**1.0.** **WHAT IS AGRO-PROCESSING, PRODUCTIVITY ENHANCEMENT AND LIVELIHOOD**

**IMPROVEMENT SUPPORT (APPEALS) PROJECT**

Agro-processing, Productivity Enhancement and Livelihood Improvement Support (APPEALS) Project is a comprehensive six-year World Bank Assisted project aimed at supporting farmers’ productivity and their linkage to markets, facilitating consolidation of agricultural products and cottage processing, facilitating farmers and small and medium businesses’ clustering and connection to infrastructure network and business services, providing technical assistance (TA) and institutional support both to beneficiaries, federal and state governments in value chain development.

The basic strategy of the project is to Increase productivity, production, and improve processing and marketing of the targeted value chains which are expected to foster job creation along value chains.

The Value Chains to be supported by APPEALS in Lagos State are Aquaculture, Poultry and Rice.

It is presently being implemented in six (6) states of the federation; Lagos, Kano, Kaduna, Kogi, Enugu and Cross Rivers.

* 1. **PROJECT DEVELOPMENT GOALS/ OBJECTIVES.**

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 State.

* 1. **PROJECT IMPLEMENTATION PERIOD**.

The Project will be implemented over a six-year period, starting from ---- --, 2018. The Project will close on September 30, 2023.

**2.0. PROJECT DESIGN**

The project intervention will consist of tackling key constraints,

which hinder the development of the value chains, and prevent greater inclusion of small and medium scale farmers in agribusiness supply chains.

The project will address some of the challenges noted by;

1. Improving access to seed capital through grants;
2. support to productivity enhancement through introduction of new technologies and agricultural inputs;
3. improving access to infrastructure by supporting investment;

(iv) building the capacity of producer cooperatives through training and Technical Assistance, especially for targeted women and youth groups;

(v) Facilitating market linkage throughout the growers schemes; and

(vi) Facilitating on-farm value addition by targeting limited number of value chains, and linking farmers to the supply chain.

**3.0. PROJECT BENEFICIARIES/TARGETED GROUPS**

**3.1**. The number of project’s direct beneficiaries for Lagos State is estimated at 10,000 beneficiaries and 50,000 farm household members as indirect beneficiaries.

It is anticipated that 35 percent of direct beneficiaries (or 3,500 individuals) will be women.

By design, the project has a dedicated sub-component to benefit women and youth that will allow them to develop agri-businesses that are expected to create jobs and improve their livelihoods.

**3.1.4**. However, in addition to the direct beneficiaries, others (indirect beneficiaries) will gain from the improved roads and electricity made possible under the project.

 **3.2.** **ELIGIBILITY CRITERIA**

**3.2.1 GENERAL FOR SMALL & MEDIUM SCALE BENEFICIARIES**

1. having been engaged in farming business for at least three years;
2. located in participating state and involved in one or more of the selected value chains in the state for 3 years ;
3. belonging to farmers/producers organization for at least one year;
4. has not been convicted for fraudulent activities;
5. document showing availability of resources (in kind or cash) from own contribution to matching grants for the adoption of technologies and/or land development, as shown in a costed business plan.

**3.2.2 Small Farmers’ Groups / Cooperative Societies**

1. Associations or cooperatives of farmers, established at least one year prior to requesting project support.
2. Registered Commodity Interest Groups of farmers and/or processors, and/or marketers of eligible value chains in the state, and at least one year old.
3. Minimum commercially viable, and maximum size of assets for individual smallholders i.e. Rice: 2 to 10 ha, Poultry: 1,100 – 5,000 birds, Aquaculture 2500 – 5000 fish.

**3.2.3 Medium Farmers and Entrepreneurs**

1. Registered cooperative societies with own productive assets of a minimum size i.e. Rice: 10 ha of farm land, Poultry: 5,000 above birds, Aquaculture: 5,000- above fish.
2. Registered companies operating in any of the eligible 3 value chains in the state
3. Minimum size for smallholder.
4. Individual medium farms with more than 10 ha and less than 50 ha, employing a minimum of 5 workers

**3.2.4 Women/Youth**

1. Women and men between 18 and 40 years at the time of submission, interested in any of the eligible value chains:
2. Graduated from universities and colleges of agriculture, or
3. Minimum of secondary school leaving certificate, and being in business on selected value chains for at least 18 months at the time of submission; or
4. Registered company or cooperative society with at least 3 members who have met the above criteria, and established with no less than 6 months of age at the time of submission
5. Inclusion of at least 10% Persons with Disability (PWD)

**4.0. PROJECT COMPONENTS**

**4.1**. **COMPONENT 1:Production and Productivity Enhancement**: The aim of this component is to increase total supply of the targeted priority value chains with a purpose to ensure consistent, reliable and timely stream of produce to the markets.

