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NIGERIA EXPANDED TRADE AND TRANSPORT (NEXTT) QUARTERLY REPORT Q3 (Y2)

APRIL 2014 – JUNE 2014

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NIGERIA EXPANDED TRADE AND TRANSPORT (NEXTT)

QUARTERLY REPORT

3RD QUARTER – APRIL 1 TO JUNE 30, 2014

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I. PROGRAM OVERVIEW/SUMMARY

Program Name:	Nigeria Expanded Trade and Transport (NEXTT) Program
Activity Start Date and End Date:	Oct. 11, 2012- October 10, 2016
Name of Prime Implementing Partner:	CARANA Corporation
[Contract/Agreement] Number:	AID-620-C-13-00002
Name of Subcontractors/Subawardees:	Crown Agents, Global Cold Chain Alliance, Integra, RBS Consulting
Major Counterpart Organizations	GoN, CMG, LDA
Geographic Coverage (cities and or countries)	Nigeria
Reporting Period:	3rd Quarter Y2 – April 01 to June 30, 2014

I.1. Program Description

The Nigeria Expanded Trade and Transport (NEXTT) Program was initiated in October 2012. NEXTT aims to support the Nigerian government’s efforts to expand trade domestically, within the ECOWAS sub-region and beyond, and improve its efficiency so that trade, particularly in agricultural products, can provide inclusive economic growth and development of Nigeria. Using an integrated approach to trade and transport competitiveness, NEXTT builds upon Government of Nigeria (GoN) and prior USAID efforts, including the Maximizing Agriculture Revenue in Key Enterprise and Target Sites (MARKETS) Project, and the Nigeria Expanded Exports Program (NEEP), in order 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 market.

Over the 4-year project lifespan, NEXTT is expected to leverage past and current efforts toward realizing the following outcomes

- \$25 million in new investments in projects along the LAKAJI Corridor;
- A 30% reduction in transport costs along the LAKAJI corridor;
- Dynamic trade policy coordination mechanisms 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; and
- \$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.

Realizing this vision involves strategic deployment of NEXTT resources and capacity, leveraging and building the capacity of existing platforms such as the LAKAJI Corridor Management Group (CMG), the Trade Policy Advisory Council (TPAC), the Trade Facilitation Task Force (TFTF), and the National Food Safety Management Committee (NFSMC). NEXTT is sponsoring new initiatives, including the growth of a business development services (BDS) provider network targeting firms in non-oil export industries, and the development of a LAKAJI Agricultural Growth Corridor Initiative that defines and coordinates priority investments in critical agricultural infrastructure, services and other related projects along the corridor.

The NEXTT project's role includes contributing technical assistance toward the development and impact of these initiatives through a combination of analyses (investment/export opportunities, corridor constraints) and direct support (training, expert consulting) to Nigerian partners. NEXTT is building the capacity of Nigerian partners to continue the sort of analysis, training and expert consulting provided by NEXTT experts.

I.2. Summary of Results to Date

Standard Indicators	Baseline FY13	Annual Target	Q1 FY14	Q2 FY14	Q3 FY14	Q4 FY14	Annual Performance Achieved (%)	On Target Y/N
Number of customs harmonization procedures implemented in accordance with internationally accepted standards as a result of U.S. assistance.	0	2	0	0	0	-	0%	N
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.	0	2	2	1	0	-	150%	Y
Number of participants in trade and investment environment trainings.	0	40	50	10	52		280%	Y
Number of public and private sector standards-setting bodies that have adopted internationally accepted guidelines for standard setting as a result of USG assistance.	0	2	1	0	1	-	100%	Y
Number of Capacity-Building Service Providers receiving USG assistance	0	25	2	2	2	-	17%	N
Number of firms receiving capacity building assistance to export	0	100	37	11	12	-	60%	Y
Number of firms receiving USG assistance that obtain certification with international quality control, environmental and other process voluntary standards or regulations	0	3	0	0	0	-	0%	N
Number of trade and investment capacity building diagnostics conducted.	0	1	0	0	1	-	100%	Y
Reduction in the cost to trade goods across borders as a result of U.S. assistance*	0%	0%	-	-	-	-	-	-
Reduction in the number of days required to trade goods across borders as a result of U.S. assistance*.	0%	0%	-	-	-	-	-	-
Number of participants in USG supported trade and investment capacity building trainings.	0	40	37	0	27	-	160%	Y

*Not measured this year

2. ACTIVITY IMPLEMENTATION PROGRESS

2.1. Progress Narrative

This quarter, NEXTT focused on building collaboration across the Project's three components, by leveraging the dynamic private and public sector members of LAKAJI Development Alliance (LDA), which is central to **Component 1**, to support activities conducted under Components 2 and 3. To date, more than 200 private and public sector stakeholders have participated in the emergent LDA. This stakeholder-driven alliance will sustainably guide the initiative as it aims to maximize the potential of the LAKAJI corridor as a conduit for agricultural development. This quarter, the LDA's steering committee and its three working groups met regularly to address investment facilitation, the enabling environment, and transport and logistics. NEXTT worked to promote the CMG's active engagement in the LDA's working groups, particularly the Enabling Environment group, which is chaired by CMG member the National The groups are developing stakeholder-led solutions to reduce the time and cost of transporting goods along the corridor.

NEXTT continues to support agribusiness investment on the corridor. This quarter, the NEXTT team shared project profiles with BDS providers Finders Consulting market assessments, feasibility studies and business plan assistance. In Q3, NEXTT-supported firm CDMA launched a 10.8-hectares (27-acre) cassava farm on April 9, 2014 in the country's South-West Ikenne, Ogun State. NEXTT also worked closely with Valency International to establish operations along the corridor, completing their investment in a new cashew processing facility.

Under **Component 2**, NEXTT's focus during Q3 was to support coordination and redesign of relevant trade related institutions of the GoN and provide capacity building support for the GoN to participate effectively in regional and multi-lateral trade events. Although Nigeria still has not achieved adequate institutional coordination, the fruits of the project's efforts to bring the right stakeholders to the table and jump-start appropriate dialogue was clearly evident during the public forum on EU-ECOWAS EPOA. During this event, the GoN displayed stronger capacity to provide an inclusive platform for policy debate and to discuss, and come to agreement, on Nigeria's position in the EU-ECOWAS EPA negotiations.

This quarter, NEXTT built on the established relationships with its public institutional partners and the private sector to implement several activities, including workshops on trade and tariff analysis, and trade policy processes. NEXTT also worked closely with FMITI and other relevant institutions to host a plenary session of the redesigned trade facilitation task force.

NEXTT supported the NCS with four critical systems that will enable customs to respond to the changes required to make the LAKAJI Corridor a success, these included:

- HQ Policy Development
- Risk Management
- Post Clearance Audit (PCA)
- Authorized Economic Operators (AEO)

NEXTT continued to be the rallying point for food safety policy in Nigeria. NEXTT has been able to sustain and gradually strengthen the inter-agency collaboration for standards and food safety. In Q3, NEXTT focused on supporting relevant agencies of the GoN to ensure the passage of the food safety policy and its implementation strategy by the Federal Executive Council (FEC). Key to this effort, NEXTT was able to obtain the approval of the Minister of Health, who signed off on the policy this quarter.

In Q3, the NEXTT **Component 3** team placed emphasis on developing key value chains by providing demand driven technical assistance to export firms and building the institutional framework for export development in Nigeria. As a result of this focus, engagement was strengthened with key firms in the cashew sector, an intervention strategy proposed for the Shea sector to involve the Global Shea Alliance (GSA) Sustainability Initiative in Nigeria, and sector scoping to map product and firms to develop exports from Home Décor sector. NEXTT also strengthened its collaboration with the NEPC, drawing on institutional resources to identify export ready firms in Home Décor & Handicrafts, as well as involving the NEPC management in the process of export strategy definition for the cashew sector.

2.2. Implementation Status

The following section outlines activities, progress and results achieved during Q3, in relation to the specific tasks and activities planned in the Year 2 annual work plan.

2.2.1. Component 1: LAKAJI Corridor Improvement

Component 1 of the NEXTT project aims to strengthen transport corridor governance and development planning which will support the improvement of transport infrastructure and services along the LAKAJI Corridor, and increase investment in agricultural production and processing. Through NEXTT's support of the LAKAJI CMG (Task 1) and the Agricultural Corridor Initiative (Task 2), NEXTT is bringing together public and private sector stakeholders into efficient institutions that can advocate for Corridor improvements, propose solutions to reduce transport inefficiencies, monitor improvements, and facilitate new private investment.

With a cohesive advocacy group for Corridor improvement established in Q1, this quarter NEXTT focused efforts on strengthening the functionality of LAKAJI Institutions and laying the ground work for new agricultural investment on the Corridor. NEXTT continued to build strong linkages between the LAKAJI CMG and LAKAJI Corridor Advisory Council (LCAC), and strengthened the institutional framework of both groups through the creating of a Steering Committee. Through public/private dialogue and partnership, these institutions are developing solutions focused on:

- Reducing time, cost and other inefficiencies to transit goods along the Corridor;
- Triggering a more competitive enabling environment on the Corridor; and
- Supporting business investment along the Corridor.

