating the benefits and raising private sector interest in such a system. Last, NEXTT will support the NCS in its awareness and sensitization of private sector partners, using workshops and seminars to provide full visibility of the modernization program, raising private sector awareness and enhancing capacity of key partner groups where appropriate.

Partnership for Trade Facilitation (PTF)

To continue to build capacity amongst its service to modernize key operations, the NCS sought assistance from the USG under the Partnership for Trade Facilitation, or PTF. PTF is a flexible funding facility that allows for rapid assistance to developing countries' customs authorities to implement trade facilitation in line with WTO rules. This funding portfolio is being managed by USAID via NEXTT, which will provide technical assistance provide to support the full implementation of PTF. PTF provides multiple forms of assistance, including:

- Legal gap analysis and development of implementing regulations for customs reforms
- Development and administration of technical training programs
- Institutional and organizational capacity building
- Development of outreach and communications strategies
- Development of ICT strategies and ICT procurement

During Year 1, NEXTT supported the following activities via its customs work:

- Support for legislative process of CEMA, 2011

- Support for drafting implementation procedure upon final signing of CEMA into law
- Support for the needs assessment for improvement of the following customs procedures
 - Risk management
 - Classification and valuation
 - Tariff analysis
 - Post clearance audit
 - Rules of origin

In Year 2 NEXTT proposes to go beyond support for the customs system alone; we will also assist in capacity building for all relevant actors in the trade facilitation field in Nigeria. The table below provides an analysis of areas of convergence between the NEXTT project and the PTF.

Table 1: Analysis of Convergence between NEXTT Activities and the PTF

Key PTF Component	PTF Priority in Nigeria	Corresponding NEXTT Activities
Legal gap analysis and development of implementing regulations for customs reforms Development of outreach and communications strategies	Follow up on draft customs reform legislation supported by USAID under MARKETS/NEEP Legislation related to pre-arrival processing/early release of goods	Supported legislative process through approval by the Nigerian Senate Provided technical supports for reconciliation of differences between House and Senate drafts Will support drafting of implementation procedure upon endorsement by the executive branch Support to effort to create legislation and procedures for pre-arrival processing/early release of goods LAKAJI corridor management team supports enabling policy environment and communications around encouraging the development of transport infrastructure: roads, rail and air, logistics, internal security, ICT platforms
Development and administration of technical training programs	Advance Rulings: rules applicable to the following: Tariff classification Valuation Rules of origin	Drafting of CEMA implementation procedures and related training to support application of new rules and procedures
	Pre-Arrival Processing/Early Release of Goods Infrastructure Documentation and Data Fast-track and the AEOs	Evaluation of existing customs fast track as a mini-model for the AEOs On-going need assessment for trainings and capacity building
	Expedited Shipments Internal security Logistic	LAKAJI corridor management team supports enabling policy environment encouraging the development of transport infrastructure: roads, rail and air, logistics, internal security, ICT platforms

	Tracking technology	
Institutional and organizational capacity building		Gap analyses of different areas of customs operations Commenced Training of Trainers (ToTs) on tariff analysis, and risk management
Development of ICT strategies and ICT procurement		Support to ICT innovations to stimulate growth of trade in agribusiness including in transport infrastructure, logistics and ICT platforms to support agribusiness

Key activities the NEXTT project will conduct for NCS process modernization in Year 2 include:

- Support the legislative and process modernization
- Improve risk management
- Strengthen the policy capability of the NCS
- Support automation and clearance procedures
- Provide NCS with a private sector orientation

Task 2 will implement the following activities in Year 2 to support customs modernization and trade facilitation in Nigeria:

Activities and Milestones

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Support the Legislative and Process Modernization					
Provide technical assistance to NCS in ensuring that all procedures are compliant with the new CEMA, when ratified	Mar 2014	New procedures drafting process agreed;	Following the enactment of CEMA, gap analysis to identify outdated procedures, procedural gaps and support the NCS in drafting new or updated procedures. New procedures produced Outdated procedures updated	NCS CMG	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Provide technical assistance to NCS in implementing its own TFTF, to plan the implementation of trade facilitation measures in CEMA	Dec 2013	Technical assistance methodologies developed	NCS TFTF or similar body implemented	NCS CMG	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents)
Provide technical assistance to NCS in developing the Post Clearance	Mar 2014	Review current procedures, and recommend improvements to	Recommendations for improved PCA (subject to findings further support may	NCS	Trade Policy and Capacity Building

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Audit capability		enable TF	take place through the Customs Advisor in year 2 or a specialist STTA and will inform year 3 plan)		Manager Customs Advisor (Crown Agents) STTA
Improve Risk Management					
Provide mentoring support to the NCS risk Management Unit, in enhancing core function	Oct-Nov 2013 & Feb 2014	NCS, with STTA support, identifies and implements changes	Development of data needs requirement Identification of tools and ICT needs Development of planning capabilities	NCS	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Develop the NCS intelligence capability	Feb 2014	Provide mentoring support for NCS to identify and implement changes	NCS will be able to: Assess Global changes in trade, finance, smuggling trends etc. Undertake lawful Inter-Agency exchanges Undertake commodity and/or trader assessments Provide current intelligence to inform Risk Management selectivity of high risk cargoes and release of low risk importations.	NCS	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Strengthen the Policy Capability of the NCS					
Provide mentoring support to help NCS identify capability gaps, develop enhancements and implement changes	Feb–Mar 2014	NCS, with STTA support, identifies and implements changes	Improved internal capacity; Improved relationships with Min's of Trade/Finance; MOU's with other Customs Agencies; Engagement with ECOWAS (e.g. for AEO/trusted trader mechanisms)	NCS West Africa Trade Hub ECOWAS	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Support Automation and Clearance Procedures					
Review existing and proposed	June 2014	Agreed review process to assess	Developed plans for NCA on transit, free-	CMG	Trade Policy and Capacity

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
developments in the LAKAJI Corridor with regard to Inland Container Depots, Transit Procedures and Free-zone operations		existing infrastructure and current developmental plans, for NCS TF impact	zone and ICD enhancements to match the NEXTT corridor developments.	TFTF NCS	Building Manager Customs Advisor (Crown Agents) STTA
Assess the Fast Track clearance process operating in Lagos Port and evaluate as a pilot in the transition to implementation of AEO	Feb 2014	Process reviewed; system for extending developed	Fast Track extended on a trial basis	NCS CMG	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Undertake AEO cost benefit analysis	Dec 2013	Resource demands assessed; Time to develop compliance models assessed;	Benefits and cost to NCS and Private Sector in implementing AEO identified; Independent verification model identified	NCS Private Sector ECOWAS/ETLS preferred traders	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Draft implementing regulations and procedures for Authorized Economic Operators (AEOs) and ETLS preferred traders	March-April 2014	AEOs and ETLS traders consulted; "Best practice" regulations consulted	Implementing regulations developed; Number of customs harmonization procedures implemented in accordance with internationally accepted standards as a result of U.S. assistance	NCS AEOs ETLS preferred traders	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Conduct Training of Trainers for NCS staff on AEO regulations and procedures	June–July 2014	Training methodology developed Trainees recruited	Training provided Number of participants in trade and investment environment trainings	NCS	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Provide technical assistance to NCS to develop and deliver training to the trading community	July–Aug 2014	Technical assistance methodology developed	Technical assistance provided	NCS	Trade Policy and Capacity Building Manager Customs Advisor (Crown

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
					Agents)
Private Sector Training and Sensitization					
Conduct sensitization workshop between NCS and private sector to publicize changes in customs clearance procedures, changes in practice and other relevant news	Oct 2013– Sept 2014	Workshop sensitization material developed	Sensitization and awareness events delivered	NCS ALL Private Sector Stakeholders	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA
Provide technical assistance to NCS to influence and provide input to training initiatives underway in the Nigerian Shippers Council and Freight Forwarders Association.	Mar–April 2014	Methodology defined; Interventions identified	Technical input provided to Nigerian Shippers Council and Freight Forwarders Association; NCS resource mobilised to support training delivery	NCS NSC FFA CMG	Trade Policy and Capacity Building Manager Customs Advisor (Crown Agents) STTA

Task 3: Provide Institutional Capacity Building on Standards Infrastructure for Food and Agricultural Products Trade

International Standards and Food Safety control systems remain underdeveloped and complicated in Nigeria. During Year 1, NEXTT supported the GON to untangle some of the complications in the system through the following activities.

