

# **Independent Country Evaluation**

## **Federal Republic of Nigeria**



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INDUSTRIAL DEVELOPMENT ORGANIZATION



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## Abbreviations and acronyms

CAB	Conformity Assessment Bodies
CAC	Corporate Affairs Commission
CP	Country Programme
CPC	Consumer Protection Council
CPI	Consumer Price Index
DaO	Delivering as One
ECN	Energy Commission of Nigeria
EIA	Environmental Impact Assessment
EPC	Engineering Procurement and Construction
EPSRA	Electricity Power Reform Act
ERGP	Economic Recovery and Growth Plan
FMoY	Federal Ministry of Youth and Sports
FMoE	Federal Ministry of Environment
FGN	Federal Government of Nigeria
GDP	Gross Domestic Product
GEF	Global Environmental Facility
GoN	Government of Nigeria
HCFC	Hydrochlorofluorocarbons
IE	Independent Evaluation
IGR	Internally Generated Revenue
IPAN	Institute of Public Analysts of Nigeria
IPP	Independent Power Plant
ISID	Inclusive and Sustainable Industrial Development
ITPO	Investment and Technology Promotion Office
LPTP	Leather Products Training and Production
MDGs	Millennium Development Goals
MSME	Micro, Small and Medium Enterprises
NAP	National Action Plan
NBS	National Bureau of Statistics
NEEDS	National Economic Empowerment and Development Strategy
NEPP	National Electric Power Policy
NINAS	Nigeria National Accreditation Services
NNQPSC	Nigerian National Quality Policy Steering Committee
NQIP	National Quality Infrastructure Project
MSME	Micro Small and Medium Enterprises



ODS	Ozone Depleting Substances
POPs	Persistent Organic Pollutants
ProDoc	Project Document
PRSP	Poverty Reduction Strategy Plan
RC SHP	Regional Centre for Small Hydro Power
RE	Renewable Energy
SCPZMB	Staple Crops Processing Zones Management Board
SDGs	Sustainable Development Goals
SHP	Small Hydro Power
SMEDAN	Small and Medium Enterprise Development Agency of Nigeria
TA	Technical Assistance
ToT	Training of Trainers
UAP	UNDAF Action Plan
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDAP	UNDAF Action Plan
UNIDO CP	United Nations Industrial Development Organization Country Programme

## Glossary of evaluation-related terms

Term	Definition
Baseline	The situation, prior to an intervention, against which progress can be assessed.
Effect	Intended or unintended change due directly or indirectly to an intervention.
Effectiveness	The extent to which the development intervention's objectives were achieved, or are expected to be achieved.
Efficiency	A measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results.
Impact	Positive and negative, intended and non-intended, directly and indirectly, long term effects produced by a development intervention.
Indicator	Quantitative or qualitative factors that provide a means to measure the changes caused by an intervention.
Lessons learned	Generalizations based on evaluation experiences that abstract from the specific circumstances to broader situations.
Logframe (logical framework approach)	Management tool used to facilitate the planning, implementation and evaluation of an intervention. It involves identifying strategic elements (activities, outputs, outcome, impact) and their causal relationships, indicators, and assumptions that may affect success or failure. Based on RBM (results based management) principles.
Outcome	The likely or achieved (short-term and/or medium-term) effects of an intervention's outputs.
Outputs	The products, capital goods and services which result from an intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes.
Relevance	The extent to which the objectives of an intervention are consistent with beneficiaries' requirements, country needs, global priorities and partners' and donor's policies.
Risks	Factors, normally outside the scope of an intervention, which may affect the achievement of an intervention's objectives.
Sustainability	The continuation of benefits from an intervention, after the development assistance has been completed.
Target groups	The specific individuals or organizations for whose benefit an intervention is undertaken.

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# Executive summary

## Introduction & background

This independent evaluation (IE), reported in this document, was undertaken in compliance with the UNIDO mandate of the Independent Evaluation Division (IED) to periodically conduct member-country level evaluations (CE). The report documents the results of an independent evaluation (IE) of the UNIDO Nigeria country programme (CP) for the period between 2012 and 2017.

## Evaluation purpose & scope

The purpose of the IE was to assess the impact and utility of the UNIDO CP, how well aligned to Nigeria's priorities and to a small extent other global e.g. United Nations development programmes. Its aim was to highlight areas that require improvement and support the development of the successor country programme of technical cooperation 2018 - 2022.

The exercise, conducted between October 2017 and February 2018, sought answers to 17 questions in the following areas of interest; relevance, programme design, effectiveness, impact and sustainability, efficiency, youth and gender mainstreaming and UNIDO Regional Office performance.

## Evaluation methodology

The IE used a mixed methods approach which included project case studies, document review in both paper form and the Open Data Platform of UNIDO, interviews, focus group discussions and an electronic survey. Triangulation deployed four (4) sources of information including document analysis, interviews, direct observation and survey. A total of 189 individuals many of them key informants were interviewed individually or in groups. Three group interviews and six (6) focus groups discussions were conducted in Lagos, Abuja, Kano, Abakaliki and Warri. An electronic survey launched online to 182 stakeholders was open for three weeks to encourage wide participation.

## Main findings

### Relevance & Alignment

UNIDO interventions in Nigeria in the period between 2012 and 2017 were relevant to the organizations and institutions in which projects were implemented and also aligned to national priorities and goals. The great majority of stakeholders confirmed this assertion.

### Ownership

The level of national ownership of the CP and UNIDO interventions in the country was found to be good. Three reasons inform this assertion. Firstly, the CP was responding to existing conditions in the national context. Most of the projects in the 'Safeguarding the Environment' theme fall under this category as well as others in the other two UNIDO thematic pillars. Secondly, most importantly, most projects have been developed upon request made by national interest groups and individuals either at the federal or state government levels; in a demand driven modus operandi. Thirdly, projects are implemented by national organizations - ministries and development agencies (MDAs) which have direct control over their

implementation. In most cases, national partners demonstrate a high commitment to joint programmes.

## UNIDO's positioning in Nigeria

UNIDO holds a unique position in Nigeria because of its specialized mandate. It is well recognized in the country for its technical expertise in industrial development, appreciated and deeply valued for its support especially for diversification of the economy away from petroleum. UNIDO's comparative advantage was identified as; its 'exceptional technical expertise', its specialised mandate, and its familiarity and knowledge of the country and region.

## UNIDO's Contribution to Change in Nigeria

UNIDO's interventions during the CP period assessed have contributed to development changes in Nigeria. Stakeholders and beneficiaries reported that the projects and activities have contributed to changes and benefits for the long term - for the country and or development results.

Organizational and individual changes have also been brought about by involvement and engagement in UNIDO projects. UNIDO CP has contributed to long term organizational changes as well as to technical and professional changes and benefits.

## Outcomes and Impact of UNIDO's CP in Nigeria

### *Outcomes of UNIDO's CP in Nigeria*

The CP 2012 -2017 had three outcome statements one for each of the three priority programme themes. For theme A (Creating Shared Prosperity), the IE found that the CP has made fair efforts to contribute to the Nigerian economy. The volume and scale of productive activities supported have been small in relation to the size and depth of the problem but have potential for impact especially in agri-business and agro-industrial development.

Entrepreneurial skills have been strengthened among youth and women although employment has not been significantly affected. The policy intended to support evidence based industrial development has been developed with the support of the CP has not been adopted.

The evidence suggests that for theme B (Advancing Economic Competitiveness), the UNIDO CP 2012 -2017 has contributed to increased understanding by critical stakeholders of the issues surrounding international best practices, norms and standards for foreign and domestic trade.