TASK 1: PROVIDE TECHNICAL CAPACITY AND SUPPORT TO THE LAKAJI TRANSPORT CORRIDOR MANAGEMENT GROUP (CMG)

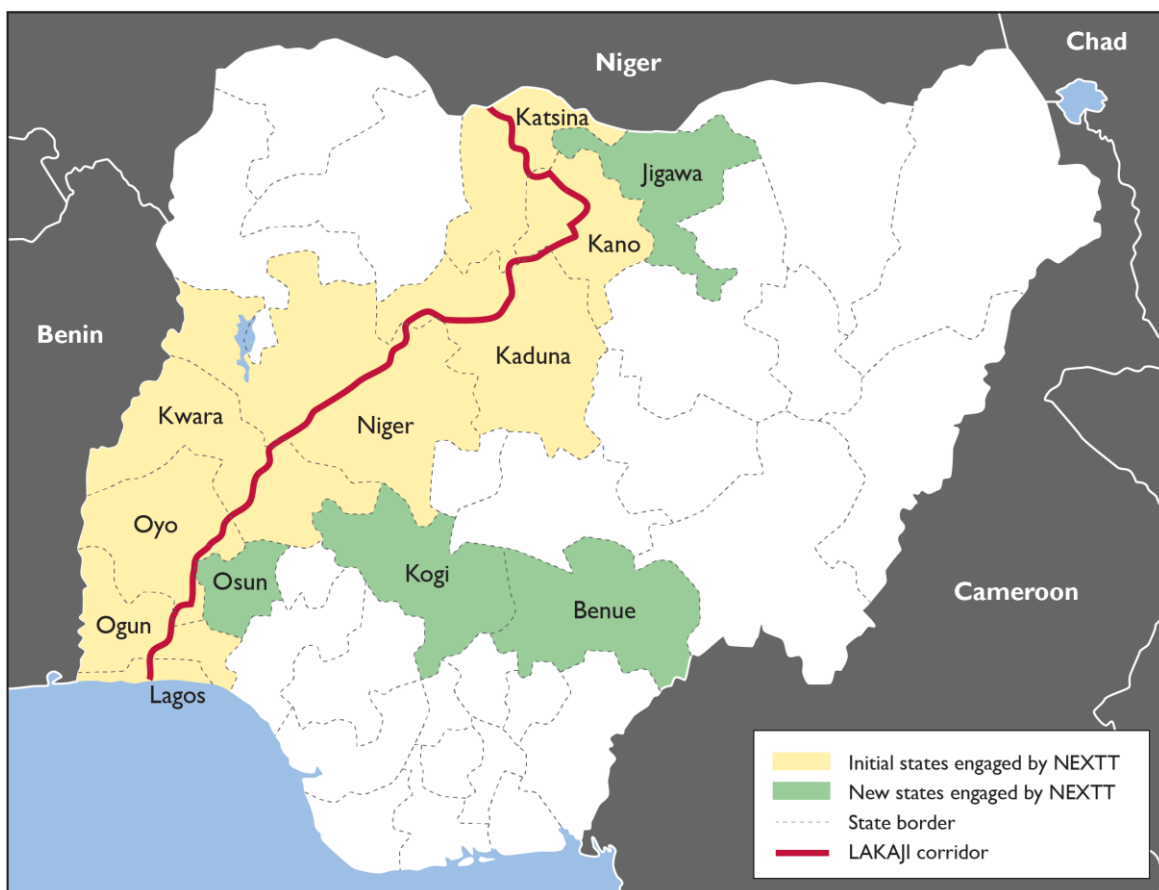
Central to NEXTT’s strategy to improve the flow of goods along the Corridor is to strengthen the capacity of institutions to address corridor governance and improvement efforts. NEXTT has made extensive efforts throughout the project to engage the CMG and build their capacity. However, the CMG has not been able to mobilize its members to meet regularly, initiate action in the corridor, or engage with the private sector. Through NEXTT’s efforts to promote the CMG and generate interest in its mission, the LDA has emerged as a broader Public-Private platform for stakeholder engagement and action along the LAKAJI Corridor with active members and regular public-private dialogue (see additional description of the LDA in Section 3.7 of this report). Thus, NEXTT’s efforts have shifted to actively promote the CMG’s participation in the LDA, which provides an excellent platform for the CMG to engage with a more diverse group of public and private sector actors to achieve its goals.

Per the Year 2 Annual Work Plan, NEXTT targeted implementation of the following activities in Q3:

- Operationalize Governance Structure
- MOUs with State Governments

Operationalize Governance Structure. In Q2, the CMG joined the LDA as a member of its Steering Committee. In Q3, NEXTT worked to promote the CMG’s active engagement in the LDA’s working groups, particularly the Enabling Environment group, which is chaired by CMG member the National Shipper’s Council. The groups are developing stakeholder-led solutions to reduce the time and cost of transporting goods along the corridor. We anticipate continued cooperation and closer ties between the LDA and CMG in Q4. See Task 2 for the structure of the Steering Committee and Working Groups.

Figure 1. LAKAJI Corridor State Engagement



MOUs with State Governments. NEXTT continues to work to obtain MOUs with corridor state governments. Figure 1 shows the 8 states initially involved as well as the new states engaged this quarter. NEXTT engaged four more States this quarter: Osun – with an existing commercial hub utilizing rail services; Kogi – the pilot State of the Staple Crops Processing Zone of the Government of Nigeria (GoN) Agricultural Transformation Agenda (ATA); Benue – the known food basket of the Nigeria; and Jigawa – providing alternative to Jibiya as next-door border State to Katsina in Northern Nigeria. In Q3, NEXTT obtained signed MOUs from four states, and the other eight are currently in progress. All have been approved, but some are still in the Ministry of Justice for final signing.

TASK 2: LAKAJI AGRICULTURAL GROWTH CORRIDOR

NEXTT aims to facilitate and coordinate investments in processing, aggregation and related infrastructure in targeted clusters on the LAKAJI Corridor. Ramping up trade and processing activity along the Corridor will depend heavily on investment in logistics services, as well as hard and soft infrastructure that link the production and processing areas in the foods industries with each other through the main truck route.

Building the AGCI Institutional Platform. To date, more than 200 private and public sector stakeholders have participated in the emergent LAKAJI Development Alliance (LDA), which was previously called the LAKAJI Corridor Advisory Council (LCAC). This stakeholder-driven alliance will sustainably guide the initiative as it aims to maximize the potential of the LAKAJI corridor as a conduit for agricultural development. See Section 3.7 of this report – *Public Private Partnerships* – for additional details on the LDA.

Participants at an April Steering Committee Meeting



The LDA Steering Committee, which met this quarter to develop an action plan, includes ten public and private sector representatives:

1. Enitan Obasanjo-Adeleye (Chairman), Legacy Investment & Management
2. Edeme Kelikume (Secretary), Connect Rail Services
3. Tristram Denyer, APMT
4. Mike Jukwe, CMG
5. Henrri Nwanguma, Hankstrad Limited

6. Alfred Martins, AVM Consultants
7. Moses Oyebola, Nigerian Shippers Council
8. Gabriel Aduda, Federal Ministry of Finance
9. Aminu Suleman Takuma, NIPC
10. Evelyn Obidike, NEPC

Working groups are attended by many public and private sector stakeholders. They are chaired by steering committee members, and each has public sector representation

Working Group	Investment Facilitation	Enabling Environment (Trade & Business)	Transport & Logistics
Chairperson	Enitan Obasanjo-Adeleye	Dabney Shall-Holma	Tristram Denyer
Secretary	Henrii Nwanguma	Alfred Martins	Edeme Kelikume
Public Sector Rep.	Gabriel Aduda	Evelyn Obidike	Aminu Suleiman Takuma

Operationalizing the Project Development Fund (PDF). NEXTT received a draft proposal from USAID on the Project Development Fund at the start of Q3. NEXTT provided input and suggestions on the proposal for USAID’s review. The NEXTT team continues to wait for a contract modification from USAID to implement the PDF. When final approval of the facility occurs in Q3, NEXTT will be able to use the PDF to catalyze new investment before the end of the project year. The PDF could potentially be very effective in ‘closing the gap’ between emergent investments and bankable projects.

Supporting Continued Corridor Investment. NEXTT presented a pipeline of short and medium term agricultural investment opportunities in the Q2 report. NEXTT continues to maintain contact with those investors and has offered TA and financial facilitation services to some this quarter. However, many require market assessments, feasibility studies and business plan assistance, which NEXTT is only able to fund through the PDF when it is made available. In the meantime, the NEXTT team shared project profiles with BDS providers Finders Consulting and Quick Projects to negotiate deals to undertake some of these tasks. Some of the investment opportunities currently in negotiation with BDS providers include:

Firm	Value Chain	State	Investment Opportunity	Q3 Progress
Wilbahi Industries	Horticulture	FCT	Veggie conditioning/handling center (\$10M).	Finders Consulting. negotiation at advanced stage awaiting signing of letter of engagement to Update business plan and identify "pad" for industrial site
A&Shine Honey	Honey	FCT	Establish bee farm for honey production (\$1M).	Finders Consulting. negotiation at advanced stage awaiting signing of letter of engagement Conduct pre-feasibility study for greenfield investment
Nelsag	Shea	Niger	Expansion of shea butter processing (\$300,000).	Finders Consulting. negotiation at advanced stage awaiting signing of letter of engagement for support finance for operating capital and equipment purchase
Strange Industries	Shea	FCT	Expansion of shea butter processing (\$500,000).	Finders Consulting. Deal negotiation is ongoing to support finance for operating capital and equipment purchase.

NEXTT continued to support CDMA to establish a 4,000 ha cassava farm in Ogun State. Through this relationship, NEXTT has assisted CDMA to access investment capital, and to cultivate a relationship

with a key off-taker, Thai Farms, an off-shoot of Nigerian Flour Mills. In Q3, CDMA launched a 10.8-hectares (27-acre) cassava farm on April 9, 2014 in the country's South-West Ikenne, Ogun State. The pilot project provides land, financial support and best practice training to 19 women farmers. This pilot also serves as a prelude to the 4,000-hectare cassava farm to be cultivated between years 2014 – 2016 in Ogun State. The larger \$4 million project is expected to provide employment for 500 farmers & 100 laborers. NEXTT introduced BDS provider Quick Projects to support implementation. Through this pilot program CDMA aims to ensure that each participant is able to effectively and sustainably replicate the best practices she acquired on her own farm. The table below details progress this quarter.

Table 3. CDMA Q3 PROGRESS		
Activity Description	Start Date	End Date
Land Preparation	26-March 14	17-April 14
Project Launch	9-April 14	9- April 14
Phase 1: Planting, herbicide, fertilizer (3.2ha)-Fully Mechanized	9-April 14	10-April 14
Phase 2: Planting (7.6ha)	1-May 14	10-May 14
Herbicide Spraying	5-May 14	12-May 14

NEXTT's cashew expert worked closely with Valency International to establish operations along the corridor, completing their investment in a new cashew processing facility to the specifications recommended by NEXTT's cashew expert, so that they will be able to maintain quality control, use fumigation agents, and ensure food safety programs are implemented. Valency was encouraged to go through with the investment based on advice from the cashew expert and confidence in the LAKAJI corridor initiative. NEXTT is working with NCAN and other stakeholders in the cashew industry to ensure that export incentives for non-oil products are re-instated, which is a top priority for Valency. Valency and NEXTT agreed upon plans for technical assistance, support in developing by-product markets, collaboration with Kwara State government for additional investment, and participation in the ACA seal program. NEXTT and Valency will sign an MOU in Q4.