- Provided a platform for multi-stakeholder engagement for Standards and Food Safety
- Supported a stakeholder-led drafting of a new National Food Safety Policy and its Implementation Strategy
- Supported redesign of the National Food Safety Management Committee (NFSMC).

Some of the activities planned for Year 1 are still outstanding due to the non-existence of a functional NFSMC. Task 3 was designed to engage principally with NFSMC to achieve most of the activities in Year 1. However, we were successful in leading food safety stakeholders to:

- Draft a new Food Safety Policy
- Create a functional NFSMC³

Key activities the NEXTT project will conduct in support of this task in Year 2 include:

- Mapping standards and compliance procedures
- Conducting standards training for traders and exporters

³ Ministerial and executive approvals of the NFSMC remain outstanding.

- Upgrading laboratory capacity
- Strengthening the NFSM Committee

NEXTT will also conduct a gap analysis of the compliance process for food and agricultural value chains selected by Component 3 in Year 2, as well as a needs assessment for strengthening the capacity of the National Food Safety Management Committee. The results of these analyses will be shared with the NFSM Committee and a training curriculum for traders and exporters on compliance will be developed. The NFSMC will be engaged actively on the vision of the LAKAJI Corridor initiative and the relevant value chain selected by the project. NEXTT will also provide a “Training of Trainers” to the NFSM Committee on accreditation and certification procedures, and will also provide a lab certification training for the National Agency for Food and Drug Administration and Control (NAFDAC) and the Standards Organization of Nigeria (SON) on international quality standards and systems development for international certification (ISO: 17,025). By the end of the year, an internal quality team within the NFSM will be functional.

Below is a detailed list of activities to be conducted under Task 3 in Year 2.

Activities and Milestones

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Mapping Standards and Compliance Procedures					
Follow up with relevant Government departments to adopt the revised Food Safety Policy and Implementation Strategy at the highest political level	Oct–Dec 2013	Meetings with relevant Ministries and agencies	Meeting minutes Food safety Policy Approved	Ministries of Trade, Health, Agriculture and Environment; NAFDAC; SON; NAQS	COP Trade Policy & Capacity Building Manager International Food Standards Advisor (GCCA)
Collaborate with NFSM Committee and relevant stakeholders (including NAFDAC, SON and the organized private sector) on mapping and gap analysis of compliance process for food and agricultural products, including needs assessment for strengthening	Oct 2013 –Jan 2014	Meetings Interviews Focus groups; “Best practices” consulted in strengthening similar Committees	Mapping and gap analysis completed; Needs assessment for NFSM Committee completed	NFSM Committee SON NAFDAC NAQS	COP Trade Policy & Capacity Building Manager International Food Standards Advisor (GCCA) STTA
Submit recommendations to NFSM Committee and relevant agencies on process improvements and streamlining	Feb 2014	Meetings programmed	Recommendations provided in written form to NFSM Committee members	NFSM Committee SON NAFDAC Organized private sector	COP Trade Policy & Capacity Building Manager International Food Standards

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
					Advisor (GCCA) STTA
Conduct workshop to NFSM Committee and relevant agencies on findings of mapping exercise, inter-agency policy coordination and impacts of food safety policy on the private sector	Mar-April 2014	Workshop methodology and materials; Participants invited Logistics finalized	Workshop report Number of participants in trade and investment environment trainings	NFSM Committee Organized private sector	COP Trade Policy & Capacity Building Manager International Food Standards Advisor (GCCA) STTA
Develop strategy to implement recommendations agreed with NFSM Committee and relevant agencies	May 2014	Strategy developed Meetings held to discuss strategy	Strategy to implement recommendations agreed upon by the NFSM Committee	NFSM Committee SON NAFDAC Organized private sector	COP Trade Policy & Capacity Building Manager International Food Standards Advisor (GCCA)
Standards Training for Traders and Exporters					
Support NFSM Committee and relevant agencies to develop a training curriculum for domestic traders and exporters on compliance	May-June 2014	Meetings held to investigate training needs with private sector; Meetings held to co-develop training curriculum	Training curriculum finalized	NFSM SON NAFDAC Domestic traders Organized private sector	Trade Policy & Capacity Building Manager International Food Standards Advisor (GCCA) STTA
Upgrade Laboratory Capacity					
Conduct two (2) "Training of Trainers" training sessions to NFSM Committee and relevant agencies on accreditation and certification, implementation of GMP, Conformity Assessments and SPS Measures	Mar-Sep 2014	Training methodology and curriculum developed Trainees identified Logistics completed	Two (2) training reports Number of participants in trade and investment environment trainings	NFSM Committee SON NAFDAC Organized private sector	Trade Policy & Capacity Building Manager International Food Standards Advisor (GCCA) STTA
Work with NFSM Committee and relevant agencies to identify candidates within testing labs to serve on internal quality teams	Jan-Mar 2014	Meetings	Meeting minutes Candidates identified	NFSM Committee SON NAFDAC Organized private sector	COP Trade Policy & Capacity Building Manager International Food Standards

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
					Advisor (GCCA)
Conduct lab certification training for NAFDAC and SON internal quality teams on international quality standards and development of systems for ISO: 17,500	April-Aug 2014	Training curriculum developed; Participants recruited	Training reports Number of participants in trade and investment environment trainings	NAFDAC SON Organized private sector	Trade Policy & Capacity Building Manager International Food Standards Advisor (GCCA) STTA
Internal quality teams functional	Aug 2014	Internal quality team rules and procedures established; Technical assistance and training provided to the internal quality team	Number of public and private sector standards-setting bodies that have adopted internationally accepted guidelines for standard setting as a result of USG assistance	NAFDAC SON Organized private sector	COP Trade Policy & Capacity Building Manager International Food Standards Advisor (GCCA)
Strengthen the NFSM Committee					
Write annual report on capacity of NFSM Committee and relevant agencies on progress toward accreditation for target labs	Oct 2014	Documents reviewed Interviews/meetings held; Internal review conducted with NFSM Committee members	Report developed; Report submitted to NFSM Committee	NFSM Committee SON NAFDAC Organized private sector	COP Trade Policy & Capacity Building Manager International Food Standards Advisor (GCCA)

Component 3: Business Expansion & Export Support

Context

The Government of Nigeria has predicated the success of its economic transformation agenda on successfully incentivizing the private sector to efficiently respond to market opportunities. Under this transformation agenda, micros, small and medium scale Enterprises (MSMEs) are expected to catalyze inclusive growth, leveraging agriculture and agribusiness as key drivers. In order to achieve these goals it is imperative to address the inherent market failures and skills gaps that limit MSME access to both markets (local and international), such as limited and poor quality service provision for exporters, and difficulty in exporters accessing finance and investment.