National institutions with responsibility for supporting and maintaining quality and standards have been strengthened and or created. However, policy instruments, although readied with UNIDO support have not yet been approved and adopted by the government. There was insufficient evidence to assess the degree to which the CP outcomes have influenced trade although the commitment to make this happen was strongly declared by key government officials and senior members of the organized private sector.

The IE found for theme C (Safeguarding the Environment) excitement in the growing use and influence of renewable energy sources in Small Hydropower Plants for industrial purposes especially in agro-processing. Although not yet widespread, there is definite potential for future expansion.

The CP has supported the Government of Nigeria to move forward with its domestication of international environmental regulatory frameworks and conventions. Understanding the

reasons for environmentally friendly behaviour and practices is taking root among artisans owing to the work of the CP, but attitude change is much slower for reasons unrelated to UNIDO.

### Effectiveness, Efficiency, Potential for Impact & Sustainability

The ET, using a four-point rating scale of; very good, good, fair and poor, translated into letter grades of A, B, C and D, and based on the available evidence scored the performance of each programme theme (all interventions) for; effectiveness, efficiency, potential for impact and sustainability in the period of the CP.

There was consistent good performance on effectiveness across all 3 themes whereas the weakest performance was related to efficiency.

<b>Evaluation Criterion</b>	<b>Theme A</b>	<b>Theme B</b>	<b>Theme C</b>
Effectiveness	B	B	B
Efficiency	D	C	D
Potential for Impact	C	B	C
Sustainability	C	B	C

### Programme Design, Synergies and Linkages Within and Outside the CP

The potential for linkages was not sufficiently exploited resulting in weak synergy among the projects in the each programme theme or between them. The reasons for this include the manner of project initiation, development and design usually done within and by individual programme managers without sufficient consultation or involvement with other thematic priority areas. The result is the loss of amplitude of both impact and sustainability.

### Regional Office Nigeria (RON)/Field Office Performance

The Regional Office Nigeria has performed the tasks of general management and coordination of programmes, procuring international experts, as well as managing, supervising and monitoring the work of international teams well. Relations with the government and other key stakeholders are quite satisfactory although the long time it took to get a replacement UNIDO Representative for the office created an unpleasant lull. The office offers uninhibited on-demand access to senior government functionaries and private sector operatives with its open-door policy.

Monitoring, documentation and reporting on projects remains weak; stakeholders considered the monitoring support as inadequate.

The contribution of the office to UNIDO's visibility in Nigeria although fair needs to be improved.

### Gender and Youth

Although women and youth empowerment goals are expected to be mainstreamed in all projects, the extent to which these were addressed in projects was minimal and inconsistent. Women and youth have indeed benefitted from some projects in two programme areas - Creating Shared Prosperity and Advancing Economic Competitiveness but they appear absent from projects in the theme of Safeguarding the Environment.

Gender and age disaggregated data in respect of employment and income is neither systematically collected nor openly available making it difficult to determine the extent of benefits accruing to women and youth.

## Conclusions

The IE found that UNIDO Nigeria is recognized throughout the country, valued for its technical expertise in industrial development, sought and appreciated for its support. Its knowledge of the country and region as well as its specialised mandate constitutes its comparative advantage in the country. The Country Programme 2012 -2017, is aligned with national development, industrial and economic priorities articulated in key policy documents.

The three programme priorities pursued by UNIDO RON have undisputed relevance for the peoples and government of Nigeria and the region. While the programme design is coherent and logical, the desired outcomes are quite ambitious for the size of the office and its human resources. The small size of the UNIDO country office notwithstanding, projects have been effectively implemented as planned usually with some variations dictated by realities and other contextual imperatives.

UNIDO RON is largely seen by most partners as strategic, responsive and able to secure access to and use of local resources. Its effectiveness is constrained by limited staff numbers and local autonomy and bureaucratic red-tape.

A good number of the projects have potential for impact, but the fragmentation, piece-meal approach and non-amalgamation (and continuation) of good project ideas robs UNIDO and the country of the benefit of greater, deeper and longer lasting change.

UNIDO Nigeria is an active member of the UN family in the country but its engagement with the private sector was weaker than its engagement of the public sector.

## Lessons learned

- Industrial policies are not adjudged well until adopted and implemented. Idle policies show an absence of value for money and lack of political goodwill by government, while development project politics, political issues, and other interference such as frequent staff changes are critical risk factors in the success of policies developed. Political goodwill is critical for policy adoption.
- Inertia in government MDA implementation partners influences project success and poses a reputational risk for UNIDO.
- Many small projects do not add up to scaling up in a country as large and diverse as Nigeria.
- Nigerian youth and women are assets who assure future success; their energy and numbers are a valuable resource not to be left untapped.
- Culture and local knowledge play a critical role in the transfer of knowledge and building of capacity for industrialization. Demonstration projects are good for show and tell, but ineffectual if the demonstration technology is not adaptable and adapted within the life of the project to local realities.

- Capacity development (organizational or individual) though critically important is not a quick fix; it requires resources, serious long-term visions, planning and engagement. Continuous capacity development supported by platforms, spaces, networks, circles and the like where stakeholder groups can meet to reinforce, share and encourage one another to fast track, deepen or smoothen processes and increase quality of services is necessity.

## Recommendations

### Programme Design, Implementation & Management

1. UNIDO should use/apply the theory of change (TOC) together with the logical framework to ensure and summarize the conceptualization of a coherent programme ensuring linkages across priority themes and within them. Efforts should be made to diligently construct the TOC or log frame with realizable outcomes, smart objectives and manageable, practical and measurable/trackable indicators.
2. UNIDO should develop and document a comprehensive monitoring and evaluation (M&E) framework and budgeted plan a necessary complement to the TOC and an absolute requirement for the next CP to improve monitoring, documentation and reporting. UNIDO could consider an arrangement i.e. a contract with a local service provider for the supply of services which could include a TOC, log frame, M&E framework, costed M&E plan and related services etc.
3. The experience and evidence from the Nigeria Quality Infrastructure Project suggests that UNIDO should consider large, carefully designed and integrated programmes with broad based and strategic stakeholders, partners and implementers in the new CP. Transaction costs for small projects add up almost to and quite possibly surpass those of large projects. Small projects also undermine synergies and have limited impact potential hence our reason for this recommendation.
4. Support for policy development is a major engagement of the three programme priority themes. UNIDO should consider redefining its work around policy support to ensure better results by looking to engage with policy at 3 levels (federal, state & institutional) to improve results. Consideration should also be given to using advocacy to support policy projects.
5. Capacity development is a critical ingredient in all thematic programme areas. A broad integrated capacity project or programme could be conceptualized which will feed other programme areas and could simultaneously be a flagship for project synergies.
6. UNIDO should adopt a standard and mandatory participatory approach for engaging local and strategic expertise and stakeholders in project conception and design to ensure adequate understanding with and response to (adaptation) local contexts.
7. Cross Programme project development, design and implementation should be encouraged to increase synergies.
8. UNIDO should do more to encourage project officers and programme managers to seek input of gender experts to support the collection, and collation of sex, age and status (occupation) disaggregated data for all project and programme activities.
9. UNIDO should plan for the reality of endemic delays associated with local realities in particular with policy projects.
10. Clear exit strategies need to be prepared at the start and discussed through-out the life of projects for all of them to enhance ownership and or sustainability. This could also reduce



the likelihood of reputational risks if project closure processes go awry as was found in a few instances.