Valency's new cashew processing facility on the LAKAJI corridor



Expanded Communications and Branding Strategy for the Corridor. In Q3, NEXTT engaged an international consultant to develop a communications and branding strategy for the LAKAJI Corridor. The Communications Specialist, met with key stakeholders along the Corridor and developed a draft strategy, to be finalized in Q4. In addition, NEXTT staff conducted one-on-one outreach to corridor stakeholders in Q3, promoting corridor efforts. The following is a list of some of the commitments obtained from key players:

- The government of Lagos State of Nigeria through the Honorable Commissioner for Agriculture and Cooperatives: recognized the major role of the State on the corridor with 21 million people and concentration of the two principal ports and constituted a four-man, top level committee led by the Director of Agricultural Services, to work with NEXTT;
- Nigeria Agribusiness Group (organized private sector body of foremost Nigerian agribusiness companies set up by the Minister of Agriculture and Rural Development to consolidate on the gains of the Agricultural Transformation Agenda): will involve members actively in the activities of the LAKAJI Development Alliance.
- Institute of Directors (center for corporate leaders and key players in the Nigerian business environment): will work with the LAKAJI Development Alliance on evolving end-to-end vision and leadership for corridor development.
- National Competitiveness Council of Nigeria (Business Enablement Working Group led by Aliko Dangote): expressed willingness to work with the Project on rail reform as part improved business competitiveness in Nigeria.
- Nigerian Railway Corporation: apart from the focus on the New Rail Bill, the Chairman of the Nigerian Railway Corporation plans to establish a Freight Rail Operations Group and invited the NEXTT project to present to the corporation's board. Improved freight rail service will reduce the costs and time of shipping goods along LAKAJI Corridor, a key goal of the USAID NEXTT project.
- The Federal Airports Authority of Nigeria's Directorate of Cargo Development: affirmed that working with NEXTT will help in promoting 14 new cargo terminals in Nigeria and create a socio-economic value chain for the country.
- The Trident Group, LLC of Maryland, United States (specialists in port decongestion): offered to support the work of the Project in creating a better business enabling environment in the areas of supply chain optimization and trade corridor and border management solutions.
- The Federal Ministry of Finance reiterated its support to implement a public sector strategy for the Corridor.

In collaboration with the Federal Ministry of Finance, NEXTT organized a meeting with representatives from nine federal ministries to begin discussions about the public sector priorities along the Corridor. This preparatory meeting will provide the basis for a larger meeting in Q4 to determine public sector priorities and to present a way forward to the Minister of Finance. The Minister of Finance, Ngozi Okonjo Iweala, is the primary candidate for the public sector figurehead of the LDA. Plans to formally engage the Minister of Finance will occur in Q4. Atedo Peterside, Chairman of Cadbury, is the primary candidate for the private sector figurehead of the LDA. Plans to formally engage Mr. Peterside will also occur in Q4.

2.2.2. Component 2: Trade Policy and Trade Facilitation

TASK 1: CAPACITY BUILDING FOR TRADE POLICY FORMULATION AND IMPLEMENTATION

The goal of this Task is to support the reform of Nigeria's trade policy process (TPP) and trade facilitation mechanisms (TFMs) to create a more inclusive system of trade policy formulation, and ultimately generate a significant reduction in the time and costs of doing business along the LAKAJI Corridor.

This quarter NEXTT built upon the technical support previously provided to the GoN to implement its trade policy mandate locally and participate effectively in the WTO policy making process in 2014. In addition to our core partners, FMITI, NCS and others, the project extended capacity building support in trade policy formulation and implementation to the Federal Ministry of Finance, Office of the Chief Economic Adviser to the President, Manufacturers Association of Nigeria, Bank of Industry, Nigeria Economic Summit Group and other public and private institutions and groups dealing with trade policy issues.

Per the Annual Work Plan Year 2, NEXTT targeted implementation of the following activities in Q3:

- Strengthening National Trade Policy Coordination.
- Capacity Building for Tariff Analysis
- Support the Evolution of the Trade Facilitation Task Force (TFTF)

Strengthening National Trade Policy Coordination. During Q3, NEXTT facilitated collaboration between FMITI and other relevant MDAs in support of building an integrated approach to trade policy; NEXTT brought the private and public sector agencies together to discuss Nigeria's trade policy environment. The project brought together FMITI, Federal Ministry of Finance (FMF); Office of the Chief Economic Adviser to the President; the Nigerian Customs Service, Manufacturers Association of Nigeria (MAN), Nigeria Shipper's Council and the Bank of Industry to discuss trade policy and trade facilitation environment. These agencies participated actively in the LDA meetings held during the quarter.

As evidence of the ongoing collaboration and buy-in generated, the project held several meetings with the Federal Ministry of Finance (FMF) to discuss NEXTT activities and how to obtain commitments at the highest national policy-making platform. The FMF now participates actively in LDA meetings both in Abuja and Lagos. The active participation of the FMF in NEXTT's trade policy component creates potential to scale-up NEXTT activities and bring the project's agenda to the forefront of the GoN's economic agenda.

NEXTT organized a multi-stakeholder workshop on TPP and recommendations for reform. NEXTT collaborated with EU and GIZ and organized a workshop on Trade Policy Process (TPP) in May, 2014 in Abuja. As a result of the workshop NEXTT will now be able to play a more active role reforming the ENFP and supporting the creation of functional secretariat for trade policy analysis and advisory to the GoN. The workshop also offered participants an opportunity to engage the GoN on its cooperation and support for trade policy, an area that has presented some significant difficulties, and to establish a multi-stakeholder model of trade policy reform.

Capacity building for tariff analysis. During Q3 NEXTT continued its support for the improvement of the trade ecosystem through capacity building for GON economists to conduct informed trade policy analysis. This has equipped the economists and trade analysts of the GoN with relevant skills to engage other stakeholders in informed debate on the implications of regional EPAs and CET on Nigeria. Some of the trained analysts of the FMITI, FMF and OCEAP are participating in the on-going debate to agree on mechanism for Nigeria engagement in the EPAs.

Along with GIZ and the EU, NEXTT held Module 3 of its training on trade and tariff analysis. The 5-day training targeted the Macroeconomic Unit, Fiscal Policy Unit, Budget Office, International Economic Relation Department and Technical services Department of the FMF; the Office of the Chief Economic Adviser to the President (OCEAP); and the Federal ministry of Foreign Affairs.

The training workshop took place in Bolton White Hotel Abuja between 2-6 June, 2014 with over 20 participants and 4 facilitators. The training workshop successfully introduced the participants to advance analysis and understanding of relevant trade and tariff policy analysis tools. After the training, the participants indicated that they were better positioned to continue to provide evidence-based policy advice to the GoN. The training workshop also offered participants an opportunity to engage the GON on its cooperation and support for trade policy, an area that has presented some significant difficulties, and to establish a multi-stakeholder model of trade policy reform.

The training on trade and tariff analysis was designed to ensure the MDAs of the GoN were participating effectively in the analysis and discussion of Nigeria's position in the on-going EU-ECOWAS EPA. In addition, the participants were further introduced to thorough analysis of implications of tariffs imposition and trade restrictions on various economic agents, including consumers, the government, producers and traders. The event also introduced participants to a modern tool used for trade and tariff policy analysis, the Computable General Equilibrium (CGE) model.

Participants in Trade and Tariff Analysis Training



Support the Evolution of the Trade Facilitation Task Force (TFTF). The project supported the FMITI to redesign the TFTF in line with the requirement of the WTO Trade Facilitation Agreement signed in December, 2013. The Minister of FMITI re-launched the TFTF in Q2. During Q3, NEXTT project engaged actively with the FMITI to create two working groups of the TFTF. Working Group 1 focuses on regulatory and trade infrastructure and Working Group 2 focuses on reduction of cost and time of moving goods and persons.

The TFTF group identified the need to work with NEXTT LAKAJI corridor and to create similar corridors across Nigeria. NEXTT collaborated with and provided financial support to the FMITI to host

the second plenary of the TFTF in Abuja during Q3. NEXTT has also enabled relevant agencies, including the FMITI, FMF, NCS, SON, NAFDAC and NSC, and the private sector to meet more regularly to review Nigeria's trade facilitation matrix and the need for relevant trade related policy reforms.

TASK 2: SUPPORT CUSTOMS MODERNIZATION

The objective of the task is to build capacity in the Nigeria Customs Service (NCS) and other associated private sector customs operators to enable the growth of a more efficient and dynamic trading environment. This will be crucial in order to realize the modernization of the freight forwarding value chain in Nigeria.

NEXTT is committed to the reform of customs processes ensuring that they are in line with international best practices through the deployment of experts to support development in the key process areas of Risk Management, Headquarters Policy, Post Clearance Audit, Authorized Economic Operators (AEO), and the associated extension of the Lagos Fast Track Clearance regime.

In Q3, NEXTT supported the following Y2 Work Plan of Component 2, Task 2 activities:

- Support Legislative and Process Modernization
- Improve Risk Management
- Strengthen the Policy Capability of NCS
- Support Automation and Clearance Procedures.

Support Legislative and Process Modernization. In Q3, NEXTT reviewed the current Post Clearance Audit procedures within NCS, comparing these with international best practice and make relevant recommendations in order to promote harmonization of PCA within the NCS. It very quickly became apparent to the STTA that PCA is not operating in Nigeria in line with the WCO guidelines, in that staff primarily perform a documentary check at the point of entry, rather than post clearance at the traders' premises following a structured risk based audit program.

A NEXTT consultant made eleven recommendations, which if accepted and adopted by the NCS will lead to the creation of a dedicated PCA unit. With further carefully targeted support through NEXTT, this unit could quickly be developed and trained to a point where it can perform key, basic PCA functions within 9 months. The recommendations have been carefully structured to provide clear time scales, responsibilities and actions, a number of which can and must actually progress themselves, thus providing ownership, which as noted above is a critical success factor in any change program. The recommendations also provide for piloting of the PCA procedures with the focus being on an implementation through Customs HQ in Abuja and rolled out primarily in the LAKAJI Corridor trading area.