Under Component 3, the goal of the NEXTT project is to facilitate improvements in the competitiveness of Nigerian export and near export firms and their capacity to meet market requirements through effective production, financing and marketing of goods and services, both domestically and internationally. NEXTT is designed to accomplish this through a strategy of concurrently building the capacity of public export promotion bodies to implement national export strategies, establishing a viable BDS network of quality service provision for exporters, and by supporting exporting firms directly to increase their competitiveness in key value chains.

A key strategy underpinning the successful attainment of export and investment indicators is making necessary business development support available to export firms. NEXTT was unable to sign Performance Based Contracts (PBC) with 10 BDS providers in Year 1 due to the incapability of one of the project's local subcontractors to conclude work on the BDS mapping and assessment exercise in a timely fashion, which would have clarified the market to engage these actors. This has constrained NEXTT's progress on meeting in full the export and investment targets identified in Year 1.

Recognizing the critical importance of BDS, the GON, via the Small and Medium Enterprise Development Agency (SMEDAN) and others, provides free capacity building support across the country through a network of regional offices. These initiatives offer support in the areas of business management, export procedure and documentation, and market opportunities. However, these supply side initiatives are generally limited in terms of their availability, utility and overall sustainability. In order to strengthen the market for demand-based export services and ensure sustainable institutional support for MSMEs, the NEXTT team engaged with the Federal Ministry of Industry, Trade and Investment (FMITI), NEPC and SMEDAN to evolve a coherent strategy in this regard. This is in line with activities identified in Task 3.1 *'Increased capacity of public export promotion bodies to coordinate and implement national export strategies.'*

NEXTT's export development team continued to explore opportunities to strengthen the capacity of the NEPC (the foremost national trade promotion agency) to better link the supply and demand of export services. However, NEPC's internal capacity challenges and inability to formalize a relationship with NEXTT slowed the ability of NEXTT to conduct more direct training

NEXTT's Expanded Export System (EES)

NEXTT's new Export Support Scheme (ESS) will serve as the mechanism to process requests for technical assistance and to channel the services of BDS providers to key agriculture exporters with an emphasis on the developing export oriented business along the LAKAJI Corridor. The mechanism incorporates the use of a Performance Based Contract (PBC) which facilitates linkage between the demand and supply of export services and addressing concerns of user capacity and willingness to pay for services.

and capacity building of this entity. The recent replacement of the NEPC Director provides a new opportunity to re-initiate capacity building and training efforts with NEPC in Year 2.

Also, to support export competitiveness and growth, NEXTT reached out directly to the Nigerian exporting sector in key value chains in Year 1 to establish new (and strengthen existing) value chain alliances/associations. These efforts have helped to identify a pipeline of export opportunities to build upon within each of the Value Chains (VCs) of interest to NEXTT, and led to approximately \$200,000 in new exports. Now that the BDS provider exercise has concluded and appropriate BDS providers have been identified, these export opportunities can immediately be capitalized upon to deliver more impressive results. In Year 2, NEXTT will expand and augment its exporter pipeline by conducting more intensive outreach, tapping existing networks, the NEPC, Value Chain Alliances, Commodity Associations, Chamber Movements, Customs Authorities and the AGCI Advisory Council (LCAC). Taken together, these activities will provide a sufficient pipeline of export deals that the NEXTT team and BDS providers embedded within the VCs can utilize to deliver a value proposition to export firms that is cost effective and results-oriented (geared towards facilitating \$6 million in new exports and \$5 million in new finance and investment).

Table 2: Key Firms Emerging from NEXTT Year 1 Engagement

FIRMS RECEIVING CAPACITY BUILDING ASSISTANCE TO EXPORT		
Firm Name	Value Chain	Support provided by NEXTT
ACET	Cashew Processor	Access To Finance, Investment, ICT Support
Multitrex Integrated Foods Plc	Cocoa Processor	Access to Markets
SOKAIKO Shea butter & Agro Processing Co. Ltd	Shea	Market Linkage
ABOD Success	Cashew Processor	Business Development
Arewa Cotton	Textiles & Apparel	Market Linkages
Ladgroup	Shea Processor	Market Linkages, Supply Chain Productivity
Loders	Shea Buyer	Supply Chain Support
Shea Radiance	Shea Processor	Supported Business Planning
Fumman	Shea	Standards
Shea Blossom	Shea	Value Chain Consolidation, Export Support
Strange Industries	Honey	Standards
Coopitalia	Varied Food Exports	Identifying Potential Exporters
Sigwa Group	Sesame Processor	Market Linkages, Export Support
Frijay Consult	Yam Exports	Export Packaging & Logistics
NELSAG Nig. Limited	Shea	Supported Business Planning
REMNANT	Moringa	Market Linkage, Export Support
Joint Heirs Limited, Global Export Market Access & Expo	Home Décor Exports	Market Linkages, Export Support
Full Green Nigeria Limited	Shea Exports	Supported Business Planning

Esteema Diamonds Global Investments	Cashew Exports/Processing	Access to Markets/Market Linkage, Export Support
Havillah Global Services	Cashew Exports	Supported Business Planning/Market Linkage
KD Foods	Cashew Exports	Supported Business Planning,
Reconcile Nigeria Limited (NCAN VP West)	Cashew Exports	Access to Finance
Wakman Golden Heritage Ltd.	Cashew Exports	Access to Finance/Access to Markets

Overall Approach

NEXTT will work with public sector institutions to improve the institutional support framework for exporters while facilitating a market driven link between supply and demand for export services. NEXTT will continue its efforts to support the NEPC and other Nigerian government entities to improve their level of service provision to Nigerian exporters, while at the same time we will generate and capitalize upon opportunities to be responsive to the needs of the private sector.

In support of this, the team will implement an Expanded Export System (EES) approach this year that will serve multiple objectives: 1) expand the pipeline of Nigerian exporters that NEXTT can support; 2) identify critical success factors we can address to facilitate new exports, financing and investments, and; 3) facilitate high quality service provision to exporters. The goal of the EES in Year 2 will be to support 40 exporting firms to generate \$6 million in new exports, and to attract \$5 million in new finance and investment. The guiding principle of the EES is to implement a private sector-led and demand-driven model of facilitating export growth.

In terms of the market for this EES approach, while every effort will be made to engage across the spectrum of firms requiring technical assistance to expand and export, the project will seek to prioritize efforts and resources with an understanding of the 80:20 principle: Identifying and supporting the needs of the top 20 percent of exporting firms will deliver 80 percent of the expected results. Such “momentum” export opportunities will typically be with medium to large, “anchor” firms, or enterprises on the LAKAJI Corridor with constituted export potential, in specific VCs or serving multiple VCs of interest and adding measurable value along the chain. These projects will be actively sought out in collaboration with the LCAC, Industry Alliances, other donor projects and private sector groups (i.e. Chambers of Commerce, etc.). Other non-momentum SME-feeder projects will be prioritized with an understanding that they feed into the VCs strengthening the supply chain of larger momentum businesses.

A weak business development services (BDS) ecosystem gives minimal support to agricultural and export enterprises in investment facilitation, innovation and expansion into new markets. Capacity building and BDS services will be based on explicit market needs and costs for these will be shared with supported firms and other value chain actors. In Year 2, NEXTT will facilitate high quality service provision of export-related BDS. NEXTT’s BDS Mapping and Assessment exercise in Year 1 identified access to finance as a critical constraint to enterprise development in Nigeria. This position is further corroborated by a 2010 survey conducted by the National Bureau of Statistics and SMEDAN in which 94%of respondents identified lack of financing as a critical constraint to competitiveness. To expand access to finance and investment for exporting firms, NEXTT will identify, hire (through competitive bid) and support the capacity building of BDS service providers in Year 2, which will support exporting firms to obtain new financing to export. To increase the possibilities for exporters to access new financing, NEXTT will spend Year 2 building more explicit partnerships with fund managers (impact, venture), national,

regional and international development finance institutions as well as commercial banks, so that these are aware of the opportunities within the target value chains, and can finance competitive Nigerian exporters with viable markets and potential for growth.