### Partnerships:

Partnerships are critical for programme success. Just as important is the balance among the stakeholders, key implementers and strategic partner groups. Most of the UNIDO projects in the 2012 -2017 CP have public sector government Ministries, Departments and Agencies (MDAs) as principal implementing partners.

11. The Government of Nigeria in cooperation with UNIDO should expand and nurture private sector partnerships for future country programmes.
12. UNIDO should consider developing a robust approach to engage the private sector which encourages innovativeness and uptake, commercialization and industrialization of promising project outputs by the sector.
13. Programme and project partners have in some instances undermined positive results through intrigue and interference. The ET recommends that the Government of Nigeria should promote education, conversations, and awareness sessions on the greater good of sustainable industrial development for the country to counter pervasive individualism.
14. The good practice of creating programme governance structures e.g. the CP Steering Committee and the Programme/Project Implementation Committees should be made even more effective and results oriented by for instance; coordinating them more closely and giving them clearer roles and greater support to advocate for the programmes/projects with the national government and other strategic partners e.g. for policy approval, adoption and implementation.
15. Inertia among MDAs, political intrigues and interference remain among critical risk factors for the success of UNIDO's technical assistance in Nigeria. The Government of Nigeria through the primary implementing partners needs to find acceptable ways of providing high level political hand holding for managing donor supported development projects.

### UNIDO RON Operations

16. UNIDO's visibility is an important element of its role as broker, intermediary, re-granter, funder and instigator of industrial change. UNIDO needs to make financial and material investments in its communications and outreach to create awareness of its programmes and activities for wider embrace especially by the Organised Private Sector. Each programme or project could have a budget for communications.

### UNIDO HQ Operations

17. The ET recommends more autonomy for in-country project/programme management to enhance programme efficiency and effectiveness to avoid sluggishness.

# 1. Introduction and background

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## 1.1. Introduction

The UNIDO Evaluation Policy mandates the Independent Evaluation Division (IEV) of the United Nations Industrial Development Organization (UNIDO) to conduct evaluations at country level – country evaluations (CE). The independent country evaluation reported in this document was undertaken in compliance with the provisions of the UNIDO Evaluation Policy.

Following the provisions of the UNIDO Independent Evaluation Division (IEV) work programme for 2016-2017, beginning in September 2017, an independent country evaluation (CE) of UNIDO Nigeria Country Programme 2012-2017 (CP) was undertaken towards the end of the Country Programme 2012 - 2017 and the UNDAF III (2014-2017).

This IE follows two other evaluation exercises conducted in 2011 and 2016 and builds upon the findings and recommendations of these in a forward-looking perspective to inform future programming. While the 2011 IE was conducted by a team of mainly international consultants, the 2016 exercise was a self-evaluation requested by the Country. As this independent evaluation was underway, the 2018 - 2022 Country Programme was being designed thereby allowing synergy and co-learning from real time findings and lessons.

The UNIDO IEV sought to conduct the country evaluation (CE) with strong involvement from national stakeholders. On account, the evaluation which assessed the utility, outcome and impacts of UNIDO adopted a participatory and collaborative approach. Government officials and other stakeholders including – members of UNIDO, Government of Nigeria (GoN), donors, and the private sector were involved in the exercise to the extent possible given the time and resources. The focus of this IE was therefore on outcomes and impacts of UNIDO interventions and activities in Nigeria between 2012 and 2017.

The Nigeria IE country evaluation was designed and conducted by an all-Nigerian team of 4 evaluators comprised of; Mr. Benjamin Aniakor, Mr. Vincent Onodugo, Mr. Leonard Okafor and Ms. Florence Etta (acted as the evaluation team (ET) leader). The team composition was a design intention geared towards contributing to strengthening in country evaluation capacity among nationals.

The evaluation involved the country programme steering committee (PSC) from the inception phase to the discussion of evaluation results. The PSC included representatives of; the Federal Ministry of Industry, Trade and Investment; the Ministry of Budget and National Planning and the Energy Commission. Advise and the required implementation support was provided by the UNIDO Regional Office in Nigeria (RON) through the National Programme Officer Mr Ezedinma Chukwuma, while the Chief of the UNIDO Independent Evaluation Division provided quality assurance during the process.

The evaluation, conducted between October and February 2018 included visits by the ET to 9 projects and 10 activities in 6 States of the country and Abuja, the Federal Capital Territory.

## 1.2. Background

UNIDO commenced activities in Nigeria in 1966 and the first project was implemented in 1968. To date UNIDO has implemented over 435 projects in the country.

The current CP (2012-2017) originally with an end date of 2016 was extended by one year. It is important to state that this CP had inherited projects and activities of the UNIDO-Nigeria technical cooperation agreement of 2009. The CP thus reflected lessons from the implementation period 2009-2012, recommendations of the Independent UNIDO Country Evaluation of 2011 and the Federal Government's priorities articulated in the Transformation Agenda, as well as other national policy strategy statements and documents.

### 1.2.1. UNIDO in Nigeria

The year of UNIDO's initial engagement in Nigeria - 1966 - is significant in the history of the country because of the events which led to the 1st military coup, the rupture of democracy and eventually the Nigerian civil war.

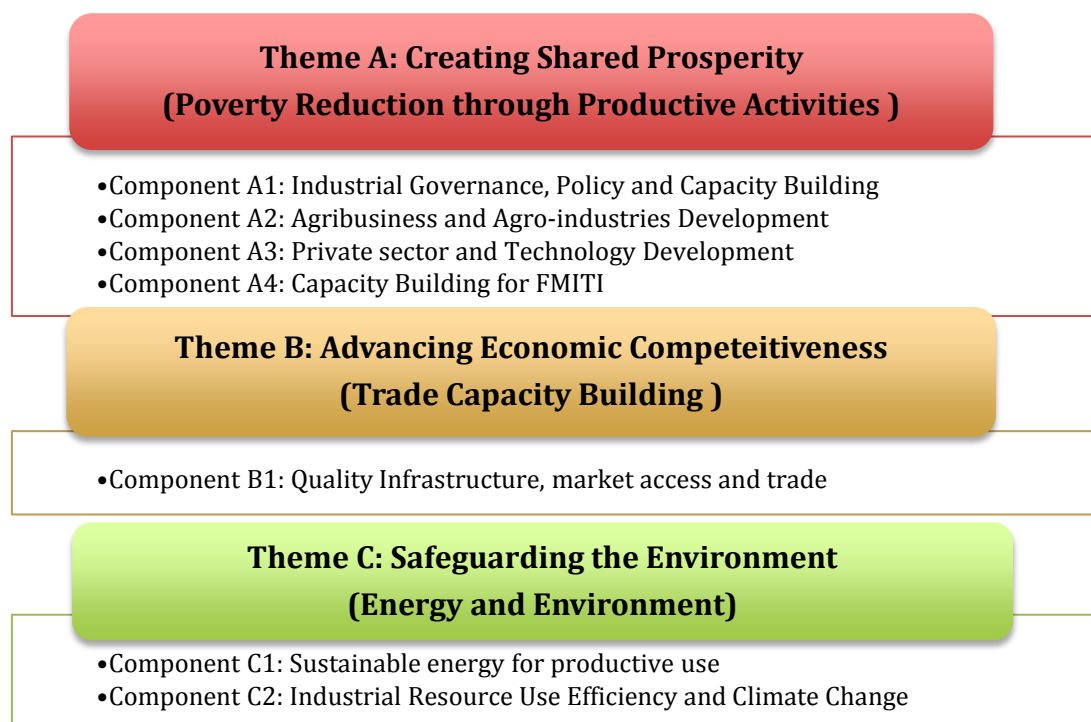
The work of UNIDO in Nigeria which is framed and guided by the Country Programme document (2012 – 2016/7) is rooted in and drawn from the mandate of the organization. UNIDO is one of the specialized agencies of the United Nations with responsibility for promoting and accelerating inclusive and sustainable industrial development (ISID) in developing countries and economies in transition.