Improve Risk Management. NEXTT mobilized a Risk Management (RM) consultant who had previously provided support in the program, including a draft RM Strategic Plan, the consultant returned to build on the results already achieved, by supporting the development of RM within the NCS. In doing so, this activity provides direct support to many of the modernization initiatives currently under way, both through NEXTT (e.g. PCA and AEO) and the NCS themselves (e.g. PAAR), which will directly impact upon the success of the LAKAJI Corridor implementation.

It should be recognized that the NCS has taken a number of strides forward in adapting to modern RM methodologies. However, given that until January 2014, RM activities were undertaken by a commercially contracted Destination Inspection service provider, it should be noted that experience and knowledge of RM is still at a low level. In addition, the NCS has not been able to transition to a modern RM system and obtain all the benefits that this would deliver.

The following table, which was included in the RM Report, shows the current status of NCS RM against a recognized indicator. By way of comparison, the text shown in red in the left column is the current NCS position, with the text in green, showing where they have moved to a modern RM style

Table 4. Risk Management Framework	Traditional Customs Control (Gatekeeper) Style	↔	Modern Risk Management Style
	Indiscriminate intervention or 100 percent check	↔	Focus on high-risk areas, with minimal intervention in low-risk areas
	Physical control focus	↔	Information management focus
	Focus on identifying noncompliance	↔	Focus on identifying both compliance and noncompliance
	Post-arrival import clearance	↔	Pre-arrival import clearance
	Physical control maintained pending revenue payment	↔	Breaks nexus between physical control and revenue liability
	No special benefits for recognized compliers	↔	Rewards for recognized compliers

Source: David Widowson, Chief Executive Officer, Centre for Customs and Excise Studies and Adjunct Professor, School of Law, University of Canberra, Australia.

To ensure the success of the related activities within the NCS (PCA and AEO) all of which will drive and improved trade facilitation agenda for Nigeria and lead to reduced clearance times in Lagos with a related quicker movement of cargoes through the LAKAJI Corridor, the NCS must show greater urgency in moving toward a modern RM functionality. The STTA has outlined six key areas, where quick progress can be made by the NCS and provided recommendations to address these. Each of these has clear time scales, responsibilities and actions and these have been designed such that the NCS can actually progress much of this work themselves. This a critical for the implementation of change as ownership is a key success factor in any change program.

Strengthen the Policy Capability of NCS. In Q3, NEXTT worked to improve the capacity of HQ Units in NCS to develop and implement policies and procedures and improve relationships between NCS and the Federal Ministry of Finance (FMF) and Federal Ministry of Industry, Trade and Investment (FMITI) to enable better informed policy through the GoN. A NEXTT consultant undertook an analysis of the current policy capability of the NCS, which was seen as largely reactive, with the organization viewed as an “implementer” rather than as an “instigator” of new policy initiatives and a driver of change. Policy was also somewhat disjointed with responsibility spread across each of the six Divisions of the NCS.

The recently agreed Trade Facilitation Agreement (WTO Bali Agreement) and Nigeria’s ascent (June 2012) to the WCO Revised Kyoto Convention provide places a greater emphasis on NCS to engage with the Government Ministries responsible for policy in this area and in doing so ensure that all new policies are fit for purpose and can be practically. As such it is recommended that the NCS reorganizes

and upskills in order that it can begin to actively influence and to drive forward the policy agenda employing a structured and systemized process for policy development, implementation and evaluation.

The consultant has identified the organizational and skill gaps within the NCS and produced a set of recommendations designed to modernize the policy unit and develop the internal capacity to enable a full engagement with central policy makers. The implementation of the recommendations from this report will see the development of fully informed Policy covering all areas of the NCS activity, but in the short term with a primary focus on the key policies that will deliver a successful LAKAJI Corridor implementation.

Support Automation and Clearance Procedures. In Q3, NEXTT undertook a cost benefit analysis for the introduction of an AEO system in Nigeria, considering the pros and cons for the Nigerian trade and economy of introducing such a system against not doing so. A NEXTT consultant considered the benefits or costs associated in continuing with the status quo, i.e. the NCS continuing to operate the Lagos Fast Track process in its current form, against the introduction of an Authorized Economic Operators (AEO) program in Nigeria in accordance with the provisions of World Customs Organization, SAFE Framework of Standards (WCO SAFE).

The research and analysis undertaken clearly demonstrated that the only viable option was to implement and AEO Program in Nigeria, as failure to do so would:

- Put Nigerian traders at a significant competitive disadvantage, particularly when surrounding countries adopted an AEO program and whilst there are no operational AEO programs up and running in the ECOWAS region at present, it will be only a matter of time, with Ghana known to be looking at the implementation of AEO;
- The country's reputation and credibility at the international level could be diminished, and relationships with international trading partners could be negatively affected, if Nigeria did not implement an AEO program;

Whereas if Nigeria does implement such a program:

- It would see improvements in the areas of safety and security of the supply chain
- NCS fiscal controls, would be risk based enabling quick release of goods to the Market;
- It would apply equally to both exports and imports, and would therefore deliver benefits for traders; and
- Create a positive environment in the country in improving the competitiveness of the economy generally and encourage Foreign Direct Investment.

TASK 3: PROVIDE INSTITUTIONAL CAPACITY BUILDING ON STANDARDS INFRASTRUCTURE FOR FOOD AND AGRICULTURAL PRODUCTS TRADE

NEXTT's Component 2 Task 3 support is focused on the reform in core food safety standards institutions particularly the Standards Organization of Nigeria (SON) and the National Agency for Food and Control (NAFDAC) and provide institutional capacity building of the nascent National Food Safety Management Committee (NFSMC) towards becoming an entity that can serve as a single point of interaction between government standards bodies and the industries they regulate and support.

NEXTT has conducted a mapping, gap analysis and needs assessment of current food safety practices in food and agricultural production, processing and trade. NEXTT is now providing training and capacity building to relevant institutions, traders and exporters. The project seeks to upgrade the capacity of Nigeria laboratories to ensure that food products comply with food safety standards. Ultimately, the project is looking to create a production environment in Nigeria that supports compliance of agricultural exports with international standards and food safety requirements.

In Q3, NEXTT focused on supporting relevant agencies of the GoN to ensure the passage of the food safety policy and its implementation strategy by the Federal Executive Council (FEC). Key to this effort, NEXTT was able to obtain the approval of the Minister of Health, who signed off on the policy this quarter. In collaboration with other donor agencies, NEXTT assisted the GoN in producing printed copies of the National Food Safety Policy and its Implementation Strategy.

Per the Annual Work Plan Year 2, NEXTT targeted implementation of the following activities in Q3:

- Mapping Standards and Compliance Procedures
- Strengthen the NFSM Committee

Mapping Standards and Compliance Procedures. In Q3, NEXTT continued to follow up with relevant Government departments to adopt the revised Food Safety Policy and Implementation Strategy. During Q3, NEXTT intensified efforts to ensure that the National Food Safety Policy was signed by the Minister of Health and the FEC. The draft National Food Safety Policy moved closer to going into effect after the Minister of Health signed off on it. The policy now goes to the Federal Executive Council and Presidency for approval. Towards this, NEXTT held several meetings with relevant MDAs of the GoN and private sector actors to agree on “push” strategies.

The Ministry of Health indicated that funding constraints were responsible for the delay in the production and presentation of the policy to the FEC. Accordingly, NEXTT approached UN-FAO and UNIDO to support the finalization and presentation of the document for relevant authorities of the GoN. During this quarter NEXTT emphasized collaboration with other donors in order to ensure the adoption and eventual implementation of the Food Safety Policy. NEXTT obtained commitment from the FAO, USDA and UNIDO to participate in the implementation of food safety policy when it is eventually signed by the GoN. The project also continued to engage with USDA and UNIDO on standards and competitiveness of Nigerian trade.

Strengthen the NFSM Committee. NEXTT facilitated capacity building for some members of the proposed NFSMC, staff of the Standard Organization of Nigeria (SON) and National Agency for Food and Drug Administration and Control (NAFDAC) who participated in the “Awareness on Food Safety Management Systems and Good Agricultural Practices (G.A.P)” workshop which took place in Lagos on the 24th and 25th April, 2014.

2.2.3. Component 3: Business Expansion and Export Support

This quarter, NEXTT continued to pursue the project’s three-pronged export support strategy: working to establish a viable BDS market, building capacity within public export promotion bodies, and providing technical support to export firms.

In Q3, NEXTT supported the following Y2 Work Plan of Component 3 activities:

- Extract Lessons from the BDS Mapping Exercise
- Build Capacity of BDS Providers
- Develop and Maintain a Pipeline of Export Opportunities in 10 Target Value Chains
- Develop Export Development Strategy for One Value Chain

Extract Lessons from the BDS Mapping Exercise and Build Capacity of BDS Providers. The BDS Mapping Exercise conducted in Year 1 indicated that access to finance was a critical constraint to business development in Nigeria. NEXTT has two BDS providers on performance based contracts to facilitate credit and investment for agribusinesses operating in the project’s target value chains - Quick Projects and Finders Consulting. The NEXTT team monitored progress of these BDS providers in generating deals, and it was clear that additional support was needed for these BDS providers to facilitate financial transactions. NEXTT Investment Adviser, Mima Nedelcovych had meetings in Abuja and Lagos with NEXTT BDS facilitators to hand over projects identified in NEXTT pipeline as ‘quick wins’. These NEXTT-facilitated meetings provided mentoring for BDS providers and gave all parties an opportunity to understand the client needs, the responsibilities of the BDS provider, and the value that transaction facilitation could add. The project team also introduced the BDS firms to fund providers SAHEL Capital, social fund managers Root Capital, and Fortis Micro Finance Bank (a lender currently accessing financing support from USAID Development Credit Authority). NEXTT also facilitated BDS contact with NEXIM Bank and Ecobank were made to expand the range of funding sources available to BDS clients. In addition, NEXTT’s Cashew Sector Expert provided one – on – one capacity building with one (1) BDS provider to strengthen the firms understanding of sector and shared additional pipeline arising from the assessment work with both of NEXTT service providers.