Concurrently, NEXTT will raise awareness among exporters of available BDS services, improving the Nigeria Export Promotion Council's (NEPC) capacity to deliver export services, and helping private financial institutions to expand their service offering to exporting firms based on market demand. We will also seek to continuously improve the quality of this BDS ecosystem through training and technical assistance. To expand our pool of BDS providers, NEXTT will conduct periodic industry surveys to identify providers and match them with expressed needs of SMEs and exporters within our pipeline.

In conducting this BDS development work and implementing our EES, the NEXTT team will build upon existing partnerships and industry alliances (such as the African Cashew Alliance, the Global Shea Alliance) to efficiently deliver expected outcomes within agreed constraints of time and available resources. NEXTT will also seek opportunities to build upon the actions of the USAID-financed Nigeria Expanded Export Project (NEEP), the USAID/West Africa-financed West Africa Trade Hub (WATH), and DFID's PrOpCom project.

NEXTT's export development staff will expand collaboration with NEXTT Components 1 and 2 this year. An additional source of new pipeline of export opportunities will emerge from collaboration with the LAKAJI AGCI Advisory Council (LCAC). NEXTT will make a more concentrated effort in Year 2 to support exporters specifically located along the LAKAJI corridor in the target value chains. Regarding food safety, Components 2 and 3 will work closely to inform and facilitate the certification of farms and export factories to improve quality standards and traceability, both critical considerations in guaranteeing market access into key markets of Europe and North America for food exports from Nigeria. This work aligns closely with activities undertaken by NEXTT's Food and Safety Advisor in partnership with USDA, towards producing a National Food Safety Policy and Implementation Strategy for Nigeria. For example, in Year 1 the project facilitated contact between FUMMAN Agricultural Products Industries Plc and COLEACP towards implementation of Global GAP on FUMMAN Farms Ltd and its network of out grower farms. While the certification has not been issued, the process is ongoing and is expected to be concluded during Year 2.

Cashew Value Chain Interventions

In AWP 1, the project successfully co-sponsored the Global Shea Alliance Conference in March 2013 and African Cashew Alliance World Cashew Festival and Expo in September 2013. Both events are premier fora on the calendar of Shea and Cashew exporters respectively, providing platforms from which NEXTT was able to extend support to the export community, thereby positioning the project as a credible partner on the ground towards the development of the VCs. The value chain assessment report developed in Quarter 4 of Year 1, identifies cashew as the priority VC around which NEXTT shall develop a model export strategy. With increasing investment in nurseries, new tree stands and the aggregation of processors and traders around Kwara, Kogi, Osun, Oyo and Ogun States, taking advantage of the availability of higher quality (W320, W240) nuts in the area, the project will, on a pilot basis, adopt a cluster based approach to developing the VC (and other VCs like Shea in Niger State). In Year 2, NEXTT will work to convene a stakeholder's forum to achieve consensus and develop the

The CA World Cashew Festival and Expo which was held on the 16-19 September, 2013 gathered 350 cashew industry representatives from around the world to review the performance of the crop and build capacity in all stakeholders along the VC. NEXTT interventions supported the access to finance sessions, addressing a critical challenge to business expansion and export growth across the sub-region.

framework for national export strategy on cashew to drive these and other value improvements along the VC. NEXTT is also in discussions with the leadership of the National Cashew Association of Nigeria (NCAN) on how best to build internal capacity and strengthen the governance of the association.

In terms of NEXTT operations, NEXTT established an office in Lagos (housed within the USAID-supported MARKETS II project) to lead its BDS development activities and provide operational support for project activities in Lagos. This strategy is supported by current business dynamics which show a preponderance of BDS service providers and export businesses located in Lagos which has the most developed trading infrastructure in the country. In Year 2, NEXTT will re-think the ability of the Lagos office to further support overall project work and objectives, and will seek to strategically position and populate the Lagos Office to address the following objectives;

- Provide on-site trade facilitation support (Customs)
- Provide a secretariat for the LAKAJI Corridor Advisory Council to mobilize private sector engagement
- Strengthen Business and Export Development activities, through more regular networking engagements with private sector associations and business platforms
- Provide onsite support and follow up within the Lagos area to Rail and Ports Authorities to improve corridor efficiencies

Activities

Key activities Component 3 will conduct in support of NEXTT overall development goals include:

- Extract viable lessons from BDS mapping exercise to design tenders for BDS service provision
- Develop the pipeline of export opportunities in 10 value chains via implementation of an Export Support System (ESS)
- Develop and implement the Export Development Strategy for one target value chain
- Build capacity of BDS providers based on market realities

Activities and Milestones

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
Extract Lessons from BDS Mapping Exercise					
Validate the outcomes and recommendations of the BDS Mapping Exercise	Oct–Dec 2013	Core BDS providers identified Market confirmed for BDS pricing Host validation workshop on findings	Validation workshop report Action plans developed on capacity building	Export ready firms; BDS Providers NEPC SMEDAN NEDEP Chambers of Commerce Export Associations; Other Relevant Government Agencies	COP Business Development Specialist Export Development and Promotion Specialist STTA
Hire (through competitive process) 10 BDS providers	Nov 2013– Feb	SOW developed Tenders designed	Agreements signed with BDS providers and STTA transaction	BDS Providers NEPC	COP Business

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
and STTA consultants to provide immediately demanded BDS services, as “transaction facilitators”	2014	Outreach of RFP/SOW Identify bidders/STTA providers Review proposals Submit requisite approvals as needed to USAID	facilitators	SMEDAN NEDEP Chambers of Commerce Export Associations	Development Specialist Export Development and Promotion Specialist STTA
Monitor service provision of BDS firms and BDS STTA, and provide direct support to deal facilitation	Dec 2013– Sept 2014	Meetings Consultations Interviews	Loan applications submitted to financial institutions for financing Investment facilitated in exporting firms	BDS providers STTA NEXTT team Export firms LCAC Members	COP Business Development Specialist Export Development and Promotion Specialist
Publish database of Trained and Certified BDS providers on the NEXTT and NEPC Websites	Nov –Dec 2013	Database designed Database populated Design & content completed Site Map prepared; Website template completed; Content populated Database uploaded; Database updated quarterly	Database hosted on NEXTT/NEPC website	NEPC BDS stakeholders Chambers of Commerce Export Associations Export ready firms	Business Development Specialist Export Development and Promotion Specialist STTA
Support financial institutions create/strengthen export desks	March – Sept 2014	Meetings SOWs for STTA	Commitments from financial institutions to create/strengthen export desks	Financial institutions Industry alliances NEPC CBN	COP Business Development Specialist Export Development and Promotion Specialist STTA
Develop and Maintain Pipeline of Export Opportunities in 10 Target Value Chains					
Expand pipeline of exporters and confirm demand for export service provision	Sept – Dec 2013	Visits to identified companies by USAID-NEXTT	Needs assessment reports Expanded pipeline of exporters	BDS Network NEPC	COP Business Development Specialist