The primary objective of the 2012-2017 Country Programme (PC) as with earlier programmes of cooperation was therefore to support rapid industrialization in Nigeria, diversification of the economy and helping the country in its stated goal of achieving the status of becoming one of the 20 largest economies by 2020 as stated in the Vision 20:2020.

### 1.2.2. The UNIDO Country Programme (CP) 2012-2017

The Country Programme had the focus of promoting non-oil sector growth, diversification of the industrial sector, enhancement of productive capacity, increasing value-addition activities, the promotion of agro-industry and energy self-sufficiency. The CP worked with the Federal Ministry of Industry Trade and Investment's (FMITI) as the principal implementing partner in the ministry's role as the primary institutional driver of industrialization in the country and the mandate holder for the Nigerian Industrial Revolution Plan (NIRP) which it proposed to anchor national desire for rapid industrialization. A major part of UNIDO country support in the period of this CP was for the development and enhancement of national industrial infrastructure.

The CP was designed along 3 programmatic themes (pillars) with corresponding components. The 3 themes and components are shown in Figure 1.1 below.



*Figure 1.1. CP Thematic Priorities and Components*

The objective for theme A is stated as, ‘to promote industrialization through enhanced industrial governance institutional strengthening, supported by evidence based policy and advocacy’ while the outcome is this: ‘By 2017, the industrial sector of the Nigerian economy is strong and contributes to poverty reduction through productive activities anchored on evidence-based industrial policy, enhanced human and institutional capacities, robust private sector, agribusiness and agro-industrial development; leading to expanded employment especially for youth and women through their strengthened capacity and increased advocacy. This theme comprises of fourteen (14) projects and activities in the current CP, three of these are regional projects. Of these, eight (8) have been completed. The projects in this theme are the most diverse including interventions in agriculture -cassava ad oil palm, leather, textiles, entrepreneurship, technical and vocational skills acquisition etc.

The objective of theme B is: ‘To promote trade of competitiveness of Nigeria’s manufactured goods and processed products through conformity to international standards, quality and metrology leading to significant foreign exchange earnings’ while the outcome is; ‘by 2017, Nigeria’s foreign and domestic trade is expanded, regionally and internationally competitive and based on international best practices, norms, standards, deriving from evidenced-based policies and strong technical capacity underpinned by national quality, accreditation and metrology infrastructure resulting in improved trade with significant increase in foreign exchange earnings and GDP’. Outcomes for this theme include improved capacity within government and the private sector as well as greater investment, employment in agribusiness, value addition and enhanced national competitiveness. It is expected that trade capacity would

be strengthened by enhancing the soft and hard aspects of the country's trade and quality infrastructure -thereby building trust for global trade.

Nine (9) projects and activities were implemented under this theme, three of which are regional. Six (6) of the projects have been completed while 3 (one regional) are ongoing. One project - the National Quality Infrastructure Project (ID 130220) dominates the national implementation landscape of this theme with five components and many implementation partners.

Theme C has as objective; To promote increased and efficient use of renewable sources of energy in the productive sector and households; environmental sustainability and reduce the negative effects of the productive sector on the environment, while at the same time promoting economic development for wealth and job creation. The outcome is; by 2017 the Nigerian industrial sector is driven by increased and diversified use of renewable energy sources; is characterized as environmentally friendly with national environmental regulatory frameworks aligned with international conventions and supported by efficient institutions and evidence-based policies and strategies.

Eighteen (18) projects and activities constitute interventions in theme C 'Safeguarding the Environment' and it is the largest portfolio of funded projects in the CP; four (4) projects in energy, four (4) in environment, and five (5) on the Montreal Protocol (MP). Of these, 5 are regional projects, while 13 are national projects and activities. At the time of the IE, whereas 8 of these projects and activities had been completed, 10 were still ongoing. The largest number of ongoing projects is in this theme.

The theme seeks to achieve outcomes visible in; protected environments, effective environmental stewardship, increased access to sustainable energy through the promotion of green industry, improved energy efficiency, cleaner production and sustainable waste management spurred by strengthened human and institutional capacities for implementing international environmental protocols, conventions and agreements.

The CP asserts that youth employment and women empowerment were expected to be mainstreamed across themes at project implementation levels.

As a member of the country's UNCT, UNIDO's Country Programme for Nigeria is aligned with the United Nations Development Assistance Framework (UNDAF III) implemented simultaneously with the CP. Of the UNDAF III four result areas, UNIDO leads in one - equitable sustainable economic growth<sup>1</sup> and participates in two others along with sister agencies in the spirit and letter of the DaO mechanism.

#### *1.2.2.1. Budget and Funding*

A total of forty-five projects and activities were initiated and implemented during the period 2012 -2017 at a total budget of about 106 million US\$ as shown in Table 1.1 below. The four

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<sup>1</sup> UNDAF III Result Areas – Nigeria 2014 – 2017: 1: Good governance; 2: Social Capital Development; 3: Equitable and sustainable Economic Growth; 4: Human Security and Risk Management.

(4) top sources of funding for the CP in the period were in that order of magnitude; the European Union (EU), the Government of Nigeria GoN, GEF and the Montreal Protocol. Almost 20% of the cost of portfolio implementation was financed by the Government of Nigeria<sup>2</sup>. Nigeria is host to the largest portfolio of projects at the end of 2017, there were 18 ongoing projects<sup>3</sup>.

Funding sources within the country exist at 3 levels; the federal government, state government and private sector levels. Examples of projects funded through Federal Government cooperation include 'Capacity strengthening for sustainable industrial development in Nigeria acc. to NIRP, ITPO, Skills Gaps Assessment, ECP etc.). At the state level, the following states have cooperated with UNIDO Delta, Ebonyi, Kano, Abia, Bayelsa, Kebbi, Lagos, Oyo, Taraba. It is worth recalling that there are 36 federal States in the country and any one can request UNIDO technical assistance at any given time.

Private Public Partnerships and Cooperation (PPP) has been with Heineken for a Water Stewardship Programme in Oyo State and the National Association of Refrigeration and Air Conditioning Practitioners (NARAP) in Oyo state.

#### *1.2.2.2. CP Relationship with Sustainable Development Goals (SDGs)*

The CP, assessed by this IE commenced about four years before the global launch of the SDGs in September 2015. Although UNIDO's CP 2012-2017 in Nigeria was committed to delivering on the global goal of Inclusive and Sustainable Development (ISID) as is evident in its title of 'Economic Transformation through Sustainable and Inclusive Industrial Development and Trade of Value added Products', programming was well underway when the SDGs were adopted as the global development compact. However, projects in the portfolio were already addressing to a large extent the mandate to promote and achieve shared prosperity and environmental sustainability. It is expected that the next CP 2018 – 2022, would more concertedly address the SDG Goal 9 to 'build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation" for which UNIDO is the lead UN agency. The programme outcomes respond to many targets of the SDG goal 1 which reflect several national priorities in Nigeria's programme of development.

While acknowledging that all components of UNIDO programmes in Nigeria align with the country's development goals and priorities of the GoN, this IE was undertaken to determine the extent and nature of the impact of support for the period under review.