The pipeline of projects shared with BDS providers in Q3 is listed below. While no deals were closed, the two providers were in advanced discussions with several client firms by the end of the quarter, so deals are anticipated for Q4. NEXTT will engage additional BDS providers in Q4, giving additional capacity-building support to the BDS providers before expecting them to facilitate transactions. The pipeline shared with BDS providers this quarter is detailed below:

Company Name	Activity	Service Requirement	Location	Estimated Transaction Value
CDMA Projects	Cassava farming for Thai Farms (Nigeria Flour Mills)	Business plan for 4000 Ha PPP development (Ogun State Government, USAID NEXTT, CDMA, Thai Farms as offtakers) + ICT application	Ogun	\$4,000,000
Wilbahi Industries	Vegetable conditioning/handling center	Update business plan and identify location for industrial site	FCT	\$10,000,000
Integrity Farms	Feed Production	Cap Ex and Working Capital loan for a fish farm/feed production unit with Ziegler USA Technical Assistance	Lagos	\$4,000,000
Foodpro	Cashew Processing	Cheaper access to finance from social investment funds	Kwara	In discussion
Kashford	Cashew Processing	Support accessing financing for proposed new facility	Ogun	In discussion

Universal Quest	Cashew Processing	Support accessing financing for proposed new facility	Kogi	In discussion
KD Foods	Cashew Processing	Support accessing financing for proposed new facility in Kwara	Kwara	In discussion
Strange Industries	Shea butter processing	BDS provision for operating capital	FCT	\$500,000
Abod Success	Cashew Processing	Support to access cheaper working capital	Lagos	In discussion
Century Exports	Cashew Processing	Support to access cheaper working capital	Lagos	In discussion
Bellaella	Cashew Trading	Access to cheaper working capital	Lagos	In discussion
Nelsag	Shea butter processing	BDS provision for operating capital and equipment purchase	Niger	\$300,000
Spingview Textile Limited	Apparel Manufacturing	Access to Equity funding	Ondo	\$300,000
Esteema Global Diamonds Limited	Cashew nut processing	BDS Provision for operating capital	Ogun	\$500,000

Develop and Maintain a Pipeline of Export Opportunities in 10 Target Value Chains. Through strategic business development efforts, NEXTT continued to build project pipeline providing technical assistance to SMEs on business development strategies, access to finance, market access and supply chain. This quarter, NEXTT placed special emphasis on seeking out opportunities in the Shea and Home Décor value chains, as well as cashew.

The Global Shea Alliance (GSA), a USAID supported industry alliance, and NEXTT sector specialist collaborated to develop a concept note for implementing GSA Sustainability Initiative in Nigeria. The initiative is designed to strengthen the entire shea value chain, with benefits accruing to all stakeholders: women shea collectors will capture more value from their shea nuts and increase incomes through warehouse management; traders and buyers will have a new source of quality nuts in significant volumes, reducing consolidation costs; and governments will enjoy greater revenues from increased exports. By facilitating the implementation of this pilot project, NEXTT will enhance Nigeria's shea sector—increasing investments along the LAKAJI corridor, boosting export and provide a foundation for the expansion of the initiative across the country's shea region and throughout West Africa. NEXTT support for the sector builds upon the projects assessment of the long term potential to lift rural incomes and women empowerment.

The NEXTT team engaged a home décor specialist in Q3 to begin a scoping of the sector that will identify export ready firms and support businesses with market linkages to increase exports from the sector. With the partnership of the NEPC, the consultant identified artisanal clusters in Niger State and met with 15 businesses in Abuja and Lagos providing design advice and technical assistance in costing and pricing feeding. NEXTT and NEPC plan to identify and prep the most promising four companies to participate in the Ambiente Home décor event in Frankfurt, Germany early in Y3. NEXTT's home décor and handicrafts consultant participated in a one-on-one product assessment of Nigerian Arts and Crafts in Abuja. The activity was held as an initial step towards a product and market development strategy for Arts and Craft by the NEPC. In attendance were fifty (50) Nigerian producers and exporters. Of the

companies engaged with, NEXTT's consultant supported fifteen (15) businesses initial design input to improve the international competitiveness of the products.

Manufacturing furniture, blinds, and flooring at Pemo Bamboo Products and a decorative table at Ethnocentrique



NEXTT's cashew sector expert also provided assistance to an additional 5 cashew firms. The specific assistance provided by the team to the firms include technical assistance and information on processing technology, quality and food safety standards, human resource management, market developments and labor standards. Valency International, a new \$6.5m processing investment, located along the LAKAJI Corridor has started operations and commenced the exports of RCN. NEXTT is supporting FoodPro Limited based in Ilorin, Kwara State towards securing the African Cashew Alliance (ACA) Quality and Sustainability Seal, a program developed in collaboration with Planters, a large US snack brand and InterSnack, Europe's largest snack manufacturer. NEXTT is supporting the processor to put in place the required minimum standards for food safety and quality management systems as well as maintain strict adherence to labor standard.

Furthermore, facilitating new investment into the value chain, NEXTT provided Gold River Orchards Limited – a potential American investor evaluating options for entering the Nigerian cashew business with technical advice. Gold River Orchards limited is one of the largest walnut processors in the US. The interest of this firm to commence buying operation and possibly the establishment of a Cashew processing plant holds significant prospects to support another strong market maker within the value chain, first increasing local processing capacity and secondly transferring the technical expertise required to increase marketing and sale of Nigerian branded cashew kernels globally, both of which generate strong demand for RCN. NEXTT also established linkages between Bella Ella and Bende Import Export Limited, both Nigerian raw cashew nut exporters and buyers in Vietnam through VINACAS the Vietnamese Cashew association.

The project continued to expand its pipeline of investment and export opportunities and is working with each company to identify specific areas of need and means for providing support. The categories are defined by the nature of the needs expressed and the approach proposed to provide assistance. Tier I firms consist of larger corporations with strong internal management capacities; that do not requiring project assistance in the area of access to finance, access to markets; and are able to engage and pay for needed technical assistance. NEXTT will work with these firms to create convening platforms that allow them to maximize emerging business opportunities. Tier II firms are (near) export ready firms that NEXTT has engaged with and that have been able to determine specific areas of needed

intervention. Tier III firms include those firms referred to project that are not yet export ready or that do not have clearly identified business development needs.

In Q3, NEXTT provide export support to 13 new firms. Promoting cross-collaboration within the project components, NEXTT's export team targeted its support to several firms identified under Component I.

Table 6: New firms in NEXTT pipeline receiving USG Assistance during Q3				
#	Firm Name	Value Chain	Support areas provided by NEXTT in Q3	Category
1	Ogo Handcraft Limited	Home Decor/Handicrafts	Advice on design and appropriate use of fabrics to reduce costs	Tier III
2	Ethnocentrique	Home Décor – furniture pieces	Advice on design and specific marketing strategies	Tier III
3	Pema Bamboo Products	Home décor – bamboo products	Advice on design and costing and pricing to achieve competitiveness against Asian products	Tier III
4	Le Look	Handicrafts	Advice on design, materials, and specific marketing strategies	Tier III
5	Rogaresso Limited	Home Décor – Arts & Crafts	Advice on design, product quality, and consistency	Tier III
6	Oremi Craft Concepts	Gift Items - Bags & Accesories	Advice on design, product line focus, materials, and specific marketing strategies	Tier III
7	Gabthon Clothing	Apparel	Advice on design and product line focus	Tier III
8	Krabhouse Venture	Home Décor – Bone carvings & paintings	Advice on design, product line focus, and specific marketing strategies	Tier III
9	Vitablom	Home Decor	Advice on design and materials,	Tier III
10	Nicole by Haguanna	Fashion Accessories	Advice on design, product line focus, materials, and specific marketing strategies	Tier III
11	Kashford Limited	Cashew	Technical assistance to identify appropriate processing technologies, linkages with BDS providers to facilitate access to finance for new processing plant	Tier III
12	Valency International	Cashew	Market linkages to buyers in US, linkages with BDS providers to facilitate access to finance, technical assistance in food & safety standards as well as Nigeria Labour Standards	Tier II
13	Century Export	Cashew	Linkages with BDS providers to facilitate access to finance	Tier III
14	Universal Quest	Cashew	Linkages with BDS providers to facilitate access to finance	Tier III

Develop Export Development Strategy for One Value Chain. NEXTT completed a diagnostic of the cashew sector in Q3, identifying long term market opportunities for export of raw cashew nut (RCN) and processed cashews. NEXTT assessed the operations of 11 cashew exporters that account for up to 70% of Nigeria's total export volume of raw cashew nuts and cashew kernels. Key findings from the assessment were that the industry generally lacked a market oriented approach to investment, leading to challenges with quality, market entry, access to finance amongst others. Access to appropriate technical assistance was also identified to be limited and expensive for the smaller processing units.

In addition, NEXTT completed a Cashew sector strategy during the period. The document targets an increase the cashew industry's contribution to Nigeria's non-oil exports through value addition, quality improvements and market development. The focus of the strategy is to increase RCN production and support increased local processing. The driving objectives of the strategy are to:

- Provide incentives for processing of cashew nuts and raw nut exports
- Improve quality of Nigerian raw cashew nuts and kernel
- Promote Nigerian raw cashew nuts and kernels on the international market

Devolving the objective into actionable tasks within the constraints of time and cost, NEXTT identified 5 priority areas for focus by the NEPC within the window of 2014 – 2019. These include:

- Re-establishment of a robust processing incentive for the sector
- Focus on market promotion to establish brand identify for Nigeria Cashew
- Focus establishing Quality Standards & providing Capacity Building to export units
- Establish system for generating credible statistics on the sector and Market Intelligence
- Focus on farmer quality training

In implementing this strategy two key recommendations made were

- NEPC joins the Advisory Board of the African Cashew Alliance (ACA), a USAID supported industry platform, to partner directly with the largest players in the industry gaining access to Technical expertise, Advice Training & Best Practices Market linkages and Market intelligence.
- USAID NEXTT through a partnership agreement would support the National Cashew Association of Nigeria (NCAN) to develop local expertise, mobilize stakeholders (farmers, processors, traders) and strengthen advocacy for the sector through effective communication & information distribution.

While conducting the assessment, NEXTT's cashew expert provided technical assistance, guidance and market linkages to several cashew firms. After the assessment, the expert kept in contact with the firms remotely, then returned in late Q3 to further develop potential projects. During the visit, he held 15 meetings, with 12 private businesses and 3 government entities. He presented the cashew strategy to various groups and obtained feedback for refinement. Based on this trip, the NEXTT team also identified concrete interventions and technical assistance for three companies – FoodPro, Esteema, and Valency – and made a plan for ongoing collaboration with the ACA, NCAN and NEPC. Details and follow-up actions will be reported in Q4.

