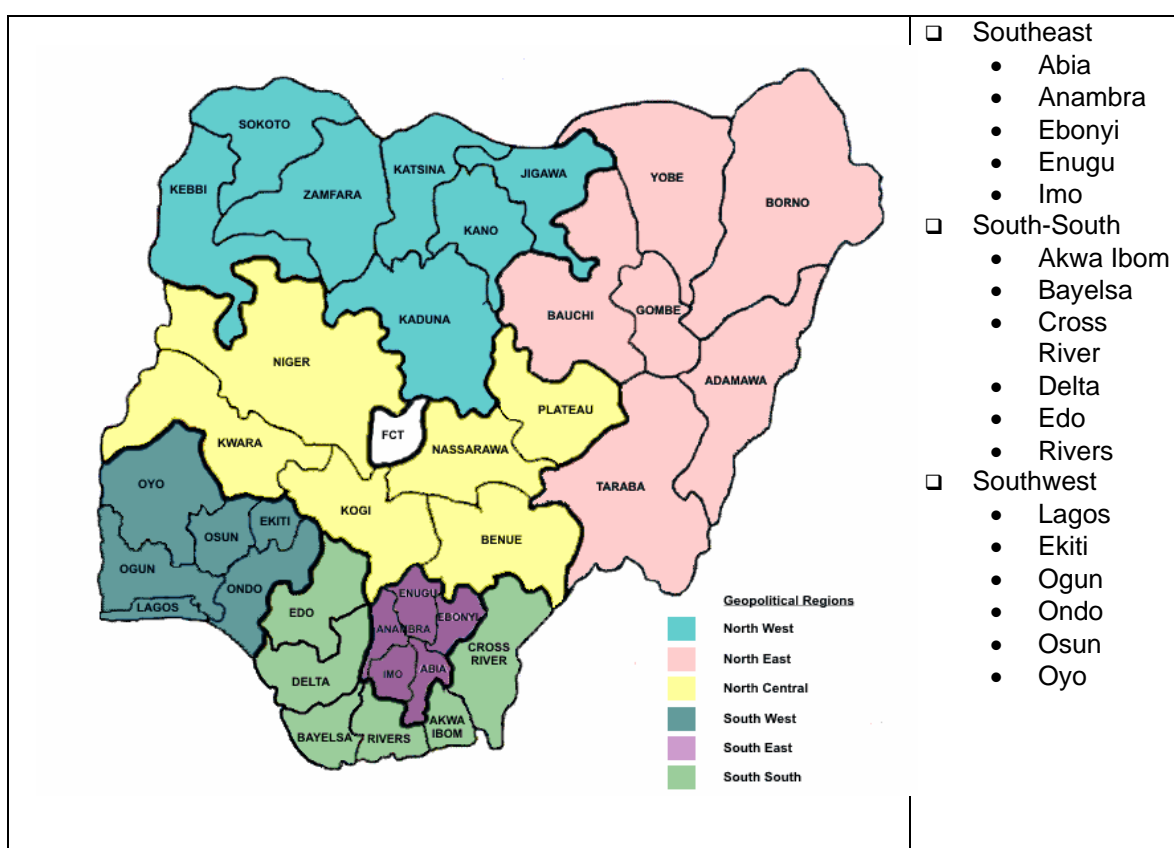


## Strategic Analysis of Development Constraints and Priorities for Action in Southern Nigeria: Summary of Findings

### Introduction

Nigeria is a large and diverse country with a multitude of opportunities and constraints. In recognition of this, the USAID Mission in Abuja previously commissioned a strategic assessment of social sector needs and priorities in the northern part of Nigeria. The Mission also saw need to examine the important development issues facing the southern part of the country, which consists of 17 states divided into three zones, the Southeast, the South-South and the Southwest. Special characteristics of the south include a high degree of urbanization, higher levels of industrialization, especially the petroleum industry and concomitantly higher levels of pollutions and environmental degradation. Higher levels of education also characterize the South for both men and women and relatively lower levels of poverty, but ironically, higher levels of unemployment. Agriculture is still a major component of the southern economy and contributes to environmental problems and is in turn affected by pressures from urbanization.



