

USAID/Nigeria

Annual Report

FY 2005

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Please Note:

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Related document information can be obtained from:
USAID Development Experience Clearinghouse
8403 Colesville Road, Suite 210
Silver Spring, MD 20910
Telephone: (301) 562-0641
Fax: (301) 588-7787
Email: docorder@dec.cdie.org
Internet: <http://www.dec.org>

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Nigeria

Performance:

Achievement and Impact. Nigeria is unique. It is the tenth-largest country in the world, and among the very poorest. It possesses significant oil reserves, which generate revenues that are large in the aggregate, but amount to just \$100 a year on a per capita basis. It is enormously diverse in language, culture, religion, ideology, geography, ecology and opportunity. It is beset by problems of poverty, corruption, unemployment, illiteracy and needless death and debility. But, after decades of harsh and unresponsive military rule, Nigeria also seems firmly embarked on a course of democratic consolidation that is determined to address core development challenges.

In the second year of his final term in office, Nigerian President Olusegun Obasanjo has strengthened and intensified initiatives launched to address these challenges after his democratic reelection in May 2003. The National Economic Empowerment and Development Strategy (NEEDS) has been adopted as the country's poverty reduction plan, and a number of Nigeria's 36 states are designing State poverty reduction plans, the SEEDS - crucial given that states manage 51 percent of the budget resources are responsible for providing services to their citizens. A national poverty survey undertaken over the course of the year suggests a small reduction in the proportion of Nigerians living in poverty but it is too soon to judge the impact of NEEDS or to suggest that the trend is sustainable.

Over the past year, these poverty reduction plans have been accompanied by intensified efforts to combat corruption. The House of Representatives and the judiciary have adopted Codes of Conduct; the House of Representatives passed the Freedom of Information Act; the Budget Office of the Federation has instituted transparent budget policies and processes; and the Economic and Financial Crimes Commission (EFCC), established in 2003, is investigating over 1,000 reported offenses. President Obasanjo has committed Nigeria to participate in the Extractive Industries Transparency Initiative (EITI) and the G-8 Evian Initiative, and civil society organizations are demanding greater responsiveness and accountability from the institutions that serve them. Fighting corruption is also a core element of NEEDS.

The Nigerian government recognizes the gravity of the unemployment problem, and has made job creation a priority under NEEDS. Agriculture provides a livelihood for at least half of Nigeria's people and revitalization of the agricultural sector holds out the greatest promise for growth in employment. Increased productivity and value adding processing of agricultural products for both food consumption and industrial use have the potential to generate significant employment and first steps have been taken to realize this potential in the cassava sector.

Nigeria is committed to implementing Universal Basic Education and (UBE) attaining the Millennium Development Goal of education for all. The 2004 EdData survey showed encouraging trends in the mean number of years of schooling achieved by Nigerians and in the high degree of acceptance by Nigerian parents regarding the teaching of HIV/AIDS awareness and prevention in school, even at the primary level. Nigeria has also stepped up its efforts to combat HIV/AIDS and improve child survival. States in the North have resumed polio eradication efforts, vaccines to prevent other childhood killer diseases are now available, and treatment and prevention options for malaria are increasingly accessible through innovative private sector and voucher redemption programs. President Obasanjo attended this year's World AIDS Day observance, which marked the launch of the USG Emergency Plan in Nigeria, and spoke in praise of USG treatment, prevention, and care and support efforts. Nigeria's challenges, the result of decades of corrupt and despotic military rule, will not be resolved overnight; but the past year has seen heartening change in the right direction. The USAID program clearly addresses all of the priority areas encompassed in NEEDS, and also demonstrates strong collaboration and support with other USG partners (particularly in HIV/AIDS prevention, treatment, care and support) and the broader

donor community (basic education, sustainable agriculture, maternal and child health, and anti-corruption).

Beneficiaries: In the context of these development challenges USAID resources are extremely limited, amounting to less than one dollar per Nigerian annually. Within these constrained resources, particular foci of USAID assistance include women and their children, especially girls, who are disadvantaged in obtaining education and health care; small scale farmers, traders and processors who need access to credit and productivity-enhancing technologies; and civil society organizations and the public and private institutions with which they engage.