NEXTT consultant providing technical assistance to Food Pro



2.3. Implementation Challenges

Bureaucratic processes have slowed project implementation when dealing with the public sector in Nigeria. There are formal processes for dealing with government bodies that have made the processes for obtaining MOUs and scheduling meetings difficult.

The increased security threat observed in Q3 has led to a need for additional security protocols, and limited movement of staff and consultants, particularly in Northern Nigeria.

2.4. M&E Plan Update

In Q3 NEXTT's M&E specialist continued to review progress through monitoring and data verification with NEXTT partners. The team was able to overcome the issues of poor responsiveness among beneficiaries to export and investment questionnaires that the team uses to collect data by supplementing these questionnaires with more regular field visits and interviews. The NEXTT team is conducting additional verification of numbers reported in Q3 now.

As it has become clear that the missions and goals of the Corridor Management Group (CMG) and the LAKAJI Development Alliance (LDA) align, but the LDA is much more active in achieving project goals, we have resolved to adjust the indicator measuring on increase in membership of the CMG to also include membership in the LDA.

May 14-16, NEXTT participated in Data Quality Assessment (DQA) training workshop organized by USAID Monitoring and Evaluation Management Services (MEMS). The workshop was aimed at understanding the rationale of data acquisition and transcription systems and their use to generate useful information for making efficient management decision.

3. INTEGRATION OF CROSSCUTTING ISSUES AND USAID FORWARD PRIORITIES

3.1. Gender Equality and Female Empowerment

NEXTT encourages women enjoying equal opportunity as men along the corridor. During the period under review NEXTT clients Valency International and FoodPro (cashew processors) created over 300 jobs and 90% are women. This quarter NEXTT increased its support activities to the Cashew value chain with a mapping of investment and export opportunities for key cashew investors and the provision of technical assistance to Food Pro, Esteema Diamonds and Valency (see section 2.2.3). Women, most of them youth, make up between 70 and 90 percent of workers in cashew processing factories.

NEXTT's support to the Nigerian Cashew industry will be critical for integrating these young women into a more efficient and profitable value chain. This will offer them more prospects for employment as the cashew processors boost their productivity and increase their income levels as return on investments are realized.

In Q3, NEXTT also developed a strategy for the Shea sector, to collaborate with the Global Shea Alliance (GSA) and state governments to install warehouses. Women collectors play a vital role in the shea industry, as they form the foundation of the value chain. However, they have enduringly lacked bargaining power and direct market links to buyers; traders typically purchase nuts when supply is high and prices low, then store the nuts (properly stored nuts can last up to six months) and sell to large buyers at a later date at greatly inflated prices. The GSA is committed to enhancing formalization and organization of women collectors as well as their knowledge of shea markets to ensure that they capture more value from the sale of their shea. To that end, NEXTT is collaborating with the GSA to implement a pilot project to build warehouses for women shea collectors, provide trainings on quality improvement and business development services, and enhance their market linkages in Nigeria.

As for female representation in NEXTT's capacity building activities, 20% of participants in the trainings held across Component 2 and Component 3 were women. A similar level of representation is found in the LDA with female representatives of public institutions and private sector companies forming 18% of its current membership. Although these levels of representation are conservative when compared to previous quarters, NEXTT remains committed to fostering greater gender parity throughout its activities and will continue to strategically encourage female participation in all project activities.

NEXTT is keenly looking to collaborate with Women in Management, Business and Public Service (WIMBIZ) to engage them in the LDA and leverage their support to ensure that BDS are extended to more women exporters and as much as possible through women-led BDS firms. WIMBIZ is a leading female empowerment and capacity building resource for women in the business world and its partnership will be a key partner for an impactful implementation of the NEXTT's plan for improved gender equality.

3.2. Sustainability Mechanisms

NEXTT consistently addresses sustainability in the Project across all three components. Activities in Q3 supported the sustainability mechanisms for each Component.

- In Component 1, NEXTT is installing mechanisms to enable LAKAJI Corridor development to maintain operations, services and benefits during its projected life time and beyond. This is done through the development of the LDA and capacity building for the CMG. Integrating these two groups and helping them establish ongoing mechanism for public-private dialogue (working groups), sustainable sources of funding, and a secretariat for sustainable corridor monitoring and action is central to NEXTT's approach. In addition, NEXTT has developed Corridor States Working Groups (CSWGs), which will continue to exist despite changes in state leadership and staffing.
- In Component 2, NEXTT is building the capacity of key public institutions to put improve trade policy and legislative processes, improve tariff analysis, install automation and clearance procedures, and strengthen implementation of food safety standards.

- In Component 3, NEXTT is building a qualified network of BDS providers to facilitate access to finance and support export and investment long after NEXTT closes.

3.3. Environmental Compliance

NEXTT's interventions in the Cashew value chain have the potential to contribute to significant reductions in the carbon foot print of cashew processing. NEXTT activities are pushing for more processing of Nigerian cashew in-country rather than shipping RCNs to Vietnam and India for shelling and then shipping to US and Europe for roasting and packaging. The team and the NEXTT Cashew Sector Expert are assisting Valency and Food Pro with the development of their cashew shell processing capacities. Cashew shells are used to produce biofuels and thus reduce fossil fuel consumption, to the benefit of the environment.

The Cashew Sector Expert and a Cashew Specialist from ACA are also guiding Food Pro through the ACA Quality and Sustainability Seal certification process. The ACA Seal program provides certified companies training on environmental conservation measures such as waste management. Overall the program assures that certified processors are complying with a set of environmental regulations and the sustainability of their operations.

The project also continued to ensure awareness among supported firms, BDS providers and implementing partner of its Environmental Mitigation and Monitoring Plan to ensure compliance

3.4. Youth Development

NEXTT continues to recognize the importance of youth as a current and future driver of the Nigerian economy. Working through Integra, a subcontractor, NEXTT engages youth in agriculture within AVM Consult's FarmNet Project. AVM FarmNet, based on the "e-choupal" model developed in India, aims to create a digital commodity aggregation platform, collecting products through internet-enabled kiosks in villages, aggregating them in government warehouses, and making them available for purchase online to processors or other buyers. Integrating a franchise model, AVM will utilize local university graduates concentrating on agriculture to manage the kiosks, provide local context and remain as a resource for local farmers. This approach not only provides qualified employees to manage local services, but also builds the next generation of Nigerians engaged in agribusiness.

3.5. Policy and Governance Support

NEXTT is designed to support public-private dialogue and improve policy formulation and implementation around trade-related issues. Component 2 of the NEXTT program specifically works to 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. NEXTT seeks to improve trade policy and facilitation so that: 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. For relevant activities in Q3, please see section 2.2.2 of this report.

3.6. Local Capacity Development

Like sustainability, building local capacity is central to NEXTT's approach. Our strategy for sustainability encompasses building platforms for dialogue, collaboration and action, as well as capacity of local actors to continue NEXTT's mission in the future. In Q3, NEXTT continued to build the capacity of corridor groups including the CMG and LDA, in particular facilitating LDA steering committee and working group meetings, as well as assisting in the development of a work plan. NEXTT also continued to build the capacity of key public institutions to put improve trade policy and legislative processes, improve tariff analysis, install automation and clearance procedures, and strengthen implementation of food safety standards. This quarter, NEXTT also mentored two BDS providers, by identifying a pipeline of firms seeking financial facilitation and providing orientation to key sectors, such as cashew.

NEXTT actively supports development of local staff. The CARANA home office team has trained personnel in finance and administration procedures and has conducted a writing workshop. This quarter, NEXTT promoted James Horgan to Security Supervisor. Next quarter, the NEXTT team plans conduct a workshop for staff on Microsoft Office and to send Adebukola Sotubo, the project's Food Safety and Standard Advisor to Washington D.C. to participate in a conference.

3.7. Public Private Partnership (PPP) and Global Development Alliance (GDA) Impacts

Public Private Partnership is at the core of the NEXTT mission and implementation strategy. NEXTT began by first introducing a public-private dialogue (PPD) around the LAKAJI Corridor. NEXTT found that when the even cross-sectoral private-private collaboration was rare, but the Corridor was an opportunity to bring together private stakeholders across sectors. NEXTT also found that the Corridor was an opportunity for public-public dialogue, between states and various government agencies. The private sector rallied around the issues on the Corridor, and the public sector soon joined in, with the LAKAJI Development Alliance emerging organically. With the LDA in place, the scene has been set for working with a broad range of stakeholders to generate consensus, both at project concept and implementation levels, ensuring sustainable outcomes. Over 200 public and private sector organizations have so far participated in various LAKAJI Corridor Development activities, thus representing a powerful constituency of support for the realization of Corridor strategies. The following is a description of the LDA's structure and mandate.

This LDA is a Public-Private Partnership focused on:

- Advocacy for the creation of the LAKAJI Corridor as a special economic development zone in Nigeria for enhanced trade and competitiveness
- Supporting the transformation of the LAKAJI Corridor into a multimodal trade expressway that presents unmatched value proposition for:

- Attracting Investment
- Creating Jobs
- Generating Wealth

Vision: To make the LAKAJI Corridor the most competitive business corridor in Africa

Mission: To make LAKAJI Corridor the major trade hub in Africa creating linkages to other markets within the next 15 years.

Values: Focus – a broad based group with a common goal, Integrity, and Partnership – action through co-operation

The purpose of the LDA is threefold:

1. Transport and logistics improvement within and along the LAKAJI Corridor leading to reduction in time & cost of transiting goods
2. Facilitate trade and support policy measures that create the right business environment for local, regional and global competitiveness within the LAKAJI Corridor
3. Facilitate and promote investments in the real sectors of the Nigerian economy (particularly agri-business) to boost export of value-added products

The LDA's core objectives are the following:

- Competitiveness:
 - To make (LAKAJI) Corridor the most competitive destination for trade and investment in Africa
- Advocacy
 - To promote corridor development through stakeholders engagement platforms especially with regards to the policy environment
 - To promote and advocate for healthy, ethical and sustainable business practices along the corridor
 - To foster good relationship amongst members of the Alliance and between Alliance members and all the stakeholders in the LAKAJI Corridor.
- Investment Facilitation
 - To encourage the development and maintenance of modern world-class infrastructure along the LAKAJI Corridor
 - To promote economic growth along the corridor through development activities (training, business promotion activities, funding, R&D, and access to information)
 - To create a clearing house for investment opportunities along the corridor
- Job Creation
 - Generating employment along the corridor

3.8. Conflict Mitigation

With communal clashes emanating from agricultural land disputes along the corridor, the LAKAJI Development Alliance provides a forum for public-private dialogue to identify disputes that may arise, particularly around new investment. Resolving group conflicts by actively communicating information about their conflicting motives or ideologies to the rest of the group ahead of time prepare communities for a better investment climate.

