2016 was a particularly significant year for Propcom Mai-karfi (PM). It was the project’s penultimate year and the team worked very hard to change unfavourable market systems and bridge supply chain gaps in rural northern Nigeria. This year we worked in more market interventions, attempted to reach a greater number of women through targeted interventions, saw our fertiliser activities move into the high-risk north eastern region, explored the adoption of a more climate-smart approach to all of our markets, and established ‘climate smart-specific’ interventions.

In 2016, our key interventions revolved around agricultural inputs, agricultural mechanisation, grains storage, and gender and climate specific markets, and livestock. Our key results to date are summarised to the right, and our main activities are below:

**Results to date**

- NGN5.4billion (£17.4million) in aggregate net additional income for 480,981 poor farmers and small-scale rural entrepreneurs as a result of our activities.
- 33 businesses have bought more from or invested more in selling to poor women and men in northern Nigeria, due to a change in practice ascribed to PM.
- 143,000 poor women farmers and small-scale entrepreneurs have accessed new inputs, knowledge, services, and technology as a result of programme activities.
- 17 interventions which contribute to the improved resilience of poor farmers and small-scale rural entrepreneurs.

**We stimulated more mechanised equipment into the agriculture sector**

Mechanising land preparation, planting, and postharvest processing is vital to the future of agriculture in Nigeria and Propcom Mai-karfi is championing this. As a result of our work, in 2016 over 12,000 poor farmers were able to access mechanisation services.

**Our linkage delivered 75 tractor loans to members of a tractor association**:

In 2014, we helped our commercial bank partner, First City Monument Bank (FCMB), to develop a financing product for members of Tractor Owners and Hiring Facilities Association of Nigeria (TOHFAN). That year FCMB gave a trial 27 tractor loans to the association, and has annually increased this number as a result of TOHFAN’s zero default rate. In 2015, FCMB gave the association 67 tractors loans, and in 2016 disbursed 75 loans valued at NGN388,000,000 (£970,000). PM is also working with the Bank of Industry (BoI) to help it develop its own financing product for agricultural mechanisation.

PM is additionally supporting the government of Nigeria (GoN), through the Nigeria Incentive-Based Risk Sharing System for Agricultural Lending
(NIRSAL) to design a mechanisation programme which replicates the TOHFAN model and allows GoN to purchase and deploy additional tractors and other mechanisation equipment nationally.

Other mechanisation pilots: We partnered with acha processor, Pye Ryat Food Intl. Ltd. to fabricate and deploy two machines for processing acha cereal grain in Plateau and Bauchi states. We also partnered with development organisation, VSO, to deploy threshers for soybean as a part of our joint intervention plan. Towards the end of 2016, we tested the viability of providing new mechanisation services to farmers using rice threshers and maize shellers. The result of this trial will influence the design of an intervention to provide new services in 2017.

Livestock interventions:
We continued to connect rural chicken owners to vaccination services against Newcastle disease and worked with aggregators and retail outlets to take processed local chickens to high-end markets. We piloted an intervention which allowed farmers to improve their chickens through cross-fertilisation with high quality cockerels, and continued to partner with feed companies on our feed finishing intervention. The smallholder farmers and small-scale rural entrepreneurs that we work with have earned over NGN180 million (£600,000) in aggregate net additional income as a result of our livestock programmes.

We improved access to ND-i2 chicken vaccines:
In 2016, we supported NVRI to reposition and launch its outstations in Kano and Kaduna states to serve as product supply hubs. Our private sector partner, Agriprojects Concepts International Ltd. (ACI) continued to train vaccinators, doubling training events as marketing/sales events. We linked two community-based organisations to ACI to be peri-urban distributors and promote the ND-i2 vaccine through their wide networks. We additionally tapped into the existing networks which rural fertiliser distributors and faith-based organisations have in reaching more smallholder farmers. We linked ACI to the Niger state government to use the state’s veterinary structure to commercially deliver ND-i2 vaccines to rural areas. ACI has taken the vaccinators’ model to southern Nigeria, selling a total of 15,000 vials of ND-i2 in 2016.

We helped local chicken producers to target high-end markets: Local chickens are typically not packaged and sold in retail stores which cater to high-end markets. In November 2015, we piloted a strategy to drive demand for local chicken, linking an aggregator of village chickens to retailers: a farm produce business - Geetee Farms, and an online groceries retailer - Nkataa Mart. Nkataa now reports an average monthly sale of between 150 – 200 local birds, and now also sells meals and pizzas made with local chickens. Geetee Farms is at the final stages of the NAFDAC certification process to expand sales to other retail chains. Local chicken producers, who are mainly women, are being saved the time and cost of finding markets for their livestock at prices which are not competitive.

We are upgrading and improving the quality of local chickens: Cross-breeding of local chickens with high quality cockerels reduce production cycles, diminish the mortality rate of chicks, and improves farmers’ incomes. For a pilot programme, PM partnered with a private sector company for the supply of high quality cockerels and trained 215 paravets to provide extension services to farmers on poultry breeding and management. The paravets have
created awareness for cross-breeding and trained 1,300 farmers (1,000 women) on improved breeding and management. We expect to begin to see measurable results by the second quarter of 2017.

