



REPORT NO.: RES51947

DOCUMENT OF THE WORLD BANK

RESTRUCTURING PAPER

ON A

PROPOSED PROJECT RESTRUCTURING

OF

AGRO-PROCESSING, PRODUCTIVITY ENHANCEMENT AND LIVELIHOOD IMPROVEMENT SUPPORT PROJECT

APPROVED ON MARCH 23, 2017

TO

FEDERAL REPUBLIC OF NIGERIA

AGRICULTURE AND FOOD

WESTERN AND CENTRAL AFRICA

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I. BASIC DATA

Product Information

Project ID P148616	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 23-Mar-2017	Current Closing Date 30-Sep-2023

Organizations

Borrower Federal Republic of Nigeria	Responsible Agency Federal Ministry of Agriculture and Rural Development
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Project Development Objective (PDO)

Original PDO

The objective of the Project is to enhance agricultural productivity of small and medium scale farmers and improve value addition along priority value chains in the Participating States

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IDA-59930	23-Mar-2017	14-Jul-2017	24-May-2018	30-Sep-2023	200.00	179.93	25.48

Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

II. SUMMARY OF PROJECT STATUS AND PROPOSED CHANGES



The overall performance of the project is satisfactory with a disbursement performance of 81.9 percent as of June 05, 2022. The last Implementation Status Report rated both PDO and IP satisfactory. An analysis of the Project's performance showed that the productivity of Cassava increased from 15.66mt/ha to 20.01mt/ha (33%), maize from 2.52mt/ha to 3.46mt/ha (37.36%); rice from 2.86mt/ha to 5.01mt/ha (75%) in the intervention areas. The volume of processed output for milled rice moved from 3.2mt/CIG/Day to 4.9mt/CIG/Day, processed Cassava (Garri) from 1.7mt/CIG/Day to 2.35mt/CIG/Day, and processed fish from 0.78mt/CIG/Day to 1.02mt/CIG/Day. The project has expanded access of participating farmers to the market through linkage of beneficiaries with 85 off-takers. Eight Thousand and Seventy-Eight (8,078) youth and women have been empowered in the areas of Business, Technical, and Life Skills training and start-up grants to establish a commercially viable business. Twenty-Five agribusiness clusters have been linked to complementary infrastructures such as boreholes, tube wells, and box culverts across the participating States. Ninety-Six improved technologies, 50% of which are climate-smart and nutrition-sensitive, have been adopted by project beneficiaries in the 1,268 Value Chain Investment Plans implemented across eleven (11) priority value chains. A total of 49,349 direct beneficiaries (60.73% male and 39.27% females) and about 196,045 indirect beneficiaries have benefited from a total of 87 Business Alliances and out-grower schemes established across the six participating states.

3. In a letter dated June 08, 2022, the Federal Government of Nigeria requested a reallocation of the funds. The proposed reallocation seeks to move funds from Categories 1 (Goods, Works, Non-Consultancy Services, Consultancy Services, Operating Costs, and Training) and Category 3 (Start-Up Grants Part B) into Category 2 (Matching Grants Part A) of the Project to enable the Project to respond to emerging priorities as it affects increased value addition in the participating States, complete all outstanding approved Value Chain Investment Plans and reinforce the gains of the APPEALS Project towards the attainment of its Project development outcomes. Specific activities that would be undertaken with the re-allocation include the completion of ongoing and additional Value Chain Investment plans.

The rationale for the proposed fund reallocation for the categories in the above table is as follows:

- i. Reduce Category 1 (GD, WK, NCS, CS, OC, TR) allocation from SDR 75,800,000.00 to SDR 66,232,000.00, as most of the Goods, Consultancies, and Civil Works envisaged under the Project are being implemented with all the remaining financial commitment already determined and set aside.
- ii. Increasing of allocation of the Matching Grant Part-A category from SDR 18,400,000.00 to SDR 37,756,800.00 is necessary to finance commitment to Value Chain Investment Plans in response to emerging priorities in the participating states and advance the achievement of project development objectives.
- iii. Reducing the allocation of Start-Up Grants Part-B from SDR 53,000,000.00 to SDR 43,211,200.00 based on savings made from the implementation of the Women and Youth Empowerment programme.

The proposed adjustment has not affected the total Credit amount, which remains at SDR147,200,00.

III. DETAILED CHANGES



REALLOCATION BETWEEN DISBURSEMENT CATEGORIES

Ln/Cr/TF	Current Expenditure Category	Current Allocation	Actuals + Committed	Proposed Allocation	Disbursement % (Type Total)	
					Current	Proposed
IDA-59930-001 Currency: XDR	GD, WK, NCS, CS, OC, TR	75,800,000.00	38,291,773.36	66,232,000.00	100.00	100.00
	Matching Grants (Pt A)	18,400,000.00	18,397,264.74	37,756,800.00	100.00	100.00
	Start-Up Grants (Pt B)	53,000,000.00	32,419,192.37	43,211,200.00	100.00	100.00
	Total	147,200,000.00	89,108,230.47	147,200,000.00		