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<sup>2</sup> Programme Officer Presentation to ET 9<sup>th</sup> October 2017

<sup>3</sup> <https://open.unido.org/projects/NG/overview>

Table 1.1: Project and Budget by Theme/Cluster

Theme /Cluster	No. of projects (%)	Budget in USD (%)	Relation to Thematic Priority of Country Programme Nigeria
<b>Creating Shared Prosperity</b>	<b>13</b>	<b>12.092.392</b>	<b>Poverty reduction through Productive activities</b>
Value chain	4	4.378.691	<b>Theme A</b>
TCB	1	1.764.203	<b>Theme A</b>
Policy	2	2.740.647	<b>Theme A</b>
Job creation	4	1.639.551	<b>Theme A</b>
<b>Advancing Economic Competitiveness</b>	<b>12</b>	<b>53.578.696</b>	<b>Trade Capacity Building (TCB)</b>
Quality Infrastructure	5	46.646.417	<b>Theme B</b>
TCB	2	2.867.504	<b>Theme B</b>
Policy	3	2.698.016	<b>Theme B</b>
Job creation	2	1.366.759	<b>Theme B</b>
<b>Safeguarding the Environment</b>	<b>18</b>	<b>38.431.043</b>	<b>Energy and Environment</b>
Environment	7	26.625.916	<b>Theme C</b>
Energy	5	7.604.323	<b>Theme C</b>
Policy	1	500.000	<b>Theme C</b>
MP	5	3.700.804	<b>Theme C</b>
<b>Field Operations Support</b>	<b>2</b>	<b>1.904.267</b>	
Policy	2	1.904.267	<b>Theme A, B and C</b>
<b>Grand Total</b>	<b>45</b>	<b>106.006.398</b>	

## 1.3. Evaluation Purpose, Scope and Methodology

### 1.3.1. Purpose

The aim of country evaluations in UNIDO is to assess the utility of the organization's work to Member Countries; the consistency, harmonization and alignment of UNIDO interventions with national priorities, as well as other United Nations efforts including binding global agreements such as Agenda 2030 and the Sustainable Development Goals (SDGs). This evaluation serves the purpose of identifying areas of UNIDO's work in Nigeria that require improvement and, to support the development of the successor country programme of cooperation.

### 1.3.2. Evaluation Questions

The evaluation was guided by 17 specific questions in 7 areas of assessment as represented below<sup>4</sup>.

#### **1. Programme design: were the potential synergies between different projects exploited?**

1.1 To what extent were the potential opportunities for synergies/ linkages/ cooperation between different projects within/outside the CP, exploited for increased magnitude of results/impact to the country?

1.2. What are the CP and/or UNIDO interventions' underlying theories of change?

#### **2. Relevance: How relevant were UNIDO interventions in Nigeria?**

2.1. What was UNIDO's primary role in Nigeria? What was UNIDO's comparative advantage?

2.2. To what extent were UNIDO interventions aligned with Nigeria's national and UNDP development priorities?

2.3. To what extent has UNIDO added value to the UNDP?

2.4 To what extent the UNIDO interventions are linked to ISID and to NIGERIA's 2030 Agenda and to the achievement of the national Sustainable Development Goals (SDGs)

#### **3. Effectiveness: To what extent have UNIDO interventions achieved the intended outcomes?**

3.1. What have been the qualitative and quantitative results (outputs, outcomes and impacts) of UNIDO interventions? Do the results correspond to those envisaged in UNIDO projects and programme(s) documents?

3.2. What were successful interventions? Which good practices could be identified?

#### **4. Sustainability and Impact: How lasting are the effects of the UNIDO interventions?**

4.1. How strong is the ownership among stakeholders (e.g. government and other key stakeholders)?

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<sup>4</sup> The evaluation questions are extracted from the ToRs for this IE (Annex 1)



4.2. What are the prospects for contributing to long-term changes, benefits and development results?

**5. Efficiency: How have the UNIDO interventions in the Nigeria been managed?**

5.1. To what extent have interventions been monitored, evaluated and reported on? Are results documented? (Output, outcome and impact level)

5.2. What are UNIDO's implementation management strengths and weaknesses?

**6. Gender and youth perspectives: How have gender and youth goals been integrated in UNIDO interventions in the Nigeria?**

6.1. To what extent were gender and youth addressed in UNIDO interventions?

6.2. To what extent have women and youth benefitted from the projects in particular with regard to employment and income?

6.3. Are gender and age disaggregated data available? (Pre- and post- intervention, data on results)

**7. UNIDO's Regional Office (RO): How adequate is the support provided by the UNIDO country office?**

7.1. How adequate is the support provided by the UNIDO country office with regard to coordination, implementation and monitoring of UNIDO projects?

7.2. How adequate does the Office manage relations with the government and other key stakeholders?

7.4. To what extent does the Office contribute to UNIDO's visibility in Nigeria?

**1.3.3. Evaluation Scope and Focus**

This IE is based on a sample of UNIDO's broader programme portfolio in the country as required by the ToRs. The project selection was stratified at the thematic level and random within project clusters to satisfy the set of criteria identified to ensure balance and representativeness. The criteria for sample selection included the following;

- National projects representative of UNIDO's priorities and thematic clusters
- Project (or groups of projects) with budgets exceeding 1,000,000 USD
- Projects completed or planned to be completed by 2017
- Projects with high impact potential
- Projects outside the Montreal Protocol (MP<sup>5</sup>)

The three CP themes (pillars) each comprised of a cluster of projects from which a representative sample was randomly drawn for evaluation to satisfy the above listed conditions.

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<sup>5</sup> An MP programme evaluation was conducted in 2016

A total of 32 projects and activities were selected for evaluation from a list of 45 national and regional projects etc. Projects selected were those initiated or started in 2012. This number represents 71% of all the projects. Regional projects were however not examined by this IE.

### 1.3.4. Evaluation Approach and Methodology

The IE was designed and conducted as a collaborative participatory learning exercise which engaged and involved a broad spectrum of stakeholders applying mixed methods which included project case studies, document review of the extensive documentation existing in both paper form and the Open Data Platform of UNIDO<sup>6</sup> as well as a short electronic survey<sup>7</sup>. Triangulation deployed four (4) distinct sources of information namely; document analysis, interviews, direct observation and survey. A total of 189 individuals many of them key informants were interviewed individually or in groups<sup>8</sup>. Three group interviews and six (6) FGDs were conducted in Lagos, Abuja, Kano, Abakaliki and Warri. The electronic survey was launched online for three weeks to encourage wide participation. The e-survey (Annex 4), sent to 182 email addresses was not delivered in thirty (30) instances while fifty-one (51) responded giving a response rate of 29.8%. Some of the survey respondents were also interviewed.

#### 1.3.4.1 Data Collection and Analysis

Data collection tools and protocols were carefully developed to seek answers the evaluation questions and respond to the issues raised by the evaluation commissioners in a systematic manner to guarantee the validity of findings (see Annex 4). A detailed evaluation matrix used for the evaluation can be found in Annex 7.

A combination of primary and secondary data was collected from UNIDO staff and project implementers in federal, state, private sector institutions, civil society organizations (CSO) and private sector project beneficiaries. Visits to a select number of project sites also gave the ET first-hand information about the projects, activities and their implementation. The UNIDO open access portal of the website was also a source of information.

The survey data was subjected to quantitative analysis which generated percentage distribution and similar descriptives whereas qualitative data was analyzed manually deploying content and thematic clustering.