USAID has a history of investment and involvement in the southern zones as seen in Table 1. Democracy and Governance interventions have worked at the grassroots with civil society organizations and legislative bodies in Lagos, Ondo, Delta, Rivers and Cross River States, to name a few. Agricultural programs have ranged from research on resistant strains of staple food crops to farmer-to-farmer extension efforts at the community level in Oyo, Abia and Cross River States. Environmental interventions in Cross River State demonstrate collaboration between the environment and agricultural sectors in controlling deforestation through the promotion of tree crops.

In the social sector, innovative efforts to integrate the community, the government and the private sector in reproductive health are taking place in Enugu and Oyo States. Efforts to strengthen women's reproductive health rights through community-based organizations (CBOs) have taken place in Anambra, Ondo and Ekiti States. Similar partnerships have been promoted for enhancing child survival in Lagos and Abia States. Educational efforts have ranged from enhancing primary school teacher performance in Lagos State and workforce development training for youth in Delta and Lagos States. In HIV/AIDS, local government action committees and CBOs have also been empowered to prevent the disease and provide care and support for those affected, including orphans in Lagos, Anambra, and Rivers States.

**Table 1: Past, Current and Future USAID Investments**

Zone	State	Strategic Objective/Sector: States and Programs			
		SO11 D&G	SO12 Agri/Econ/Env	SO13 Social Sector	SO14 HIV/AIDS/TB
Southeast	Abia		RUSEP - IITA, farmer-to- farmer	BASICS,	PSRHH
	Anambra			ENABLE- CEDPA	IMPACT (FHI), (future focal state)
	Enugu	Legislatures		VISION (repro. health consortium), ENABLE- CEDPA	PSRHH
South-South	Delta	CSOs (future focal state)		Workforce (OICI)	
	Rivers	CSOs CEDPA, Legislatures (future focal state)	IITA Onne station banana research		Africare (C&S), (future focal state)
	Cross River	CSOs CEDPA	Tree-crop Ag/Environ collaboration		PSRHH
	Edo	Human Trafficking Prevention, Legislatures (future focal state)			PSRHH
Southwest	Oyo		IITA – ADIATN mildew resistant maize, mosaic resistant cassava	VISION, IITA (micronutrient)	PSRHH, NELA
	Lagos	BASICS' CPHs, Legislatures		BASICS, LEAP, Workforce	IMPACT, PSRHH (future focal state)
	Ogun		Winrock Farmer-to- Farmer fishponds		

	Ondo, Ekiti			COWAN/CEDPA reproductive health + economic rights	
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The geographical coverage of this assessment will be the Southwest, South South, and Southeast zones. The Strategic Analysis is intended to provide a comprehensive overview of significant issues and the dynamics attending them in the three southern geopolitical zones. The study will also provide an analytic framework that will assist the USAID Mission to identify strategic directions for the Country Strategic Plan 2004-2009 as well as key points of entry for future programming in Southern Nigeria. The Mission has identified five core issues for the analysis. This does not preclude the identification, consideration and analysis of additional issues that might emerge as significant concerns in the course of the assessment. **Gender** and **urbanization** are critical crosscutting themes that must be addressed for each priority area.

**Priority Issue 1: The Environment:** An environmental assessment conducted for USAID/Nigeria in early 2002 identified three key environmental threats to the country: 1) unsustainable use of renewable natural resources, especially forests, 2) unplanned urban development with resulting water shortages and pollution, waste disposal problems and unregulated construction, and 3) petroleum industry operations.

**Priority Issue 2: Agriculture:** Nigeria must now import a substantial proportion of its food supply. The annual increase in total production of major food crops has not exceeded one percent per year over the past decade, against a population growth rate of close to three percent, and cassava, yam and rice production have gone down. Declining soil fertility, low input use, high post harvest losses, lack of value adding processing capacity, lack of access to land in some communities, and poor competitiveness of Nigerian products on local, regional and international markets have all contributed to the poor performance of the agricultural sector. Development and transfer of productivity-enhancing, loss-reducing, and value-adding technologies is key to the transition from subsistence to market.

**Priority Issue 3: Conflict:** Localized conflicts have become increasingly frequent in Nigeria over the past decade and have been particularly troublesome in the South. These conflicts often result from competition over scarce resources, particularly land, or from feelings of disenfranchisement and alienation from the social, political, and/or economic mainstream. USAID/Nigeria has worked to create a national network of NGOs to identify, mitigate, and increasingly to seek to prevent conflict at the community level. This issue has strong links to job creation and employment, agricultural growth, and HIV/AIDS prevention.