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
			Improved knowledge of demand for export services		Export Development and Promotion Specialist STTA
Conduct NEPC sponsored workshop on strategy for tradeshow participation, strengthening the institutional framework for exporters	Nov 2013	Stakeholders meeting with NEPC held; Identification of Strategic Direction in Export Promotion; Identification of Key Trade Shows (based upon Value Chain determination); Identification of areas of cooperation/technical assistance;	Define institutional framework for USAID interventions, technical assistance and support to NEPC	NEPC Exporting firms Industry alliances	COP Business Development Specialist Export Development and Promotion Specialist STTA
Provide technical assistance to lead exporters (in conjunction with NEPC) on trade show marketing and logistics	Dec 2013 – Feb 2014	Compile list of priority Trade Shows; Work out the modus operandi for participation to determine the level of TA to be provided; Design and implement report sheets for participation and strategies for follow-up after tradeshow.	Firm level support to at least 40 exporting firms who are assisted to increase exports	Export firms NEPC Industry alliances	Business Development Specialist Export Development and Promotion Specialist STTA
Provide demand-driven capacity building to additional agencies to strengthen the institutional framework available to exporters	Jan 2013 – Sept 2014	Meetings Consultation SOWs for STTA Training/Capacity Building Agendas	Meeting minutes Training/Capacity Building reports	NEPC NEDEP NEXPORTRADE NEXIM NIPC NIMPR MITI KVL	COP Business Development Specialist Export Development and Promotion Specialist STTA
Provide technical assistance and other supports to facilitate	Oct 2013 – Sept 2014	Meetings with exporters SOWs for STTA	Meeting reports TA reports Exporter	Exporting firms NEXTT team	COP Business Development

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
export transactions		and NEXTT staff Participation in industry alliance and other transaction forum events	questionnaires	Industry alliances STTA	Specialist Export Development and Promotion Specialist STTA
Develop Export Development Strategy for One Value Chain					
Confirm VC selection with NEPC and USAID	Oct –Nov 2013	Presentation of research results	Meetings held	NEPC	COP Business Development Specialist Export Development and Promotion Specialist STTA
Hold stakeholder forum to assist NEPC and lead firms/associations develop a strategy to increase exports in the priority value chain	Dec 2013– Feb 2013	Meeting agendas Stakeholder forum agenda (as deemed necessary)	Model export promotion/development strategy for one VC completed	NEPC Lead firms & relevant associations Industry alliances	COP Business Development Specialist Export Development and Promotion Specialist STTA
Support and monitor implementation of the export promotion strategy	March – Sept 2014	Meetings Calls/emails Host/participate in workshops and activities as directed via strategy	Implementation reports	NEPC Lead firms and associations Industry alliances	COP Business Development Specialist Export Development and Promotion Specialist
Build Capacity of BDS Providers					
Hold Training of Trainers (ToTs) for BDS providers on product development, access to finance, market support, and project development in collaboration with NEPC and other	Nov 2013- Sept 2014	Agendas and budgets developed Locations identified SOWs for facilitators	Minimum of 4 workshops on export strategy and BDS development held At least 25 BDS providers receiving assistance to deliver service to exporting enterprise	BDS providers NEPC Other GON/partners as necessary	Business Development Specialist Export Development and Promotion Specialist STTA

Activity	Timeline	Inputs	Outputs	Strategic Partners	Responsible Parties
GON institutions					
Host quarterly events to shape potential of BDS network, and to ensure understanding of growth opportunities in non-oil export sectors	Jan – Sept 2014	Quarterly event agendas Event logistics completed	Quarterly event minutes/reports	BDS providers CBN NEXIM Financial institutions	COP, Export Development Specialist Business Development Specialist

APPENDIX A: Cross-cutting Issues (Gender, Environment, Youth)

GENDER

As part of its gender focus, the NEXTT project embraces the pivotal role of women in the rural economy as agricultural producers, traders and entrepreneurs. Incorporating a gender focus is critical for economic development in Nigeria, a country with the largest population of any African country (estimated at 162.5 million people) of which 49% are female (80.2 million women and girls). Women in Nigeria are disproportionately under-represented in formal employment, and compose the majority of informal sector workers. Of the six million young men and women who enter the job market each year, only 10% are able to secure formal employment, and only 1/3 of these are women (200,000). Although one in five Nigerian businesses are run by women, these are constrained by lack of capital. Limited access to collateral and banking remains a critical issue for women, as only 7.2% of women own the land they farm, and only 15% of women hold a bank account. Limited access to education, high fertility rates, limited access to land (reducing their ability to access collateral), and low numbers of formal employment all conspire to keep women in the informal sector, and challenged in terms of their ability to increase income and improve their livelihoods.

Given the obvious need to include girls and women more strategically into activities that promote Nigerian's economic development, USAID/Nigeria asked NEXTT to develop a Gender Integration Plan as part of NEXTT's Year 1 deliverables. The activities in the Year 1 Work Plan and the NEXTT project management plan were reviewed in light of how these could be structured to improve the involvement of women and therefore improve the performance of the overall project, and developed into an action plan, that would be reviewed each year during the context of Annual Work Planning.

To implement the gender integration plan, the NEXTT team has been strongly committed to maintaining gender balance in all of its operational and technical activities, including seminars, conferences, assessments, workshops, trainings, meetings, project staffing, project procurement, new staff hiring, STTA selection, and capacity building events.

As part of the work planning process, and as per the Gender Integration Plan, the NEXTT team has reviewed the gender implementation plan for consistency in Year 2. We find that no significant revisions are required to the Gender Integration Plan for Year 2. The primary activities of incorporating a gender lens in assessments and strategies (i.e., LAKAJI Agricultural Growth Corridor Assessment, Business Development Services assessment, Export Development Strategy) took place as planned, as did utilizing gender as a criterion with significant weight within the value chain selection process.

In Year 2, in support of this plan, NEXTT will continue to facilitate the provision of BDS by women and will ensure that women exporters receive training and support from the project so they benefit from the project's work to emphasize increased exports. NEXTT relied on a number of female STTA providers in Year 1 (e.g. Karen Menzcer, Amanda Grevey, Kristin Beyard, Amanda Fernandez) and will continue to utilize, to the extent possible, female STTA providers.

NEXTT will continue to prioritize hiring of women in future technical positions as these opportunities arise, and will prioritize the involvement of women as trainers in project-supported trainings, establishing minimum quotas for female participation in project trainings related to corridor improvement, trade facilitation, and customs and food safety improvement.

Given the lack of meaningful participation of women in Nigeria's trade policy process, in Year 2, NEXTT will make a specific effort to identify female trade policy experts to participate as trainers in project-related trainings scheduled. To change the current dynamic of limited female involvement in the development of trade policies, NEXTT trainings will endeavor to involve a minimum percentage of women in capacity building and as training participants.

As NEXTT moves forward in finalizing agribusiness investment opportunities identified over the past year, we will work with the AGCI LCAC and CMG to prioritize both investment opportunities and investment enabling environment efforts that will result in improved opportunities for women.

In terms of credit extension, USAID's West Africa Trade Hub's study on access to finance to Small and Medium Enterprises (SMEs) demonstrates that the likelihood of providing finance to female-led SMEs is greatly increased when female financial facilitators are hired by the project. Building on this strategy, NEXTT will engage at least one female financial facilitator in Year 2 to facilitate finance to export ready SMEs in target export sectors. Also to expand access to finance to female SMEs, NEXTT will prioritize female-led businesses or business leaders as beneficiaries of the project's Project Development Fund and Development Innovation Venture financing.

Data monitoring and collection efforts were successfully disaggregated this year, allowing for NEXTT to understand to the extent we are supporting capacity building and stakeholder engagement among women. These data monitoring and collection efforts will continue in Year 2.