#### 1.3.4.2 Limitations of the Evaluation

- Data collection challenges resulted in a smaller than planned number of activities and projects visited. For two of those selected it was impossible to meet with or visit the project representatives in the time of the evaluation. At the time of this report, some partners had not been interviewed.
- In number of cases, promised documentation never materialised while in other cases full documentation was limited or inaccessible to the ET.

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<sup>6</sup> <https://open.unido.org/projects>

<sup>7</sup> See Annex 4

<sup>8</sup> See Annex 2

## 1.4. Country Context

### 1.4.1. Historical Context

Nigeria's population has grown steadily from 48.03 million in 1963 shortly after independence to an estimated 186 million in 2016. The discovery of oil in the early 1960s ushered in an unprecedented level of revenue growth in the 1970s and held great promises for transforming the country from a rural agro-based economy to an industrialized state. Sixty years on, this dream remains unrealized owing to the inability to fully develop other sectors and over-dependence on oil. Several analysts identify oil as the bane of Nigeria's economic development as the dependence on oil created a mono-product economy and stifled the development of other sectors while the revenue from it ensured that policy did not pay attention to the long-term consequences.

Key economic indicators show an economy with wide revenue swings, which in most cases is unable to attain economic projections. At present, economic indicators provide dim prospects with GDP growth lagging behind population growth. Available data show a spiraling population growth rate of 2.44% on the average while GDP recorded a negative growth in 2016; unemployment rate is 14.2% at present with youth unemployment alarmingly high at 47.4%.

Table 1.2 shows the contribution of major sectors of the economy to the GDP showing the industrial sector – including mining, quarrying, and manufacturing – lagging behind agriculture, forestry and fishing.

*Table 1.2: Contribution of Major Sectors to Nigeria's GDP<sup>9</sup>*

Sector	Contribution to GDP (%)
Mining and Quarrying	15.39
Agriculture, forestry and fishing	39.1
Other service activities	5.33
Information and communications	21.10
Manufacturing	15.96
Education	3.12
Total	100

No country has overcome poverty and achieved sustained development without industrialization. Industry provides the greatest opportunity for large populations to go to work and earn income on a sustained basis. Nigeria's oil industry held the promise to provide an anchor for its industrialization but operates largely an enclave economy where most of the industrial activities take place abroad. The 2010 Nigeria Content Act was enacted to reverse this trend, compel the participation of Nigerians and Nigerian companies in the oil and gas sector and support industrialization but outcomes remain largely unrealized.

Nigeria has implemented a series of development plans and visions since independence in 1960 to find the right approach to development. This search reveals a long history beginning with the

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<sup>9</sup> Source: National Bureau of Statistics <http://nigerianstat.gov.ng/>

rolling plans of the 1970s through the contemporary visions at the turn of the millennium. Implicit in the development agenda is a desire to industrialize through the complementary strategies of import substitution and diversification of exports. Nigeria, to date has had:

- Four national development plans 1962 – 1985
- Three-year rolling plans between 1990 – 1998 set within a long-term vision
- A medium-term plan between 2003 and 2007, the National Economic Empowerment and Development Strategy (NEEDS), which focussed on wealth creation, employment, poverty reduction and value re-orientation
- Vision 2010
- Vision 20:2020, which seeks to place Nigeria amongst the first 20 economies in the world by the year 2020 through various strategies especially industrialization
- The Nigeria Industrial Revolution Plan (NIRP), a long-term policy created in 2014 to industrialize and diversify the economy for economic competitiveness; and
- The ERGP (Economic Recovery and Growth Plan), initiated in 2015 as a medium-term policy for 2017 – 2020, to promote macroeconomic stability and diversify the economy with particular focus on growth in industry, manufacturing and key services; social inclusion, and building infrastructure for economic competitiveness. The ERGP is a complement to the NIRP.

Nigeria is a signatory to the African Union (AU) Agenda 2063 (2013 – 2063) for the rapid industrialization of the continent.

In general terms, the development plans convey national intent to transition from rural agro-based productivity to an industrialized economy. But putting policies to practice has not been that straightforward or effective.

Available statistics show that Nigeria trails far behind its peers in key economic and development indicators. The 2016 UN Human Development Index (HDI) rated Nigeria in position 152 out of 188 countries of the world thus placing her in the league of low income countries like Cameroun (153) and Zimbabwe (154). The country also trails others like Ghana and Zambia (139), Gabon (109) and Equatorial Guinea (135). Current National Bureau of Statistics (NBS, 2017) report shows that the GDP, as at the third quarter of 2017, grew by a meagre 1.40%, while Consumer Price Index, (CPI) stood at 15.9%; unemployment was at 14.2%, underemployment at 21 % and youth unemployment at an alarming 47.40 %<sup>10</sup>. Several factors account for these discouraging development results.

## 1.4.2. National Development Challenges

### 1.4.2.1. Policy Discontinuities and Development Pathways

Successive governments in the country create and implement policies whose duration terminates with their exit<sup>11</sup>. Since 2003, the country has pursued policies that did not follow a continuum beginning with the National Economic Empowerment and Development Strategy

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<sup>10</sup> See National Bureau of Statistics <http://nigerianstat.gov.ng/>

<sup>11</sup> Ibietan, J. & Ekhosuehi, O. (2013). Trends in Development Planning in Nigeria: 1962 to 2012. *Journal of Sustainable Development in Africa*, 15 (4): 297-311.

(NEEDS) of the Obasanjo administration through the Seven-Point and Transformation Agendas of the Yar'Adua/Jonathan (2007 – 2015) and the current Economic Recovery and Growth Plan (ERGP) of the present administration. The result has been absence of consistency. Policy inconsistencies have led to the poor foreign investments required to support the economy, create employment and sustain a stable exchange rate. Over the years, there has been disconnection between monetary policies as designed and implemented by the Central Bank of Nigeria (CBN) and fiscal and trade policies favoured and implemented by the Ministries of Finance and Industry, Trade and Investments respectively. Consequently, efforts to stem domestic inflation and foreign exchange rate fluctuations are undermined by the excessive release and sharing of funds from excess crude oil and unplanned increases in public spending.

#### *1.4.2.2. Insecurity*

Nigeria continues to grapple with insecurity. Since the advent of the Boko Haram and more recently, the so called 'Fulani cattle herdsman/farmer clashes', much destruction has been wreaked on civilian populations across many states of the country. On the other hand, the challenge of pipeline vandalization and destruction of oil infrastructure in the Niger Delta remains a recurring if contained menace. The manifest consequences of insecurity to development include the number of lives lost, wanton destruction of property and farms, and disruption of economic activities.

#### *1.4.2.3. The Infrastructure Deficit*

The Nigerian economy generally is a consumption-oriented economy. The bulk of the country's external income comes from the sale of crude oil and the proceeds mainly used to import all kinds of foreign goods and services for consumption. The national budget is usually skewed in favour of recurrent (immediate consumption) expenditure with less than 30% for capital expenditure. The cumulative effect of this expenditure pattern overtime is serious infrastructure deficit which leaves industrialists with little choice than to embark on the provision of these vital amenities such as power, roads, water, etc. This increases the cost of doing business<sup>12</sup> and makes Nigerian private sector businesses globally uncompetitive.

#### *1.4.2.4. Leadership and Corruption*

The leadership challenge seems to be the driving force behind other factors giving rise to development bottlenecks in Nigeria. Studies by Dike (2011)<sup>13</sup> and Gberevbie, Shodipo and Oviasogie, (2013)<sup>14</sup> suggest that Nigerian leaders are less than effective in the performance due to inadequate preparation prior to ascension to leadership positions, poor understanding of the core responsibilities and issues of governance and the absence of frameworks to ensure transparency and accountability. A National Bureau of Statistics (NBS) report covering the period between 2015 and 2016 shows that over N400 billion exchanged hands as bribes in

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<sup>12</sup> See World Bank Doing business 2014

<sup>13</sup> Dike, V. E. (2011). *Revising Instrumental Leadership Problem in Nigeria*. Ibadan: Ibadan University Press.