**Priority Issue 4: Unemployment and Workforce Development:** The average per capita income in Nigeria is very low (US\$300-\$350 in 2000), with the number of people living below the poverty line estimated at 70 percent. Opportunities for formal-sector jobs are diminishing in relation to the number of job seekers, and at least 80 percent of Nigeria's workforce is employed in the informal sector, including agriculture. The system of basic education does not prepare young people for the job market. Unemployment is highest among 15-24 year olds, and with secondary school leavers. Unemployment in the large towns of southern Nigeria may exceed 40 percent, and 30 percent of secondary school age youth are not in school. Nigeria needs to prepare young people for working careers, and to expand private sector opportunities for employment.

**Priority Issue 5: HIV/AIDS:** Over the past 12 years, HIV seroprevalence in Nigeria has increased by over 300 percent. Almost six percent of adults – 3.5 to 4 million people – are infected, and the youthfulness of the population and the early initiation of sexual activity create the potential for explosive growth of the epidemic in the near future.

The assessment was guided by three major concepts.

First, there are Zonal Distinctions; the southern part of Nigeria is not monolithic. Not only is each of the three zones distinct culturally, economically and environmentally, but also there are key differences among states within zones.

Secondly, there are Crosscutting and Integrating Issues that underlie a variety of development concerns can influence potential solutions including gender and urbanization. In addition, the core issues also interrelate such as the environmental impact of agricultural land use practices and the fact that environmental degradation causes loss of jobs as land is no longer usable.

Thirdly, based on the foregoing, the solutions to development problems in the south must be multi-sectoral and multi-level including 1) Community Based Interventions, 2) Public-Private Partnerships and 3) an Enabling Policy Environment.

Work began with a preliminary team planning meeting (TPM) at MSI Headquarters in Washington between MSI staff and the two US based consultants. At that TPM the following procedures were outlined: 1) an initial in-briefing for the consultants with USAID Abuja staff, 2) an in-country team planning meeting in Lagos, 3) establishment of a base of operations at Support and Management Services, Ltd. (SMS) in Lagos wherein a library would be assembled and communications and logistics would be handled, 4) 7-10 days of fieldwork in selected states, 5) a mid-term briefing with USAID staff, 6) further fieldwork and report writing, 7) a final briefing of USAID staff in Abuja, and 8) finalization of the report in Washington. In broad terms these steps were followed, but had to be modified in light of logistical, administrative and political realities in the field.

The in-briefing process with Mission staff in Abuja spanned three days (23-25 June 2003) in order for the consultant to meet representatives from all four Strategic Objective (SO) groups and staff responsible for the overall strategic assessment and planning processes. This time span was necessitated by the fact that each SO Team is actively working on its own plans and therefore, all could not be assembled for one overall meeting. This process actually had the benefit on allowing each SO Team to explain more fully its own concerns and activities. In addition to team interviews, the Mission also arranged for production of electronic and print background documents for the consultants to review. These were later divided and shared among the Nigerian technical experts according to their area of interest.

It had been hoped that representatives from the two local consultancy firms, African Institute for Applied Economics (AIAE) and the Center for African Settlement Studies and Development (CASSAD), would have been part of the in-briefing in Abuja, but due to fact that their contracts were still being negotiated, they were reluctant to travel. These firms were later able to send representatives to attend an in-country TPM in Lagos on 27 June based at the offices of our logistics support firm, SMS. At this TPM, areas of expertise were reviewed, technical and supervisory assignments given, and fieldwork planned. The technical assignments are reflected in the authorship of the full Technical Working Papers found in the Annexes of this report. The plan included two technical teams, one of which would cover Rivers and Cross River States and the second would work in Anambra and Lagos States. SMS dispatched a staff member over the weekend to make arrangements in Port Harcourt. Fieldwork was supposed to span the period of 30 June to 8 July leading up to a mid-term briefing with Mission staff in Lagos on the 9<sup>th</sup> of July. Additional writing and field work would then be undertaken based on feedback at the mid-term briefing, leading to a final team work and writing session on the 18<sup>th</sup> of July that would help prepare a final briefing in Abuja on the 21<sup>st</sup> of July.

One difficulty experienced at the TPM stage was the fact that the two consultants from AIAE were not currently available, but were attempting to return from conferences they had been

attending outside the country. A second and more troubling difficulty was the threatened national labor strike over increased petroleum product prices.