Achievements. USAID/Nigeria's CSP 2004-2009 was launched January 1, 2004, and Strategic Objective Grant Agreements were signed with the Government of Nigeria on June 30, 2004. In accordance with guidance from PPC, the Mission has not completed indicator tables in the performance narrative section of the report for the Strategic Objectives that have ended. The composite results that have been achieved under the old SOs are described instead. During this period of transition the Mission continued to expend resources and achieve results in four program areas that have formed the core of the development assistance portfolio since 1999: democracy and governance, agriculture and economic growth, basic education, and integrated health services. The former special objective addressing infrastructure has been closed out.

Democracy and Governance. USAID's portfolio was designed to assist civil society and selected governance institutions in Nigeria to sustain progress in introducing democratic systems and practices and defusing violent conflict. The program strengthened the capacity of selected courts and legislative bodies and increased the transparency of the electoral process and the credibility and timeliness of election results. USAID assisted 70 civil society organizations, from organized labor to grassroots women's groups, to adopt internal democratic practices and to effectively present their interests and agendas to policymakers. Innovative youth programs and interfaith dialogue reduced the potential for violent conflict during national and local elections in 2003 and 2004 and introduced conflict early warning and conflict prevention networks in the Niger Delta.

Agriculture and economic growth. Over the past four years, USAID assistance reached close to 35,000 clients with technical assistance, training, credit, market information and productivity enhancing inputs. The new technologies allowed men and women farmers in Kano state in northern Nigeria to improve food security and increase income by increasing cowpea yield from 0.2 tons per hectare to 1.0 tons per hectare over the past two seasons; and assisted women's groups in the south of the country to process and sell cassava chips, flour, and other food and industrial products. Due to USAID technical assistance, training and policy dialogue, total fertilizer sold through the private sector increased nearly fourfold in target states over the past two years, and overall supply increased by 30 percent. USAID support helped the government to reform and streamline its budget process by introducing a medium term expenditure framework (MTEF) and releasing the 2005 draft budget two months early, allowing unprecedented opportunity for citizen input and dialogue.

Basic education. USAID's efforts in basic education were launched in 2001, with the objectives of improving teacher capacity, student achievement, and community participation. The program reached 254 public secular schools and 72 Islamic schools, and trained nearly 5,500 teachers, supervisors and administrators in classroom instruction methods, curriculum development, and financial and personnel management. Over 122,000 pupils benefited from an innovative system of interactive radio instruction, and over the life of the program registered modest gains in performance on standard English and math achievement tests. Community participation was engaged through parent-teacher associations in 195 communities and schools. The PTAs were also trained in financial management, needs assessment, monitoring and evaluation, accountability and proposal development, empowering them to identify unmet needs in their local schools and mobilize resources to address them.

Integrated health information and services. Despite setbacks to polio eradication efforts occasioned by the withdrawal of some northern Nigerian states from immunization programs in 2004, USAID's health interventions scored significant successes over the past four years. Community focused efforts to

increase access to voluntary family planning provided almost 8.5 million couple years of protection to clients seeking to delay or prevent unplanned pregnancies, and enrolled over 200,000 new family planning users. Exclusive breastfeeding, an important nutrition intervention, nearly doubled in USAID target areas in Kano, Lagos and Abia states between 2001 and 2003, and sales of prepackaged malaria treatment for children grew from zero in 2002 to over 1.1 million units in 2004. Polio immunization has resumed with a series of national and sub-national immunization days, and has been better integrated with routine immunization. USAID-supported HIV/AIDS voluntary counseling and testing services increased from 0 in 1999 to 40 in 2004, and in the last year alone 11,000 pregnant women received prevention of mother to child transmission of HIV/AIDS services. Behavior change communication reached an estimated 45 million people nationwide in 2004, and aggregated sales of socially-marketed condoms from 1999 to 2004 exceeded 860 million pieces.

Global Development Alliances and other partnerships. At the close of FY 2003, USAID/Nigeria signed a \$20 million Memorandum of Understanding (MOU) with the Shell Petroleum Development Corporation under which one dollar of USAID investment will be matched by three dollars from Shell. The first discrete activity to be implemented under this umbrella, the Cassava Enterprise Development Program, was launched late in 2004. The program will address core problems of low productivity, poverty, and unemployment in Shell's core area of operations, but can be replicated in other parts of Nigeria, the world's largest producer of cassava. USAID/Nigeria has also successfully executed partnerships for rice production, integrated crop-livestock production, and blood safety, and is currently designing a strategy to guide the future development of partnerships and alliances.