<sup>14</sup> Gberevbie, D. E., Shodipo, A. O. & Oviasogie, F. (2013). Leadership and Accountability: The Challenges of Development in Nigeria.

*Thought and Practice: A Journal of the Philosophical Association of Kenya*, 5 (1): 121-140

public service alone<sup>15</sup>. The corrupt tendency in Nigeria is widespread common knowledge. All these factors continue to hinder economic development in Nigeria.

#### 1.4.2.5. *The Structure of the Economy:*

One of the key challenges to development is the structure of the Nigerian economy. For over forty years, the economy has been running on crude oil sales a situation referred to as mono-product economy. Less than 2% of the population of the country benefits from the oil economy comprising mainly people who work in oil companies and members of the political class and public servants who collaborate with them to mismanage proceeds from oil sale. The Nigerian economy is polarized with few islands of wealthy persons and many poor people. This explains the absurd situation where the economy is growing at average of 6% between 2000 and 2014 without creating jobs<sup>16</sup>. The industrial sector that should add value to primary products is operating sub-optimally due to the high cost of doing business. Some multinational companies have taken leave of the country to nations where the cost of doing business is considered better.

#### 1.4.3. Brief Overview of Recent Economic Developments & Industrial Trends

Economic developments in Nigeria have been determined almost exclusively by global trends in the oil industry because of its heavy dependency on oil. Three phases define recent economic developments in Nigeria beginning with the return to democracy in 1999.

The first phase, coinciding with the return to civil rule and lasting for close to a decade, was marked by massive privatization of state assets, State Owned Enterprises (SOEs) - and licensing for various services in the country. These SOEs were established as a strategy for leading rapid economic growth and industrial development. The investments were mainly in infrastructure and industry like oil and gas, iron and steel, manufacturing, etc., and less in services like communications – telecommunications, radio and television, electricity, etc. Investment in these SOEs were funded from the public treasury and heavily dependent on government subventions for operations resulting in state control and pronounced inefficiency. The pronounced inefficiency and state control resulted and reinforced an unsustainable national debt compelling the case for a privatization programme that, which began in 1999, and a request for national debt forgiveness. In October 2005, the Paris Club of creditors approved a debt relief to Nigeria worth \$18 billion and an overall reduction of Nigeria's debt stock by \$30 billion much of which the country deployed to achieve the MDGs. This was effected through PRSPs developed by both the national and sub national governments and the establishment of a conditional grant scheme to sub national governments to achieve the MDGs.

The privatization programme was widely criticized for issues related to non-observance of due process and corruption. However, most enterprises privatized and in particular industries have either closed or struggled for survival while a few concerns in the service sector especially telecommunications – privatized and newly licensed – have flourished.

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<sup>15</sup> National Bureau of Statistics Reports (NBS), 2017

<sup>16</sup> Okonjo-Iweala, N. (2014). *Responses to 50 Questions on Nigerian Economy* to the House of Representatives Committee on Finance on 19<sup>th</sup> December 2013, posted in online January 15, 2014.

The second phase marked by a change of administration signaled a period of consolidation both in the privatization and economic liberalization programmes, which began in the previous period. The country also witnessed increased revenues from higher oil prices but was like many others victim of the 2007 - 08 global financial crises and a subsequent slump in oil prices. Njiforti, P. investigated the impact of the financial crisis on the Nigerian stock market using the All Share Index (ASI) and the Dow Jones Index (DJIA) as proxies for the Nigerian and US stock markets respectively; and private credit, money supply (MS), and price of crude as domestic variables that were theoretically assumed to transmit the crisis to the domestic stock market. His findings reveal that the crisis significantly impacted the local stock market both in the short and long run. In his conclusion, "Credit to the private Sector (CPS), Money Supply (Ms) and price of crude oil (oil) were affected during the financial meltdown as the price of crude slumped to a record low level. This by implication affected the Ms and CPS and all these had adverse effect on the Nigerian capital market as a drastic reduction in idle balances". This result reinforced a well-documented challenge of the real sector in Nigeria – absence of credit for industrial productivity, and this brings us to the third and contemporary phase.

The third phase is compounded by two main economic challenges: the crash of crude oil price and the ill-advised decision to embark on capital controls late in 2015. The result has been the inability of government to fund its budget but more importantly, the flight of foreign investment and the resultant escalated foreign exchange rate leading to the depreciation of the Naira. At some point in the recent economic history, the country recorded over 200% increase in the exchange rate. While the country liberalized, the bulk of its foreign investors were portfolio investors. There was very minimal foreign direct investment. This composition of foreign investment exposed the country to economic disturbances as experienced because portfolio capital is subject to sudden reversal.

Recent economic challenges in Nigeria have been the result of the inability to diversify the economy away from oil and give attention to developing other areas of comparative advantage – the real sector - namely agriculture and value-added processing. A fundamental error is that successive administrations did not act to develop the real sector, which has the potential to provide jobs and grow the GDP. For as long as oil was available, action on diversification i.e. developing agriculture and industry - was either ignored or deferred.

Industrial activities in Nigeria encompass a wide range of sectors involving mainly the well-known oil and gas sector, manufacturing, mining and quarrying, a host of other activities and to a lesser extent, agriculture and fisheries. The oil and gas sector is well developed and advanced in terms of technology mainly due to the fact that it is driven by technology and operated almost exclusively by global MNCs who are in joint venture arrangements with the federal government. The sector operates an enclave economy where most operations are conducted abroad and only deployed in Nigeria at completion; hence, there is very little value addition and local content and capacity development for industrialization. Another implication is that jobs meant for citizens are shipped abroad in this arrangement. With this situation has come several calls for diversification of the economy to reduce the dependency on oil and provide opportunity for the development of the real sector.

Manufacturing in Nigeria has been dominated by a valorization of raw materials and the import-substitution model with substantial subsidies at various stages. But capacity utilization remains low at 48.50% in the first quarter of 2017 because the incentives are simply not enough to cover

for the inadequacies of infrastructure, lack of access to finance, very low power generation and policy inconsistencies. “Capacity Utilization in Nigeria remained unchanged at 48.50 percent in the first quarter of 2017 from 48.50 percent in the fourth quarter of 2016. Capacity Utilization in Nigeria averaged 55.65 percent from 2009 until 2017, reaching an all-time high of 60.50 percent in the first quarter of 2015 and a record low of 48.50 percent in the third quarter of 2016”. Prime lending rate is at the double digit and could go as high as 25% with bank charges included while the average rate of return on investment is rated amongst the highest, globally. “Interest Rate in Nigeria averaged 10.62 percent from 2007 until 2017, reaching an all-time high of 14 percent in July of 2016”.

Studies on manufacturing in Nigeria have focused on small-scale industries and some behavioural aspects of manufacturing at the regional level, which highlight factor endowments. There is little linkage between industries in the context of industrial symbiosis but a clear recognition of the need to leverage the country’s comparative advantage exists hence the present focus on manufacturing and value-addition in agriculture and agro processes to feed industry. Challenges in agriculture include: knowledge gap, access to credit, poor storage facilities and absence of infrastructure, power supply, outdated technology and inconsistent government policies. Recognizing the importance of industry and the attendant challenges, the federal government has revisited and revised several industrial blue prints and developed new initiatives such as NIRP, the SCPZ and NIRSAL to industrialise and grow the economy.