The weeklong strike did take place. Consultants from CASSAD had arrived in Lagos for the fieldwork preparation meeting on 30 June, but were stranded in their hotel for two days. Fortunately the availability of GSM/cell phones made it possible for the technical and logistical team members to remain in communication, and eventually a meeting was held with the MSI consultants, CASSAD consultants and SMS staff on July 1. It was agreed that with the library resources available to CASSAD in its own offices and at the Nigerian Institute for Economic and Social Research (NISER) in Ibadan, supplemented by electronic documents collected by the MSI consultants, the CASSAD team would return to their home offices to draft their working papers for the duration of the strike. Likewise the MSI consultants continued to work with electronic documents, obtain additional information from Internet sources and undertake some interviews by phone. The strike itself illustrated some of the very problems the team was studying. Unemployment and poverty made the increased petroleum prices hard to bear and in turn could force employed people from jobs. Conflict was rife as people protested in the streets over government's unilateral decision to raise prices. Lives were lost and property destroyed, particularly in urban areas.

The five CASSAD consultants were able to use the time effectively to produce draft working papers on their assigned topics, and were able to present these to the Mission representative on the 9<sup>th</sup> of July as planned. Fortunately, the AIAE consultants had by that time arrived in the country and were able to present a preliminary outline of their technical areas. It was agreed that SMS would need lead time to re-arrange field appointments, so it was agreed that the consultants would return to their bases, continue refining their working papers and then reassemble on the 13<sup>th</sup> of July for field visits. In the meantime, the two MSI consultants conducted interviews and continued to review documents in Lagos.

Fieldwork finally took place between 14 and 18 July. This was obviously shorter than originally planned, but was by that time constrained by the workdays contracted with the Nigerian consultants and travel schedules of the MSI consultants. A final team meeting was held in Lagos on 19<sup>th</sup> July to assemble findings and discern gaps. A debriefing was held with one of the MSI consultants on 21<sup>st</sup> July. Over the next two weeks, all consultants continued to revise their working drafts, conduct Internet searches to validate information about issues and implementing Partners, and communicate by e-mail. The latter proved particularly challenging because 1) some of the consultants had exceeded their budgeted days and 2) several had other work commitments that inhibited their timely submission of revised papers.

The Mission was kept apprised of these difficulties and they proposed that an additional scope of work be developed to address gaps in data and weaknesses in interpretation. The recommendations of this report address this need for additional study, while at the same time recognizing that the Mission needs timely information to develop its strategic plan for Washington.

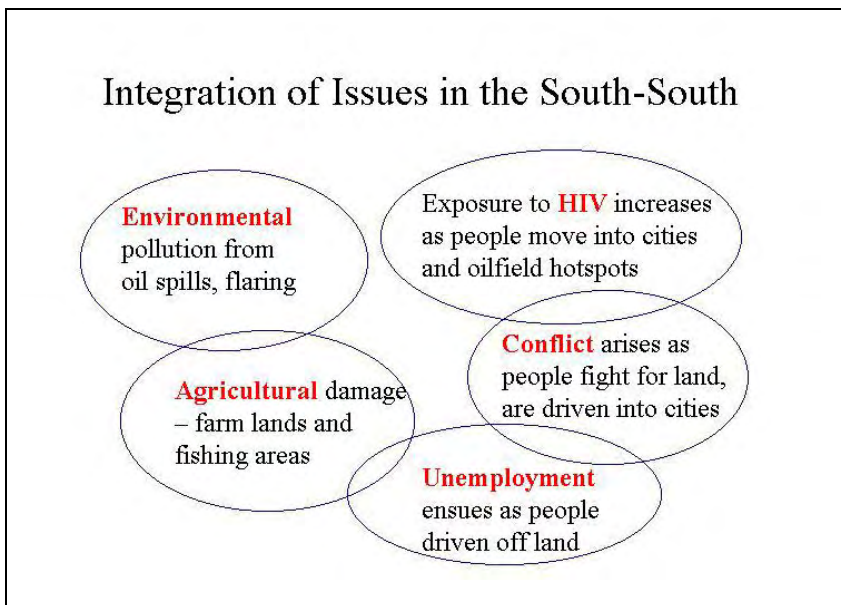
## **Conclusions**

Three major lessons arise from the findings. First, the five core development issues in the scope of work are themselves interrelated. Secondly, policy intervention needs to be integrated from national to state to local government levels in order to ensure full and equitable implementation. Thirdly, community-based organizations and civil society organizations play a crucial role in promoting all aspects of development reviewed in this report, but they will be most effective in advocacy and bringing about lasting change if they can be linked by networks and umbrella organizations that reach state and national levels.