A matching grant mechanism (with in-kind contribution from beneficiaries) will be utilized as an incentive to stimulate farmers’ participation and remove the financing constraint, which has historically limited small farmers’ access to improved inputs and technologies. The activities to be financed under this component are clustered around the following three sub-components:

**Sub-component 1.**1:Business alliances and out-grower scheme: consisting of the provision of Technical Assistance in developing value chain investment plans and stakeholder mapping, and supporting the structuring of business alliances and outgrower schemes;

**Sub-component 1.2: Technology demonstration**: acquisition and dissemination of about 100 improved climate-smart and nutrition-sensitive technologies (inputs ,equipment, machinery, etc.) for agricultural production systems;

**Sub-component 1.3:**Support to technology adoption:through a matching grant mechanism to farmers and farmers’ groups, to facilitate access and adoption of proven technologies.

**4.2 COMPONENT 2: Primary Processing, Value Addition, Post-Harvest Management and Women and Youth Empowerment**.

The component will support the reduction of post-harvest losses, facilitate the consolidation of produce and primary processing by farmers’ cooperative societies and small and medium-scale enterprises in project intervention areas, focusing on gender-sensitive activities along the core segment of the value chains (production, processing, marketing) and ancillary businesses (agro-dealership, haulage, packaging, business management, etc.).

The component will finance the acquisition of common goods for cooperatives, producer organizations, women and youth through construction/rehabilitation of aggregation facilities, procurement and installation of equipment for cottage processing, storage, and quality assurance facilities; and provision of business development services (Technical Assistance in business management, marketing, access to market information and financial services). The activities to be financed under this component are

**Sub-component 2.1**Women and youth empowerment:consisting of provision of Technical Assistance in business planning, grants to finance sub-projects, and mentorship for start-up or consolidation of existing women and youth led businesses, as individuals or group beneficiaries.

**Sub-component 2.2** Commodity aggregation and cottage processing: rehabilitation or construction of simple design aggregation centers, and provision of income generating assets such as equipment and machinery for post-harvest handling, storage and quality management, clearing, sorting, processing and packaging for organized group beneficiaries in target production clusters;

**Sub-component 2.3** *Market**development and linkage to business services:* This willinclude support to market information and agricultural commodity exchange platforms and facilitating value chains coordination around the aggregation centers.

**4.3 Component 3: Infrastructure Support to Agri-business**

This component aims at improving physical environment (last mile connection to roads and utilities) for agro-industrial and cottage processing units, located in agri-business clusters with significant potential for agro-processing and greater inclusion of small to medium size farmers into the agri-business supply chains through the business alliances. It will tackle major constraints to efficient supply of raw material and competitive agro-processing.

Activities to be financed under this component are clustered around the following subcomponents

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**Sub-component 3.1** Infrastructure support to production:consisting of design and construction or rehabilitation of access roads, provision of jetties and water for production;

**Sub-component 3.2** Infrastructure support to processing and value addition:consisting of provision of last-mile connection to roads networks and utilities (water, energy, transmission lines, gas pipelines, etc.).

 **Component 4: Technical Assistance, Knowledge Management and Communication**

The aim of this component is to build capacity of the project staff and partners in the relevant areas of value chains development, harness the knowledge acquired and generated under the project, facilitate exchanges of experience and build capacity of stakeholders participating in the implementation of the project, and support the FMARD / State Ministry of Agriculture for conducting strategic and technical studies for scaling up agricultural productivity and processing programs.

**Activities to be financed under this Component are:**

**Sub-component 4.1.** Capacity Building and Support to Collaboration Institutions

**Sub-component 4.2** Technical assistance and Knowledge Management

**Sub-component 4.3**: Communication Outreach

 **Component 5: Project Management and Coordination**

The aim of this component is to ensure effective management and coordination of the project for proper accomplishment of project related goals and the achievement of the PDO.

This component will support the work of technical, financial, administrative, and M&E activities during the entire project period.

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Activities to be financed under this component are organized around the following sub-components.

**Sub-component 5.1**. project management and coordination: includes additional works and equipment for upgrading offices, consultancy services, salaries for staff that are competitively selected; operating costs, equipment and tools necessary to carry project's day to day activities;

**Sub-Component 5.2**. Monitoring and evaluation: equipment, operating cost, workshops and consulting services for conducting M&E activities.

**Sub-component 5.3**. Environment and social safeguards and grievance redress mechanism: consisting of consultancy services, workshops and operating costs related to the preparation, implementation and monitoring of environmental and safeguards instrument as well as establishment of an effective grievance redress mechanism (GRM)

**5.0. Matching Grant**

The project will provide matching grants to finance activities on;

1. Technology Demonstration and Adoption.
2. Women & Youth Empowerment

**For Further enquiries contact:**

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