Challenges and Effectiveness. Key challenges facing the Mission in day to day program implementation revolve around issues of institutional and human resource capacity. Millions of highly-qualified Nigerians left the country during the military years, and most have not returned. At the same time, health and educational institutions were allowed to decay, and civil society was stifled. The sum total is that individuals and organizations with which the Mission does business have significant capacity gaps and demand intensive management effort. Only one indigenous organization in the entire country has thus far qualified to be a direct recipient of USAID assistance, and in some instances the Mission's own recruitment efforts have failed to identify suitably qualified applicants. Nigeria also remains a difficult to staff post for USDH and USPSC positions.

These challenges demand a measured and strategic response. The Mission has accordingly sought highly qualified Nigerian expatriates as technical assistance providers to bolster the institutional capacity of key GON counterparts such as the budget and debt management offices; integrated civil society capacity building into each programmatic area; invested significant resources in training for Mission staff and counterparts; and used innovative approaches to recruit staff for vacant positions.

Conflict vulnerability. Episodes of violent conflict erupted in several areas of Nigeria during the year: the perennially-troubled Niger Delta; and Plateau, Adamawa and Sokoto states. The violence in Sokoto was attributed to the actions of the self-styled "Taliban" Islamic militants, who subsequently fled over the border to Chad. The Plateau and Adamawa outbreaks hinged on resource competition along ethnic and religious lines. The toll of human life in Plateau, the more seriously affected area, is unknown, but the President imposed a six-month state of emergency in the State that has now been lifted as violence has not recurred.

In spite of recent peace overtures by the vigilante groups in the Niger Delta after president Obasanjo's intervention, the situation remains tense. There are between 12-15 armed ethnic militia and vigilante groups operating mostly in Rivers state and the Warri area in Delta state, some of whom get community support. However, the main source of instability is the vigilante groups being supported and armed by leading politicians who had used them to intimidate voters during the 2003 elections and have since then deployed them for use in the illegal bunkering of oil for personal gain and as well as a way of securing funds for their campaigns in the lead up to Nigeria's general elections in 2007.

At this time, conflict in Nigeria does not threaten the integrity of the country or the implementation of USAID programs, and Mission efforts have ameliorated conflict in some traditional hot spots.

Integrated programming. Integration and synergy within and between strategic objectives is a hallmark of USAID/Nigeria's program. All strategic objectives address core cross cutting themes, including gender, transparency, and capacity development. Under the Transition portfolio, conflict activities are integrated into the democracy and governance objective, while environment and agriculture funding work synergistically to foster sustainable agriculture and natural resource management in Nigeria's tropical forest zone. Nutrition is a theme collaboratively addressed in the agriculture and child survival portfolios through joint planning and management. The program also demonstrates geographical synergies, with all programs working in Kano, Lagos and Abuja. Strategic integration across sectors will be significantly expanded under the new country strategic plan 2004-2009.

Gender. Gender is a core crosscutting theme of the USAID/Nigeria portfolio as well as a clear imperative in a country where gender disparities are so pronounced. The Mission has demonstrated progress in addressing gender issues in each programmatic area. The democracy and governance team has worked with women leaders and civil society organizations to increase women's roles in party politics, enhance their credibility as candidates for election, and support engagement with legislatures and other institutions on issues such as widows' rights, female genital cutting, and women's rights in the workplace. In northern Nigeria, where women have often lived in the seclusion of purdah, USAID's dissemination of improved cowpea varieties and productive technologies has mobilized women to form groups that have been able to negotiate with their husbands and fathers for access to land to cultivate in their own right for the first time ever. These women are investing their income in the education of their children - both boys and girls - and diversifying into other income-generating activities. The gender gap in basic education, which is manifested in an estimated two million more boys than girls enrolled in primary school, is being addressed by fostering a "girl-friendly" environment in the school setting and by counseling parents, teachers, and community leaders on the value-added of educating girls. In HIV/AIDS, greater attention is being focused on improving women's ability to assess personal risk, reduce vulnerability, and prevent mother to child transmission. As men are often the sole decision makers on health issues in the household, addressing their concerns, especially in the North, is an important strategy for improving maternal and child health.