3.9. Science, Technology, and Innovation Impacts

In Q3, the Project involved the application of technology in two major ways – ICT in Agriculture and virtual space in communication. Working with Integra, a subcontractor, NEXTT is supporting the deployment of ICT in agriculture and agribusiness along the LAKAJI Corridor in many ways:

- Federal Ministry of Science and Technology’s TechLaunchPad;
- AVM consults FarmNet virtual commodities exchange and Vanu Africa’s network-in-a-box concept voice, data and internet connectivity as well as powering devices in remote Niger States villages;
- Flexfinity Media’s "enterprise server system in a box" – a prototype product for investors and also a public n access and also serve as public internet access point; and
- Intel Nigeria’s Livestock Center Project for upper corridor states – Kano, Katsina, and Kaduna.

4. STAKEHOLDER PARTICIPATION AND INVOLVEMENT

During Q3, the LAKAJI Development Alliance brought together Public Sector MDAs, including the Federal Ministry of Trade, Nigerian Shippers’ Council, etc. on Trade Regulation; Nigerian Investment Promotion Commission Council, Nigerian Export Promotion Council; Federal and States Ministries such as the Federal Ministry of Finance, Lagos State Ministry of Agriculture; and Parastatals such as the National Competitiveness Council of Nigeria, Nigeria Customs Services, Nigerian Railway Corporation, and others. Private Sector participation includes firms such as Lafarge and Flour Mills in manufacturing; DHL, UPS, APMT, ConnectRail and others in transport and logistics; Accenture, BOI, FBN, Legacy Investments in services; and Lisabi Mills and Pedro Farms, among others (Agribusiness). On national and international civil society groups and development partners, almost all notable ones in Nigeria are in the loop working together for the success of the Project, some of them co-sponsoring events of the LAKAJI Initiative

With the formalization of NEXTT engagement with the Nigerian Export Promotion Council (NEPC) in Q2, the project pursued this key stakeholder’s involvement in export development activities, strengthening the partnership through information sharing and joint activities. The Council actively participated in activities of the investment facilitation working group of the LAKAJI Development Alliance and in preparations to co-hosting planned capacity building programs.

Continuing to build institutional partnership in export development, the project worked to sign implementation letters with key stakeholders. The implementation letters serve to frame partnership arrangement with NEXTT necessary to facilitate project interventions. These partnership agreements were initiated with the Nigerian Investment Promotion Commission (NIPC), the Bank of Industry (BOI) and the Nigeria Export Import Bank (NEXIM), awaiting signing in Q4.

NEXTT Cashew Expert with NEPC officials, Alhaji Aminu Suleman Takuma of the NIPC speaking at a working group event.



5. MANAGEMENT AND ADMINISTRATIVE ISSUES

Several staff changes took place in Q3. Trade and Capacity Building Manager Alaba Olumuyiwa and LAKAJI Corridor Manager Osita Aniemeka both left the NEXTT project to pursue other opportunities. While this created a challenge for the NEXTT team in Q3, CARANA has identified excellent replacement candidates, both scheduled to start work early in Q4.

In Q3 the project took possession of its new office facilities in Lagos. Located at No 2 Sobo Arobiudu Street G.R.A Lagos, the location better serves the project's export facilitation initiatives providing improved workspace and conference/meeting facilities.

6. LESSON LEARNED

Working with the private sector increases the pace, impact and sustainability of initiatives. In Q2 and Q3, the NEXTT project began working more closely with the private sector than it had in the past. Project partners now include business owners, financial institutions, and contractors. They are highly motivated to push for changes along the corridor that will benefit their businesses, as well as all others. Increased revenue and ease of operations will lead to economic development and job creation. The LAKAJI Development Alliance brings the private sector flexibility that will allow the Project multiply its impact.

Need for a Lagos Presence. During Q3, the project actively pursued the development of NEXTT pipeline in Cashew and other target value chains. The provision of close support to both exporters and processors, however, proved difficult for an Abuja-based team. To continue to provide this level of support and track impact there is a need to have dedicated resources available in Lagos in close

proximity to the majority of NEXTT pipeline. This continuous engagement reinforces the partnership with the private sector and facilitates mutual cooperation. In Q3, the project opened a Lagos office, and in Q4, Hadiatou Barry will relocate to Lagos from CARANA’s headquarters in the U.S. to provide additional Lagos-based support, and the team will seek to actively recruit additional staff and local STTA for communications, outreach and technical support to partner firms.

Stakeholder involvement at the design stage is key. It is important to have the stakeholders buy in before we design activities. If they are carried along, there will be little or no hindrances in implementing our programs. The stake holders must see themselves as strategic partners and be treated as such. The NEXTT team plans to conduct annual work planning in Q4, with a

7. PLANNED ACTIVITIES FOR NEXT QUARTER INCLUDING UPCOMING EVENTS

Please see tables below for a summary of NEXTT activities planned for the upcoming Quarter. Bolded activities indicate opportunities for media coverage and for USAID support, involvement and/or site visits.

COMPONENT I: LAKAJI Corridor Improvement

Activity	Date
Task 1 - Provide Technical capacity and support to the Lagos-Kano-Jibiya Transport Corridor management and development	
Continue to further integrate the CMG in the LDA and its Working Groups	Jul – Sep 2014
Establishment of a Corridor Secretariat in close collaboration with the LAKAJI Development Alliance.	Aug – Sep 2014
Design and publish the first issue of the Corridor newsletter	Aug – Sep 2014
Support the Corridor in developing and/or updating a work plan and an action plan to institute corridor improvements.	Jul – Sep 2014
Continue to support the LDA/CMG with the expansion of its membership	Jul – Sep 2014
Complete the signature of MOUs with eight state governments.	Jul – Sep 2014
Bring the Borderless Alliance of Nigeria within the actions of the LDA to foster expansion of its membership	Aug – Sep 2014
Task 2 - LAKAJI Agricultural Growth Corridor	
Continue to host working group meetings and workshops on topics affecting corridor development efforts (e.g., rail, connectivity, SCPZs, etc.)	Jul – Sep 2014
Provide technical assistance to firms to submit DIV proposals	Jul – Sep 2014
Support the Federal Ministry of Communication Technology (FMCT) to stimulate new agribusiness ICT investments and the TechLaunchPad Initiative	Aug – Sep 2014

Finalize the branding and communications strategy for the LDA and kick-start its implementation.	Jul – Sep 2014
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COMPONENT 2: TRADE POLICY AND TRADE FACILITATION SUPPORT

Activity	Date
Task 1: Provide technical Supports to the Federal Ministry of Industry	
Develop an action plan for the re-design of TPP and relevant implementing institutions (ENFP/TPAC)	Jul – Sep 2014
Work with FMIT&I to establish small secretariat for coordination of TPP and ENFP/TPAC efforts	Jul – Sep 2014
Coordinate with FMIT&I to hold meetings of the TPP Committee and ENFP/TPAC Secretariat	Jul – Sep 2014
Hold TPP working group meetings of public and private stakeholders	Jul – Sep 2014
Evaluate TPP Progress	Sep 2014
Engage the TTF and NCS on implications of benchmarking for customs modernization and conduct annual assessment of the TTF capacity and effectiveness	Jul – Sep 2014
Hold two workshops on TFM for TTF members on the effectiveness of trade facilitation measures against existing metrics	Jul – Sep 2014
Integrate the AGOA Strategy implementation review into select ENFP/TPAC and TTF working group meetings	Jul – Sep 2014
Continue to engage GON to review trade training priorities and provide regular assistance on implementation of trade policy, trade strategy and trade facilitation issues.	Jul – Sep 2014
Provide technical assistance to FMT&I on the implementation of trade policy, trade strategy and tariff analysis unit	Jul – Sep 2014
Develop annual report on GON trade issues training capacity and effectiveness	Sep 2014
Task 2: Support Customs Modernization	
Provide technical assistance to NCS in implementing its own TTF and ensuring that all procedures are compliant with the new CEMA, when ratified.	Jul – Sep 2014
Provide technical assistance to NCS in developing the Post Clearance Audit capability	Jul – Sep 2014
Supporting NCS with its transition toward a functional PCA Unit as per WCO guidelines through the development of job specifications, a basic procedure manual and a basic PCA training program and the provision of training.	Aug – Sep 2014
Conduct Training of Trainers for NCS staff on AEO regulations and procedures	Jul – Sep 2014
Provide technical assistance to NCS to develop and deliver training to the trading community	Jul – Sep 2014
Conduct one sensitization workshop between NCS and private sector to publicize changes in customs clearance procedures, changes in practice and other relevant news	Jul – Sep 2014
Provide technical assistance to NCS to influence and provide input to training initiatives underway in the Nigerian Shippers Council and Freight Forwarders Association	Jul – Sep 2014
Task 3: Provide Institutional Capacity Building on Standards Infrastructure for Food Agricultural Trade	
Follow up with the Ministry of Health, the Federal Executive Council (FEC) and key stakeholders to ensure approval of National food safety policy and inauguration of NFSMC	Jul – Sep 2014
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 2014

Submit recommendations to NFSM Committee and relevant agencies on process improvements and streamlining	Jul – Sep 2014
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	Jul – Sep 2014
Develop strategy to implement recommendations agreed with NFSM Committee and relevant agencies	Jul – Sep 2014
Work with NFSM Committee and relevant agencies to identify candidates within testing labs to serve on internal quality teams	Jul – Sep 2014
Support NFSM Committee and relevant agencies to develop a training curriculum for domestic traders and exporters on compliance	Jul – Sep 2014
Ensure and Support convening of the first Inter-ministerial committee meeting	Aug – Sep 2014
Continue to follow up with Inter-ministerial committee for the integration of NFSMC	Sep 2014
Engage Ministry of Health to ensure first meeting of NFSMC is convened	Sep 2014
Write annual report on capacity of NFSM Committee and relevant agencies on progress toward accreditation for target labs	Sep 2014