To increase the number of women in positions of leadership and authority, the President of Nigeria has appointed women to a third of Ministerial positions. The NEXTT project will follow this example by involving a minimum quota of women in leadership positions on the LCAC, the CMG, as Food Safety Experts, and as members of the ENFP.

NEXTT staff will continue to consider as resources in support of its gender work the following initial, representative list of donors, projects, firms, organizations and consultants, as we move forward to accomplish Year 2 activities that are gender-sensitive.

- GIZ (project manager/co-sponsor)
- DFID (co-sponsor/donor)
- World Bank (co-sponsor of gender events/activities/potential TA provider)
- Access Bank (hosted IFC facility GEM for SMEs)
- Dangote (private agribusiness firm with a foundation that supports women in Kano)
- African Women Entrepreneurship Program (AGOA BDS provider)
- Yemisi Iranloye (female cassava producer)
- Nigerian Associations of Women Lawyers (Legal BDS provider and potential firm to represent criminal cases involving women)
- Women and Business in Nigeria (BDS provider)
- Network for Nigerian Entrepreneurial Women (BDS provider)
- Eniola Dada, Trade Facilitation and Gender Consultant
- MARKETS II Project (co-USAID project also focusing on gender in agriculture/potential training provider for NEXTT Staff)

ENVIRONMENT

From its inception, NEXTT has been designed to encourage, promote and facilitate activities that are environmentally friendly. As such, the NEXTT team attaches great importance to the growing need to protect the environment and consistently uphold environmental conservation measures.

NEXTT completed an Environmental Mitigation and Monitoring Plan (EMMP) in Year 1, that was submitted and approved based on the NEXTT Year 1 Work Plan. The EMMP was developed by screening activities in the Year 1 Draft Work Plan against the project's governing Initial Environmental Examination (IEE)⁴ to identify NEXTT activities that were categorically excluded, considered Negative Determinations (with and without conditions); and those that were included in the IEE. Only the activities from the Year 1 Draft Work Plan that qualified for a **Negative Determination with conditions** were included in the EMMP; no NEXTT activities were considered to have a Positive Determination.

As per the EMMP and over the past year, the NEXTT team conducted a **preliminary screening/ranking/analysis** of potential environmental impacts of the proposed agribusinesses and infrastructure investment projects highlighted in the LAKAJI Agricultural Growth Corridor Assessment report. This report was released at the end of Year 1, so future support to these agricultural investments will require more rigorous environmental screenings. NEXTT also included environmental concerns as a screening criteria in the Component 3 work to select a value chain to support more intensely in Year 2. NEXTT made no grants or subcontracts in Year 1 to third parties (to support agricultural investments or export promotion), so evaluating the environmental impact of these will be an activity to include in the updated EMMP for Year 2, as will be training in environmental issues for BAS provider.

As per the approved EMMP, NEXTT must review the IEE and EMMP each year, based on the activities within the NEXTT Annual Work Plan, to ensure that these are already evaluated in the IEE; and that any activities with potential environmental impacts, as noted in the IEE, are included in an updated NEXTT EMMP. This exercise will be completed via an environmental expert upon submission of the work plan to USAID.

YOUTH

Based on USAID Policy for youth development and considering youth population in Nigeria, estimated at 33.6 million representing 19.3 of the entire population, NEXTT staff and subcontractors have added a youth lens to all studies, selection processes and assessments so far conducted.

In response to the challenges facing Nigeria's unemployed youth and in response to a USAID mandate, the NEXTT project has included mechanisms in its activities, indicators and staffing practices to ensure that young people are given an equal opportunity to learn from and contribute to NEXTT's mission. The LAKAJI Corridor as envisioned will link major commercial cities and run through rural Nigeria impacting over 90 million Nigerians. The development of commercial agriculture therefore, is a vehicle which can be effectively leveraged to engage and

⁴ IEE for USAID/Nigeria Economic Growth and Environment (EGE) office, Assistance Objective 2, "Increased Rural Incomes and Jobs in Assisted Areas," implemented under the Country Strategic Plan, October 2009 – September 2014. IEE includes activities under the following intermediate results: IR 1: Increased Agro-enterprise-farmer linkages; IR 2: Reduced infrastructure (energy, trade and transport) bottlenecks; IR 3: Improved agricultural enabling environment at state and federal levels.

empower the sizable youth demographic in Nigeria and provide redirection from ethnic, religious and economic tensions.

The LAKAJI Agricultural Corridor assessment also identified agribusiness potential along the corridor that will open up opportunities for youth participation in agribusiness such as out grower programs, young farmers clubs, animal fattening, poultry production and fisheries. The LAKAJI Baseline Validation Workshop and Stakeholders meeting on the National Policy on Food Safety and its Action Plan sought to ensure integration of youth. NEXTT staff and subcontractors are already working on strategies to increase youth participation in all NEXTT subsequent activities/events in Year 2 by ensuring that:

- More jobs are created for youth along the LAKAJI corridor in agribusiness and ICT related agribusiness.
- Youth participate in studies, assessment and selection processes that will be carried out by the NEXTT Project.
- NEXTT collaborates with youth empowerment programs in the corridor states.

Last, NEXTT is also investigating the possibility to offer internships to engage young adults in project activity during their National Youth Service.

APPENDIX B: Activities Chart

Please refer to excel attachment.

Task 2	Support FMCT to stimulate new agbiz ICT investmenta and Techlaunchpad Initiative	COP, LAKAJI Growth Corridor Development Manager, INTEGRA, STTA	
Task 2	Organize a second LAKAJI AGCI Investment Summit	COP, LAKAJI Growth Corridor Development Manager, RBS, External Firms, STTA	
Task 2	Convene LCAC to develop corridor investment promotion strategy and branding/communications effort	COP, LAKAJI Growth Corridor Development Manager, STTA	
Task 2	Organize LCAC to implement investment promotion strategy	COP, LAKAJI Growth Corridor Development Manager, GCCA, INTEGRA, STTA	
Task 2	Implement the branding and communications strategy, involving the public and private sectors	COP, LAKAJI Growth Corridor Development Manager, STTA	
Task 1	Conduct multi-stakeholder workshop on TPP and recommendations for reform	COP, Trade Policy & Capacity Building Manager, STTA	
Task 1	Re-design the TPP and relevant implementing institutions (ENFP/TPAC)	COP, Trade Policy & Capacity Building Manager, STTA	
Task 1	Establish a small secretariat for the coordination of TPP and ENFP/TPAC	COP, Trade Policy & Capacity Building Manager, STTA	
Task 1	Hold meetings of the TPP Committee and ENFP/TPAC Secretariat	COP, Trade Policy & Capacity Building Manager	
Task 1	Provide technical assistance to the TPP Secretariat and ENFP/TPAC to elaborate an effective working group structure, including themes and membership	COP, Trade Policy & Capacity Building Manager, STTA	
Task 1	Hold TPP working group meetings of public and private stakeholders	COP, Trade Policy & Capacity Building Manager, STTA	
Task 1	Evaluate TPP progress	COP, Trade Policy & Capacity Building Manager	