For more information, please visit the USAID/Nigeria website at <http://www.usaid.gov/ng/>

Results Framework

620-006 Transition to Democratic Civilian Governance Sustained

SO Level Indicator(s):

- Level of public patience with results of democracy
- Level of public satisfaction with targeted institutions
- Voter turnout rate in Federal elections

6.1 Government institutions demonstrate increased transparency and responsiveness

6.2 Foundation established for a fair and competitive electoral system

6.3 Increased participation by civil society in conflict management, public deliberations and oversight of government

620-007 Strengthen Institutional Capacity for Economic Reform and Enhance Capacity to Revive Agricultural Growth

SO Level Indicator(s):

- Key policy reform papers presented for adoption by Federal Executive Council
- Number of clients assisted by USAID supported microfinance institutions
- Number of clients receiving USAID supported agricultural productive resources
- Number of companies readied for privatization

7.1 Government of Nigeria economic policy formulation process improved

7.2 Research-extension-farmer linkage improved

7.3 Private sector services of selected institutions improved

620-008 Develop the Foundation for Education Reform

SO Level Indicator(s):

- Increased English literacy and numeracy scores of students in targeted schools
- Number of education policy reform initiative presented at national level
- Percent of English literacy and numeracy agendas implemented in targeted schools
- Percent of vocational training graduates in Lagos and Delta State programs employed

8.1 Functioning policy support system in targeted states

8.2 Teacher training in English literacy and numeracy improved in targeted areas

8.3 Community participation in primary education increased in targeted states

8.4 Skills training for out-of-school youth improved in target states

620-009 Increased use of Family Planning/Maternal and Child Health/ HIV/AIDS Services and Preventive Measures within a Supportive Policy Environment

SO Level Indicator(s):

- Condom use at last high-risk sex
- Contraceptive prevalence rate
- Couple-years of protection
- DPT3 coverage
- Exclusive breastfeeding coverage

9.1 Increased demand for family planning/reproductive health, HIV/AIDS and child survival services

9.2 Increased access to and availability of family planning/reproductive health, HIV/AIDS and child survival services and commodities

9.3 Improved quality of family planning/reproductive health, HIV/AIDS and child survival services

9.4 Increased capacity of family planning/reproductive health, HIV/AIDS and child survival services

9.5 Improved policy environment for delivery of family planning/reproductive health, HIV/AIDS and child survival services

620-010 Improved Management of Critical Elements of the Infrastructure and Energy Sector

SO Level Indicator(s):

- Percentage progress towards achieving ICAO Category 1 safety standards
- Selected domestic energy supplies increased

- 10.1 Energy sector operations improved
- 10.2 Aviation safety and security enhanced
- 10.3 Increased efficiency of port operations

620-011 Strengthened Foundations for Democratic Governance

SO Level Indicator(s):

- client satisfaction with selected government services
- Expert panel judgment

- 11.1 Increased civic awareness, advocacy and empowerment
- 11.2 Increased accountability of key institutions
- 11.3 Strengthened capacity for conflict management

620-012 Improved Livelihoods in Selected Areas

SO Level Indicator(s):

- income from selected commodities and products
- Jobs created
- wealth/investment index

- 12.1 Increased productivity of selected commodities and products
- 12.2 Increased value-added of selected commodities and products
- 12.3 Increased commercialization of selected commodities and products
- 12.4 Improved policy environment

620-013 Increased Use of Social Sector Services

SO Level Indicator(s):

- Birth interval
- Contraceptive prevalence rate
- DPT3 immunization coverage
- Student retention in target LGAs

- 13.1 Improved quality of social sector services
- 13.2 Strengthened enabling environment
- 13.3 Expanded demand for improved social sector services
- 13.4 Increased access to services, commodities and materials

620-014 Reduced Impact of HIV/AIDS in Selected States

SO Level Indicator(s):

- Antiretroviral therapy clients
- New infections prevented
- Prevention of mother to child transmission
- Seroprevalence in 15-24 year olds

14.1 Increased demand for HIV/AIDS and TB services and practices, especially among selected target groups

- 14.2 Increased access to quality HIV/AIDS and TB services and interventions in selected states
- 14.3 Improved public, private and community enabling environment

sub-SO Increased use of HIV/AIDS services and practices in selected states