COMPONENT 3

Activity	Date
Work in close collaboration with NEPC and build its capacity to provide Support to export-ready companies in the handicrafts value chain.	Jul – Sep 2014
Convene and lead an AGOA Strategy Validation Workshop in collaboration with NEPC	Jul – Sep 2014
Hold one Training of Trainers (ToTs) for BDS providers in collaboration with NEPC and other GON institutions	Jul - Sep 2014
Hold AGOA capacity building workshop with BOI/NEPC	Jul - Sep 2014
Monitor service provision of BDS firms and BDS STTA and support deal facilitation.	Jul - Sep 2014
Technical assistance to lead exporters in conjunction with NEPC and BOI on trade show marketing and logistics	Jul - Sep 2014
Publish database of BDS providers on the NEXTT and NEPC Websites.	Sep 2014
Hold stakeholder forum to assist NEPC and lead firms/associations develop a strategy to increase exports in the Cashew value chain.	Sep 2014
Formalize the industrial cluster development partnership with Kwara State Government (KWSG). The formalization of NEXTT partnership with KWSG started on industrial cluster development would present a significant media opportunity to showcase USG support to Nigeria’s industrialization policy.	Aug – Sep 2014
Further validate the outcomes and recommendations of the BDS Mapping Exercise.	Aug 2014
Continue to engage (through competitive process) BDS providers to provide immediately demanded services as “transaction facilitators”.	Jul – Sep 2014
Host a quarterly event to shape potential of BDS network, and to ensure understanding of growth opportunities in non-oil export sectors	Aug 2014

8. WHAT DOES USAID NOT KNOW THAT IT NEEDS TO?

NEXTT is contributing to food security and poverty reduction in Nigeria and supporting regional trade and transportation objective by facilitating trade flows. Therefore, the Project supports the African Growth and Opportunities Act (AGOA) and complements agricultural productivity improvement efforts under the United States' Government's food security initiative Feed-the-Future, with three program activities: transport corridor improvements, policy reform and trade facilitation, and expanded export support. USAID | Nigeria needs to create a platform for coordinated funding for the LAKAJI Development Alliance. The Mission should resourcefully provide support for the Project through the Feed the Future Fund as a way of supporting Government of Nigeria's (GoN's) Agricultural Transformation Agenda.

NEXTT's assessment of the cashew industry during the quarter identified a major impediment to industrial competitiveness created by the continuing uncertainty around the incentive structure available for processing and value addition. Investigations suggest the top priority and largest opportunity for the Nigerian cashew industry (and export processing as a whole) lies in the reinstatement of the Export Enhancement Grant (EEG), a scheme that offers import duty rebates (or sellable certificates) for non-oil exports with a built-in incentive for value-added exports. The scheme has been suspended by the GoN over abuse allegations. As a result of the suspension, Nigeria's largest cashew processor has scaled down operations to less than 10% capacity. Reinstating the scheme could recover more than 4,500 jobs for women in rural areas at that company alone. NEXTT has been approached to support efforts to advocate for the EEG or for the introduction of new export and value-addition incentives. NEXTT is collaborating with the Nigerian Cashew Association (NCAN) to develop the internal capacity to evolve and sustain a strong advocacy platform for the industry.

NEXTT with NCAN Executive Team



9. HOW IMPLEMENTING PARTNER HAS ADDRESSED COR COMMENTS FROM THE LAST QUARTERLY REPORT

No comments were made on the last quarterly report.

ANNEX A: PROGRESS SUMMARY

Achieved progress versus planned for the period disaggregated by gender, geographic area and other relevant factors (use table below).

PMP Indicator progress - USAID Standard Indicators and Project Custom Indicators										
Indicator	Data Source	Baseline Data		FY 2014		Quarterly Status – FY 2014				Annual Performance Achieved to Date (in %)
		Year	Value	Annual Cum. Planned Target	Annual Cum. Actual	Q1	Q2	Q3	Q4	
Intermediate Result (IR): LAKAJI Corridor Improvement										
I.1.1. Reduction in the cost to trade goods across border as a result of US assistance	Corridor survey	2013	Im: \$4,737 Ex: \$3,041	0%	0%	0%	0%	0%		N/A
I.1.2. Reduction in the number of days required to trade goods across borders as a result of US assistance	Corridor survey	2013	Im: 19.5 Ex: 12.5	0%	0%	0%	0%	0%		N/A
I.1.3. Reduction in the to move goods between Kano and Lagos as a result of US assistance	Corridor survey	2013	Lagos-Kano: \$1,548 Kano-Lagos: \$837	0%	0%	0%	0%	0%		N/A
I.1.4. Reduction in the time required to move goods between Kano and Lagos as a result of US assistance	Corridor survey	2013	Lagos-Kano: 4 Kano-Lagos: 4	0%	0%	0%	0%	0%		N/A
I.1.5. Increase in membership of CMG/LDA	CMG/LDA official records	2012	7	15%	9	0	0	9		129%
I.2.1. Number of new agribusinesses established along LAKAJI corridor as a result of project support	Firm surveys	2012	0	5	2	0	1	1		40%
I.2.2. Value of new agricultural investments facilitated along the LAKAJI corridor as a result of project support	Firm surveys	2012	0	\$1,250,000	\$6,586,714	0	\$8,714	\$6,578,000		529%
I.2.3. Number of development innovation venture proposals submitted	Applicant reports DIV applications	2012	0	2	0	0	0	0		0%

PMP Indicator progress - USAID Standard Indicators and Project Custom Indicators										
Indicator	Data Source	Baseline Data		FY 2014		Quarterly Status – FY 2014				Annual Performance Achieved to Date (in %)
		Year	Value	Annual Cum. Planned Target	Annual Cum. Actual	Q1	Q2	Q3	Q4	
1.2.4. Value of investments mobilized by project development facility	N/A	2012	0	\$5,000,000	0	0	0	0		0%
Intermediate Result (IR): Trade Policy And Trade Facilitation Support										
2.1.1. Number of legal, regulatory or institutional actions taken to improve implementation or compliance with international trade and investment agreement due to support from USG-assisted organizations	GON Gazette, other official sources of published regulations and procedures	2012	0	2	3	2	1	0		150%
2.1.2. Number of participants in trade and investment trainings	Attendance records	2012	0	40	112	50 M: 39 F: 11	10 M: 8 F: 2	52 M: 43 F: 9		280%
2.1.3 Person hours of training completed in trade and investment capacity building supported by USG assistance	Attendance records	2012	0	4500	3,385	1,743 M: 1,357 F: 386	280 M: 224 F: 56	1,362 M: 1,114 F: 248		75%
2.1.4. Number of days of USG supported technical assistance in trade and investment capacity building provided to counterparts of stakeholders	Project reports, timesheets, attendance records	2012	0	150	259	82.5	100	76		172%
2.2.1. Number of customs harmonization procedures	FRN Gazette, official sources for published regulation and procedures	2012	0	2	0	0	0	0		0%
2.3.1 Number of public and private sector standard setting bodies that have adopted internationally accepted guidelines for standard setting as a result of USG assistance	GON official records and documentation	2012	0	2	2	1	0	1		100%

PMP Indicator progress - USAID Standard Indicators and Project Custom Indicators										
Indicator	Data Source	Baseline Data		FY 2014		Quarterly Status – FY 2014				Annual Performance Achieved to Date (in %)
		Year	Value	Annual Cum. Planned Target	Annual Cum. Actual	Q1	Q2	Q3	Q4	
Intermediate Result (IR): Expanded Export Support										
3.1.1. Number of firms receiving capacity building assistance to export	Registration forms, attendance records, surveys	2012	0	100	60	37	11	12		60%
3.1.2. Number of trade and investment capacity building diagnostics conducted	Project records	2012	0	1	1	0	0	1		100%
3.1.3. Number of participants in USG supported trade and investment capacity building trainings	Registration forms, attendance records, firm survey	2012	0	40	64	37 M: 31 F: 6	0	27 M: 20 F:7		160%
3.2.1. Number of capacity building service providers receiving USG assistance	Attendance records, project reports	2012	0	25	4	4	2	2		17%
3.2.2. Number of firms receiving USG assistance that obtain certification with international quality control, environmental and other processes, voluntary standards or regulations	Surveys, attendance records, project reports	2012	0	3	0	0	0	0		0%
3.3.1. Value of export by NEXTT client firms facilitated as a result of project assistance	Firms via surveys and reports	2012	0	\$6,000,000	\$432,019	\$2,469	\$12,217	\$417,333*		7%
3.3.2. Value of investment in NEXTT client firms facilitated as a result of project assistance	Firms via surveys, reports and other notifications	2012	0	\$5,000,000	\$6,593,947	0	\$93,947	\$6,500,000*		132%

*Project partners receiving NEXTT technical assistance in Q3 have reported an additional \$25M in exports and \$37,500 in investment this quarter. NEXTT is in the process of validating the attribution of these numbers to NEXTT interventions, and will report additional sales and investment in Q4.

ANNEX B: MEDIA COVERAGE OF NEXTT INITIATIVES

NEXTT's initiative with CDMA received extensive media coverage this quarter. See links below for full stories.

<http://businessdayonline.com/2014/04/ogun-launches-10-hectares-cassava-pilot-farm/#.U0wjuVVdXKM>

<http://www.agrinews.com.ng/index.php/news/item/1041-ogun-launches-10-hectares-cassava-pilot-farm>

<http://www.news247.com.ng/news/ogun-launches-10-hectares-cassava-pilot-farm>

<http://www.cityvoiceng.com/ogun-to-launch-private-sector-build-10ha-cassava-farm/>

[http://m.naijadailies.com/News/Similar?t=Ogun%20to%20launch%20private-](http://m.naijadailies.com/News/Similar?t=Ogun%20to%20launch%20private-sector%20owned%2010ha%20cassava%20farm&cat=3)

[sector%20owned%2010ha%20cassava%20farm&cat=3](http://m.naijadailies.com/News/Similar?t=Ogun%20to%20launch%20private-sector%20owned%2010ha%20cassava%20farm&cat=3)

www.nownaija.com/ogun-to-launch-private-sector-owned-10ha-cassavafarm/