As the fieldwork progressed, the interrelationship of development issues contained in the Scope of Work for this assessment became abundantly clear. This may be most glaring in the South-South. As seen in the figure below, pollution from oil production, both in terms of spills and

raised temperatures from flaring impacts on agriculture. Farmland potential and fishing grounds are destroyed, driving people off the land and increasing unemployment. Conflict arises either when indigenes confront the polluters or government agencies that support them, or when they migrate to cities and unwanted minorities. Some move to communities that spring up around oil fields and these become 'hotspots' for HIV transmission.

The PSRHH formative research and community needs assessment shows how these HIV hotspot communities become a nexus for many development problems. Unemployment has driven many residents to the urban area, including prostitutes whose level of education makes rural handwork unappealing. These communities are socially and politically peripheral located near motor parks, military reservations and major markets and often on land where they do not have the right to build permanent structures should not be built. This outsider status puts residents in constant conflict with urban authorities and denies them services, such as environmental waste management. In fact insecurity, arising from robbery and police harassment, and environmental problems like crowding, waste buildup and flooding are the common concerns of residents.



The multifaceted problems in the South-South have led to various donor, government and private sector initiatives. Oil companies now sponsor community clinics, schools and microfinance programs. NGOs like the New Nigeria Foundation (NNF) and the Community Development Foundation (CDF) target states in the delta with community based health, finance and agriculture projects. Oil

companies collaborate with these NGOs as for example AGIP contracting with CDF to channel microfinance to local credit societies, and Mobil-Exxon sponsoring malaria services within NNFs community based health organizations. Government has established the parastatal Niger Delta Development Corporation, which in turn receives funding from donors like the World Bank.

There is little doubt that everyone wants to get into the act of helping develop this previously neglected region. This shows that the desire by USAID and other donors to leverage financial support for HIV control, youth training and agricultural development, for example, from the private sector and large international donors is feasible. The question arises as to whether the input of all these disparate bodies can be coordinated to have a lasting impact on community development or whether they will result in nothing more than helping companies and government to assuage their guilt while still maintaining tight control on the centerpiece of the national economy. Comprehensive and interrelated development policies are needed at federal, state and local levels in order to ensure that all players are working toward the same goals in a comprehensive way.

A related question is whether the parties involved have the intention of engaging the communities in the delta as partners in their own development, or simply keeping them in their place. Perspectives on the role of the petroleum companies in the violence vary. They are seen

by some simply as bystanders, watching as government forces react to protestors. Others see them as sources of humanitarian assistance, helping evacuate villages in distress during outbreaks of violence and providing health and social services in neglected communities. Other observers assume complicity by the companies in the violence and human rights abuses.

Two major policy issues need to be addressed for progress to be made.

- First, government seriously needs to address the question of distribution of wealth from the nation's natural resources. The states most affected by pollution, dislocation and unemployment need access to the resources needed to overcome these problems.
- Secondly, issues of security and insecurity must be resolved. Neither neglect, charity nor violence will solve the development problems of the region. Communities need to live in security for them to take an active part in their own development.

The role of community-based organizations and interventions was a common feature of many USAID, NGO and other donor activities, whether in urban or rural areas. BASICS' CPHs addressed a variety of health and development issues ranging from child immunization, HIV prevention, family planning, environmental sanitation and conflict prevention. The New Nigeria Foundation's Community Health Services Program stresses co-management and co-financing in participating communities. PSRHH involves community opinion leaders in needs assessments and peer education to prevent HIV. FHI and CEDPA have worked with a wide variety of CBOs in creating awareness and personal action to prevent HIV, demand reproductive health rights and provide care and support for people affected by AIDS. Farmers' cooperatives serve as a base for extension work and microfinance.

Some of these programs have tried to link CBOs with a higher level of organization, whether it be a national level NGO like the Country Women's Organization of Nigeria or a Local Action Committee for AIDS. Individual groups like CPHs may also have undertaken advocacy to get services and support from Local Government Councils and Departments. Generally, such links rarely go higher than the LGA level or tie into state and federal advocacy channels. Just as policy making to support development must be integrated from federal to state to LGA, community participation through CBOs must be linked through effective networks to state and federal organizations capable to influencing the policy making process.