We promoted the adoption of improved feeding practice for ruminants: Our feed finishing intervention introduces farmers to better animal husbandry and the use of feed supplement, in addition to traditional roughages, which reduce the time and cost of rearing ruminants. Ruminants finished in this way are typically bigger and healthy, earning farmers more money. PM works with feed companies and dealers to recruit and train paravets on feed finishing technologies. These paravets then mobilise and train farmers (directly or through feed dealers) and provide them with extension and veterinary services. PM trained 1,136 paravets in seven states who within the last quarter of 2016, trained nearly 6,000 farmers on feed finishing. PM is working with our feed supplement partners - Hybrid Feeds, Animal Care, and Feed Masters - to ensure the continued availability of improved feed.

Supporting and financing Babban Gona: PM continued to support Babban Gona (BG) on its agribusiness model. BG repaid two Raise Out of Poverty (ROPO) bonds which were due in April and December of 2016. Our investments have also continued to stimulate additional funding from other investors into the franchise. In 2016, BG increased its farmer base to 8,000 from 3,000 in 2015. Through a holistic model of providing inputs; extension services; mechanised services; and harvesting, storage and sales supports to it farmers, BG farmers are earning an average of NGN82,000 in profits per year.

“Establishing an electronic marketplace for smallholders: Smallholder farmers in rural areas face challenges of access to farm inputs and buyers for their harvested produce. To bridge this gap, we piloted an E-enabled Demand Aggregation Platform (DAP) which allows farmers and cooperatives to aggregate their needs and purchase high quality inputs and other services like mechanisation at competitive prices, and additionally allows buyers/off-takers to access a pool of farmers whose crops are aggregated. In 2016, PM engaged 274 field agents in the pilot state of Niger who registered 18,281 farmers by collecting farmers’ contact information, land sizes, and crops grown. These field agents will also double as middle men, collating farmers’ needs within assigned geographical divides and uploading these to the DAP system from where they will engage with relevant private sector businesses to meet these demands.

We created an “access to finance” portfolio and strategy: Inadequate finance is a major constraint to developing the agriculture sector in Nigeria. Financial institutions are unwilling to lend to MSMEs and smallholder farmers for a number of reasons; primarily because these demographics are considered high risk. In 2016, PM developed an access to finance strategy to identify partners’ financial needs and support them to develop viable business proposals for financial institutions, and to support financial institutions to develop appropriate products for clients working within PM’s target markets.

“I have seen the benefit of feed finishing technology in quickening the fattening of animals that makes farmers earn more; that is what motivated me to paint my vehicle to be distributing the feed” - Paravet - Birnin Kebbi

“I never believed I could realise the high maize yield calculated for me by Babban Gona until after the harvest. This is the best farming experience I have ever had after over 50 years of farming. What made the difference to me was the insistence of field staff to maximise my planting space and bury the fertiliser during application”. - Malam Musa Usman Damagari
In 2016, we helped Pye Ryat to access a returnable grant of NGN7 million for the purchase and processing of acha grains; we made micro loans available to women rice parboilers to expand their parboiling businesses through two microfinance institutions; we purchased Raise Out of Poverty Bonds (ROPO) from AFEX to finance the company’s settlement fund; provided a returnable grant to QBWA; facilitated input credit for smallholder farmers under the AFEX partnership; and facilitated 75 new tractor loans for TOHFAN members. Our pilot ROPO bond recipient, Babban Gona also repaid two ROPO bonds at their due dates of June and December 2016.

Adopting ‘climate smartness’: PM is increasingly focused on promoting climate smart initiatives by: supporting policy actions which encourage and incentivise the private sector to adopt climate smart approaches; modifying PM’s current interventions to become more climate smart; and by designing new interventions which increase the resilience of smallholder farmers and reduces the impact of climate change. PM collaborated with the National Fertiliser Technical Committee to popularise new fertiliser blends using regional soil maps. These fertiliser blends will, in addition to improving yield, reduce excessive fertiliser use which is beneficial to the environment. Other climate smart initiatives included:

Piloting cook stoves for women rice parboilers: Using improved cook stoves (ICS) and agricultural waste for its fuel is cost, time, and labour effective for the rural poor, especially for those who cook extensively; like rice parboilers. ICSs are also beneficial to the environment and to users’ health in the long-term. In August 2016, PM commenced collaborating with Roshan Global, a local producer of low-cost improved clean cook stoves and charcoal briquettes to pilot a waste swap transaction with women rice parboilers. Under this arrangement, Roshan provides women parboilers with ICSs for their parboiling activities in exchange for rice husks/waste which the company briquettes and sells, including back to the women who are parboiling rice. The rice wastes are used to pay off the ICSs over time. Thus far demonstrations were held in Kano and Jigawa states.

Weather data and improved climate resilience: PM’s interventions are largely anchored to the production of crops and therefore dependent on weather variations. PM commenced designing an intervention which provides farmers with prompt weather information to allow them to appropriately respond to changing weather patterns and rain predictions. In partnership with a private sector company, Kukua, a study will be conducted in 2017 to establish a baseline for yields and to identify weather variables which are relevant to farmers. PM will design a strategy for packaging and commercialising these information products amongst smallholder farmers. This intervention will contribute to farmers’ resilience and their ability to withstand climatic shocks.

Propcom Mai-kafr aims to raise incomes of more than half a million people in northern Nigeria by 2018. The project seeks to increase investment from the private sector into rural markets upon which poor farmers, entrepreneurs and consumers, especially women, rely for access to important goods and services. Propcom Mai-kafr is funded by UK aid and implemented by Palladium.

Contact us
Tel: 234 (0) 805 479 6992
Email: info@propcommaikarfi.org
Website: www.propcommaikarfi.org

Thank you for reading part 1 of our 2016 programme summary. Please refer to the same source for part 2.