Task 2	Conduct sensitization workshops between NCS and private sector to publicize changes in customs clearance procedures, changes in practice and other relevant news	Trade Policy and Capacity Building Manager, Customs Advisor (Crown Agents), STTA if required due to core skills	
Task 2	Provide technical assistance to NCS to influence and provide input to training initiatives underway in the Nigerian Shippers Council and Freight Forwarders Association.	Trade Policy and Capacity Building Manager, Customs Advisor (Crown Agents), STTA if required due to core skills	
Task 3	Follow up with relevant Government departments to adopt the revised Food Safety Policy and Implementation Strategy at the highest political level	COP, Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA)	
Task 3	Collaborate with NFSM Committee on mapping and gap analysis of compliance process for food and agricultural products, including needs assessment for strengthening	COP, Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA), STTA	
Task 3	Submit recommendations to NFSM Committee on process improvements and streamlining	COP, Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA), STTA	
Task 3	Conduct workshop to NFSM Committee on findings of mapping exercise, inter-agency policy coordination and impacts of food safety policy on the private sector	COP, Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA), STTA	
Task 3	Develop strategy to implement recommendations agreed with NFSM Committee	COP, Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA)	
Task 3	Support NFSM Committee to develop a training curriculum for domestic traders and exporters on compliance	Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA), STTA	
Task 3	Conduct two (2) "Training of Trainers" training sessions to NFSM Committee on accreditation and certification, implementation of GMP, Conformity Assessments and SPS Measures	Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA), STTA	
Task 3	Work with NFSM Committee to identify candidates within testing labs to serve on internal quality teams	COP, Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA)	
Task 3	Conduct lab certification training for NAFDAC and SON internal quality teams on international quality standards and development of systems for ISO: 22,000	Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA), STTA	
Task 3	Internal quality teams functional	COP, Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA)	
Task 3	Write annual report on capacity of NFSM Committee and progress toward accreditation for target labs	COP, Trade Policy & Capacity Building Manager, International Food Standards Advisor (GCCA)	
Task 1	Validate the outcomes and recommendations of the BDS Mapping Exercise	COP, Business Development Specialist, Export Development and Promotion Specialist, STTA	
Task 1	Hire (through competitive process) 10 BDS providers and STTA consultants to provide immediately demanded BDS services, as "transaction facilitators"	COP, Business Development Specialist, Export Development and Promotion Specialist, STTA	
Task 1	Monitor service provision of BDS firms and BDS STTA and support deal facilitation	COP, Business Development Specialist, Export Development and Promotion Specialist	
Task 1	Publish database of Trained and Certified BDS providers on the NEXTT and NEPC Websites	Business Development Specialist, Export Development and Promotion Specialist, STTA	
Task 1	Support financial institutions create export desks	COP, Business Development Specialist, Export Development and Promotion Specialist, STTA	
Task 1	Expand pipeline of exporters and confirm demand for export service provision	Business Development Specialist, Export Development and Promotion Specialist, STTA	
Task 1	Conduct NEPC sponsored workshop with lead firms, industry alliances, GON agencies, and counterpart projects on strategy for tradeshow participation, strengthening the institutional framework for exporters	COP, Business Development Specialist, Export Development and Promotion Specialist, STTA	
Task 1	Technical assistance to lead exporters in conjunction with NEPC on trade show marketing and logistics	Business Development Specialist, Export Development and Promotion Specialist	
Task 1	Provide demand-driven capacity building to additional agencies to strengthen the institutional framework available to exporters	COP, Business Development Specialist, Export Development and Promotion Specialist, STTA	

Business Expansion & Export Support

Task 1	Provide technical assistance and other supports to facilitate export transactions	COP, Business Development Specialist, Export Development and Promotion Specialist, STTA		
Task 1	Confirm VC selection with NEPC and USAID	COP, Business Development Specialist, Export Development and Promotion Specialist, STTA		
Task 1	Hold stakeholder forum to assist NEPC and firms develop a strategy to increase exports in the priority VC	COP, Business Development Specialist, Export Development and Promotion Specialist, STTA		
Task 1	Support and monitor implementation of the export promotion strategy	COP, Business Development Specialist, Export Development and Promotion Specialist		
Task 1	Hold ToTs for BDS providers on different topics	COP, Business Development Specialist, Export Development and Promotion Specialist, STTA		
Task 1	Hold quarterly events to shape potential of BDS network	COP, Business Development Specialist, Export Development and Promotion Specialist		



APPENDIX C: Performance Monitoring Plan (PMP)

COMPONENT	TASK	OBJECTIVE	Indicator	Frequency/Source	Baseline	Year 1	Year 2	Year 3	Year 4	LOP
MENT CORRIDOR IMPROVE 3/4/ LAKAJI 1. LAG	1.1. Provide Technical Capacity and Support to the Lagos-Kano-Jibiya Transport Corridor Management Group	1.1. Sustainable and effective LAKAJI CMG	1.1.1. Reduction in the cost to trade goods across borders as a result of U.S. assistance.	Annual/CMG-managed corridor surveys	\$3,527 to import, \$1,449 to	0%	5%	15%	30%	30%
			1.1.2. Reduction in the number of days required to trade goods across borders as a result of U.S. assistance.	Annual/CMG-managed corridor surveys	30.76 days to import, 8.95 days to export	0%	5%	15%	30%	30%
			1.1.3. Reduction in the cost to move goods between Kano and Lagos as a result of U.S. assistance	Annual/CMG-managed corridor surveys	TBD Following baseline	0%	2%	5%	10%	10%
			1.1.4 Reduction in the time required to move goods between Kano and Lagos as a result of US assistance	Annual/CMG-managed corridor surveys	TBD Following baseline	0%	2%	5%	10%	10%
			1.1.5. Increase in membership of CMG	Quarterly/CMG official records	7	10%	15%	20%	25%	25%
	1.2. LAKAJI Agricultural Growth Corridor	1.2. LAKAJI Agricultural Growth Corridor partnership and Project Development Fund established and functioning	1.2.1. Number of new agribusinesses established along LAKAJI Corridor as a result of project support	Quarterly/Firm surveys	0	3	5	5	5	18
			1.2.2. Value of new agricultural investments facilitated along the LAKAJI Corridor as a result of project support.	Quarterly/Firm surveys	0	\$750,000	\$1,250,000	\$1,250,000	\$1,250,000	\$4,500,000
			1.2.3. Number of Development Innovation Ventures proposals submitted as a result of project support.	Quarterly/Applicant reports, DIV applications	0	1	2	3	3	9
			1.2.4. Value of investments mobilized by Project Development Fund.	Quarterly/Firms via documentation	0	\$2,000,000	\$5,000,000	\$8,000,000	\$10,000,000	\$25,000,000
	2. TRADE POLICY AND TRADE FACILITATION SUPPORT	2.1. Provide Technical Capacity and Support to the Federal Ministry of Trade and Investment	2.1. Improved capacity of FMT&I to coordinate the development of effective trade policy	2.1.1. Number of legal, regulatory, or institutional actions taken to improve implementation or compliance with international trade and investment agreements due to support from USG-assisted organizations.	Quarterly/GON Official Gazette and other official sources for published regulations and procedures.	0	1	2	2	3
2.1.2. Number of participants in trade and investment environment trainings.				Quarterly/ Attendance records	0	40	40	80	100	260
2.1.3. Person hours of training completed in trade and investment capacity building supported by USG assistance.				Quarterly/ Attendance records of NEXTT	0	3,000	3,000	4,500	6,000	16,500
2.1.4. Number of days of USG supported technical assistance in trade and investment capacity provided to counterparts or stake holders.				Annual training/registration of participant records	0	0	80	100	100	280
2.2. Support Customs Modernization		2.2. Customs procedures and systems modernized, implemented, and widely published	2.2.1. Number of customs harmonization procedures implemented in accordance with internationally accepted standards as a result of U.S. assistance	Quarterly/FRN Official Gazette and other official sources for published regulations and procedures.	0	1	2	2	3	8
			2.3. Institutional Capacity Building: Standards Infrastructure for Food and Agricultural Products	2.3. National standards bodies and laboratories strengthened and capable of managing standards compliance for both domestic and export industries	2.3.1. Number of public and private sector standards-setting bodies that have adopted internationally accepted guidelines for standard setting as a result of USG assistance	Quarterly/GON official records and documentation	0	1	1	2