### **Recommendations**

In keeping with the spirit of the scope of work and the basic Concept Paper of the Mission, the recommendations reflect an integration of development issues adapted to zonal needs.

Southwest: Agriculture may be a solution to the problems of urbanization and unemployment in the southwest. A package of agricultural inputs and microfinance would enable some young people to stay in small communities in the southwest where food production for urban markets is a major business. The higher education level of many of these you would augur well for their willingness to adopt new practices, especially those that would protect the environment, if adequate extension/education services are made available.

USAID Implementing Partners have pioneered community-based approaches to health and development during the transition period. Community based organizations offer a strong potential for developing social networking interventions that can address needs ranging from microfinance to HIV/AIDS prevention and care. Further development of these interventions requires strategies of greater linkage across local governments and states by working trough or helping create umbrella or multiplier organizations, also known as intermediate NGOs that can not only help channel and manage financial and technical support to the grassroots, but also serve as better advocates for community concerns.

Southeast: Although a good portion of the agricultural portfolio of USAID Nigeria is focused on the Southeast, land tenure and related gender issues in the zone still pose a challenge to making small -scale agricultural innovations contribute to the zone's development. Community-based efforts by local the New Nigeria Foundation are examples that need to be studied and taken to scale in terms of involving women in agriculture ad its economic benefits.

There is a strong entrepreneurial spirit in the Southeast that needs to be tapped for zonal employment and development prospects. The possibility of linking agriculture and indigenous industry therefore is recommended in this zone. Since the Mission has been working in Agriculture in Abia, and since Aba, one of the largest commercial centers in the zone is also in Abia, these links could be pursued with greater involvement by state authorities.

Ironically, Anambra State, home of another major commercial center, Onitsha, is an HIV/AIDS focal state, but not an agriculture focal state. Agriculture and micro-enterprise may be key interventions to give families and communities the necessary resources for care and support, and thus better integration of USAID's technical sectors in Anambra is also recommended.

South-South: Conflict and the environment appear to be overriding issues in the South-South, and yet those items are quite small in the USAID Nigeria portfolio. As this is being written, there are new flare-ups of conflict that could be better termed combat in Delta State. Work with CSOs and conflict mitigation strategies do not appear to have been adequate to address this problem, and further study is needed to determine how government's role is aiding or promoting conflict.

Input from other parties is needed. The role of global petroleum companies in the process has not been fully determined – either as cause or solution to the problem. Communities are fighting themselves, often because they are powerless to attack the root causes in government neglect or suppression. Community leaders, who traditionally served roles as mediators of conflict, thus lack legitimacy. International donor agencies and petroleum companies have been in communication about potential development efforts in the region, but it appears that programs are being developed 'for' communities and not 'with' grassroots participation.

New forums for conflict resolution in the zone must be explored, which involve all parties in meaningful communication. A process of monitoring these forums and resultant conflict solutions is needed, and this should draw on the expertise of international and Nigerian human rights organizations.

Additional Work: At present there are four major outstanding issues that need further study:

- Agriculture is being implemented in Abia and Cross Rivers States with links to IITA in Ibadan, Oyo State, and its field Station in Onne, Rivers State. Further study is needed to learn how the work in Abia could be linked to issues of entrepreneurship in the zone, and hence employment opportunities. Although there is a reluctance to focus more agricultural resources in Oyo State per se, as mentioned above, agriculture, with appropriate inputs, could serve as a source of employment in the zone. Since this is the base of IITA, it would seem appropriate to study how the institution, possibly through ADPs, could address these issues.
- As outlined above, additional study of the conflict situation in the South-South is mandatory, since existing approaches have proven inadequate to solving the problem.



- The idea of 'waste-to-wealth' has been raised in Annexes, but there is little evidence of this approach being implemented. We saw one small example, cement block making, in Onne. UNDP is said to be trying something along these lines in the Ibadan area. If properly structured, waste-to-wealth, could hold some potential to address both youth unemployment and waste management through a single intervention. This needs further exploration.
- An overarching issue that arises from the section on conflict is the need to study the policy making process in greater depth. Advocacy from civil society is in its infancy in Nigeria and still needs nurturing. Policy making at the top has become a high art form in Nigeria, but such policies rarely have involved state and local governments, who must implement the policies, not the public who are the recipients of policies' supposed benefits. A better understanding of the policy process and the gaps are needed around key issues such as the environment and conflict.