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3. EXPANDED EXPORT SUPPORT	3.1. Increased capacity of public export promotion bodies to coordinate and implement national export strategies	3.1.1. Number of firms receiving capacity building assistance to export.	Quarterly / Training and show registration forms, attendance records, firm surveys	0	20	40	80	120	120
		3.1.2. Number of Trade and Investment capacity building diagnostics conducted.	Quarterly/ Project records	0	2	1	1	2	6
		3.1.3. Number of participants in USG supported trade and investment capacity building trainings.	Quarterly / Training and show registration forms, attendance records, firm surveys	0	40	40	80	100	260
	3.2. Establishment of a viable network of BDS providers for export and agricultural enterprises	3.2.1. Number of Capacity-Building Service Providers receiving USG assistance.	Quarterly / Attendance records, project reports	0	10	25	25	40	40
		3.2.2. Number of firms receiving USG assistance that obtain certification with international quality control, environmental and other process voluntary standards or regulations.	Quarterly / Surveys, attendance records, project reports	0	1	3	3	5	12
	3.3 Increased competitiveness of exporters in target value chains	3.3.1. Value of exports by NEXTT client firms facilitated as a result of project assistance.	Quarterly / Firms and alliances via surveys and reports	0	\$1,000,000	\$6,000,000	\$8,000,000	\$15,000,000	\$30,000,000
		3.3.2. Value of investments in NEXTT client firms facilitated as a result of project assistance.	Quarterly / Firms and alliances via surveys, reports and other notifications	0	\$2,000,000	\$5,000,000	\$8,000,000	\$10,000,000	\$25,000,000

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APPENDIX D: NEXTT Key Partner Institutions in Export Expansion

GONVERMENT AGENCIES, DONORS, FINANCIAL INSTITUTIONS	AREA OF ENGAGEMENT
Nigerian Export Promotion Council (NEPC)	Trade promotion, BDS development
Small and Medium Enterprise Development Agency of Nigeria (SMEDAN)	Enterprise Development, BDS extension
Nigerian Investment Promotion Council (NIPC)	Export Investment, Industrial Development
Nigeria Export Import Bank (NEXIM)	Export Finance, Access to Finance
Ministry of Industry Trade and Investment (FMITI)	Trade & Investment Promotion, Value Chain Development
Ministry of Agriculture & Rural Development (FMARD)	Value Chain Development, Agro Investment Infrastructure
Raw Materials Research & Development Council (RMRDC)	Value Chain Development
National Competitive Council of Nigeria (NCCN)	National and sectoral competitiveness
National Institute of Marketing of Nigeria (NIMN)	Enterprise Development
United Nations Industrial Development Organization (UNIDO)	Industrial Development (Textiles & Apparels, Leather works)
USAID MARKETS II	Value Chain Development
GIZ	Value Chain Development
TECHNOSERVE	Value Chain Development
Fidelity Bank and other financial institutions	SME Enterprise Development

BDS PROVIDERS IDENTIFIED	SERVICE AREA
Koinonia Ventures Limited	Export Consulting/Training
Multimix Academy Limited	Export Consulting/Supply Chain Management/Logistics
Sahel Capital	Fund Managers (FAFIN)
Oiko Capital	Fund Managers/Business Consulting
Octave Partners	Investment/Management Consulting
Doreo Partners	Investment Consulting/Value Chain Development
McAkins Consulting Limited	Group Formation Supply Chain Development

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Quick Projects Limited	Business Development
Youth Initiative for Sustainable Agriculture	Youth Engagement
Cranes R Us	Logistics
Pinnacle Int'l Logistics	Logistics
3T Impex Consulting	Financial Consulting
XPT Logistics	Export Consulting & Logistics (ECOWAS)
Chevy Chase Limited	Financial Consulting
R&S Consulting Limited	Export Consulting/Training
Blue Bird Capital	Business Development
RBS Consulting	Linkage – markets and suppliers
Finders Consulting Limited	Business Development

APPENDIX E – LAKAJI Corridor Stakeholder Landscape

ENTITY	ROLE
PRIVATE SECTOR	
Shipping Lines	Maersk, MSC Lines, Grimaldi, etc.
Terminal Operators	APMT, TICT, PTML, etc.
Freight Forwarders/Clearing Agents	K-Marine, Etinaco Agencies, Euro-Afric Int'l Freight & Trade, Export Logistics, etc.
Air Cargo/Courier Companies	FedEx, Red Star, UPS, DHL, EMS, etc.
Traders/Shippers/Importers/Exporters Manufacturers	Olam, Dangote, Nigerian Flour Mills, Dantata, etc.
Transporters/Haulage Companies	NARTO, NURTW, RTEAN
Farmers/Aggregators	AFAN, CASON, FACON
Information Technology and New Media	AVM Consults, i-Workshop, Oson Technology, etc.
Investors/Inputs Companies	Ecobank, Grofin, Dizengoff, SCP, UBA, Notore
Other banks, investment funds & BDS providers	
PUBLIC SECTOR	
Federal Ministry of Industry, Trade and Investment	Trade and Investments; Manufacturing, NEPC, NIPC, etc.
Federal Ministry of Agriculture and Rural Development	Agricultural Transformation Agenda; Agribusiness, etc.
Federal Ministry of Communication Technology	Broadband
Federal Ministry of Transport	Rail
Federal Ministry of Works	Road
Federal Ministry of National Planning	National Institutional Transformation
Federal Ministry of Power	Power and Energy
Federal Ministry of Finance	Customs
Federal Ministry of Aviation	Cargo Airports
Federal Ministry of Labor and Productivity	Job Creation
Federal Ministry of Education	Human Capital Development
Federal Ministry of, Lands & Urban Development	Farming and Processing

Federal Ministry of Police Affairs	Security, Law and Order;
Government of, Lagos State	Poultry, Fish, Tomatoes, Cucumbers, Peppers, Onions; Infrastructure and Agro-Allied Equipment; Logistics
Government of Ogun State	Cassava; Cashew; Cocoa
Government of Oyo State	Soybean, Maize, Sorghum, Cassava; Poultry Feed (Maize, Soy & other grains; Transportation & Farm Infrastructure; Cocoa; Cashew
Government of Kwara State	Maize & Soybean; Rice; Spices, Oils, Fruits & Vegetables
Government of Niger State	Rice; Maize and Soybean; Shea Butter; Honey
Government of Kaduna State	Seeds & Fertilizer; Rice; Maize & Soybean
Government of Kano State	Fertilizer; Vegetable oil; Tomato; Transportation & Infrastructure
Government of Katsina State	Warehousing and Logistics; Cotton
Government of Benue State	Flour
Government of Kogi State	Dried Fish
Government of Adamawa State	Livestock and Leather
Government of Taraba State	Sugarcane, Honey
DEVELOPMENT PARTNERS	
The World Bank	Corridor Infrastructure (Road Network)
UNIDO	Corridor Infrastructure (SCPZ)
GIZ	Corridor Governance and ICT (TRIMS)
IFAD	Agriculture and Agribusiness
DFID/GEMS4	Corridor Governance and ICT (Mobile Money)
AfDB	Corridor Infrastructure (Road Network)
MARKETS II	Corridor Out-growers (Food Security)
UNCTAD	Trade, FDI, etc.
CIDA	Rural Development
Ford Foundation	Capacity Building
Borderless Alliance	Regional Trade Integration