#### 1.4.4. Related Government Policies, Strategies and Initiatives

The GoN has responded to the developments and trends discussed in the preceding section with a handful of economic policies and programmes at various stages of implementation.

##### *1.4.4.1. Nigeria’s Vision 20:2020*

Amongst several goals, Nigeria’s Vision 20:2020 makes the eradication of hunger and extreme poverty a cardinal objective in guaranteeing the wellbeing and productivity of the Nigerian people. A key dimension of the Vision is developing a globally competitive economy enabled by four main strategies that focus on addressing constraints to growth, aggressive pursuit of transformation from a mono product to diversified industrial economy, investment in human capital and more importantly, investments in infrastructure including soft and hard and soft infrastructure to create an enabling environment for industrial competitiveness. These strategies rest on the country’s ability to stimulate primary production in order to enhance the competitiveness of the economy through such targeted activities as:

- Promoting minerals and minerals sector
- Diversifying agriculture
- Developing the oil and gas sector
- Exporting processed and manufactured goods
- Developing industrial clusters, and
- Prioritizing industry subsectors for value chain development



#### *1.4.4.2. The Nigeria Industrial Revolution Plan (NIRP)*

More recently, with the downturn in oil revenues and dim prospects for the long-term, the government has begun to look more closely into a sustainable path to development by identifying industrialization as the key catalyst. The Nigeria Industrial Revolution Plan, NIRP, and more recently - in response to the 2016 – 2017 recession - the Economic Recovery and Growth Plan, ERGP are the two documents which demonstrate this new direction, with the detailed plan being articulated in the NIRP.

The opening remarks of the NIRP note that there is hardly any country that has achieved economic growth and reduced unemployment without industrialization; hence, the NIRP seeks to diversify the economy and address the soft and hard infrastructure issues hindering productive activity with the set goals of moving Nigeria beyond merely selling raw materials to value-added productivity which promotes industrialization, increased capacity utilization, greater employment, and improved balance of payments position through import substitution and economic diversification for export. Underlying these goals is a focus on competition advanced through a five-year plan to build up industrial capacity and improve competitiveness, and in addition to providing, provide linkages between trade policy, industrial and investment policy. “The NIRP is anchored on a desire to drive the process of industrialization based on sectors where Nigeria has comparative advantage to deliver the desired outcomes of job creation and employment, economic and revenue diversification, import substitution, export diversification, and a broadened tax base”. The context of its infrastructure programme is to provide both soft and hard infrastructure for trade and competitiveness through the development of quality infrastructure – metrology, standards, conformity assessment bodies, etc –; improvements and provision of more physical infrastructure, to enable participation in the global economy. Through the NIRP, the GON clearly identifies economic diversification and industrialization as key priorities. The plan seeks to rapidly build up industrial capacity and improve competitiveness and identifies industry groups where Nigeria has comparative advantage to develop them along the lines of value addition for competitiveness. The goal is to move Nigeria beyond selling just raw materials into more value-added manufacturing activities. At the heart of the NIRP is the need for competitiveness.

#### *1.4.4.3. The Staple Crop Processing Zones (SCPZ)*

The GoN has drawn up a master plan for the development of Staple Crop Processing Zones (SCPZs) across the country. The SCPZ concept, supported with technical expertise from UNIDO, focuses on attracting private investments – local and FDI – to agribusiness to establish agro-processing zones and machinery and increase value addition along the agriculture value chain for major commodities produced in the country. The government will make and implement appropriate fiscal, investment and infrastructure policies for the zones including:

- Tax breaks on import of agricultural processing equipment
- Tax holidays for food processors that locate in these zones
- Arrangements for supportive infrastructure, especially investment by the government in roads, logistics, storage facilities and power.
- Infrastructure would focus on power, irrigation, flood control, roads, rail, air etc.
- Arrangements to link farmers in clusters to food manufacturing plants in the SCPZs.

- Development of Agricultural Investment Code, in partnership with Ministry of Finance and Ministry of Trade and Investment and CBN”

The Master Plan has been developed for 6 zones in strategic locations across the country identified based on their comparative advantages and willingness of the host state governments to support the initiatives through land contribution among other elements.

#### *1.4.4.4. Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL)*

While credit in general remains a huge challenge in Nigeria, credit to agriculture is almost unavailable in the banks. Owing to the subsistence nature of agriculture in the country coupled with crop failures, preservation challenges, post-harvest losses and a land tenure system characterized by small holdings with hardly any titles, lending for the sector is extremely difficult and risk prone.

The government established NIRSAL in 2013 with a 500 million USD take-off grant to define, measure, price and distribute agri-business related credit risk. The agency is designed to enable the flow of affordable financing to all players along the agriculture value chain and reduce the risks involved. A major strategy is to build the capacities of bank officials and actors in the value chain, on good practices in agricultural financing, loan underwriting, utilization and repayment for between 50% – 75% of credits.

NIRSAL’s main objectives are:

- ‘To fix agricultural value chains in order to provide a reliable platform for de-risking agricultural lending
- To mobilize financing for Nigerian agribusiness by using credit guarantees to address the risk of default
- To provide technical assistance through capacity building across the value chains
- To reduce the cost of borrowing by agricultural producers from commercial banks
- To provide technical advice to agribusinesses’

NIRSAL is presently at its formative stages implementing programmes mostly in the northern part of the country.

#### *1.4.4.5. The ERGP (Economic Recovery and Growth Plan)*

The ERGP was initiated in 2015 as a medium-term policy for 2017 – 2020, to promote macroeconomic stability and diversify the economy with particular focus on growth in industry, manufacturing and key services; social inclusion, and building infrastructure for economic development.

### **1.4.5. Initiatives of International Development Cooperation Partners**

Partnership for development has matured in the last three decades, to a point where it has given deeper meaning to international collaboration in development action. International partnerships are underlined by key notions such as shared responsibility, reciprocal obligations, equality, mutuality and balance of power, accountability, joint decision making, mutual respect,

trust and transparency (Olive, 2013). The Paris Declaration on Aid Effectiveness (2005), the Accra Agenda for Action (2008) and the Busan Partnership for development effectiveness (2011) reinforced the important place of international partnership and collaboration which was initially isolated as one of the 8 Millennium Development Goals at the turn beginning of the 2nd millennium and remains as a key goal (Goal 17) in international development compacts such as the SDGs.

The World Bank, EU, GIZ, DFID, and ECOWAS are some of several international development partners working in Nigeria to promote inclusive and sustainable industrial development through several programmes. The World Bank in partnership with UK-DFID funds the Growth and Employment in States (GEMS) initiative implemented by the Federal Ministry of Industry, Trade and Investments (FMITI). GEMS aims to promote job creation and increase non-oil growth through value chain development, wealth creation and poverty reduction in six industries namely; Information and Communication Technology (ICT), entertainment, wholesale and retail, construction and real estate, hospitality and tourism, and meat and leather. DFID is providing a grant of £90 million and the World Bank a concessionary loan of \$160 million for the project.

ECOWAS is promoting the West Africa Quality Infrastructure Project (WAQIP), the regional complement of Nigeria's National Quality Infrastructure Project (NQIP) with the aim of building regional trade capacity and integrating trade in the West Africa sub region. The objective is to provide and integrate regional trade infrastructures to address issues of standardization, metrology, quality assurance, and conformity assessment within the sub region. Nigeria is a participant and beneficiary of the project.

The EU's 10th EDF has a Private Sector Support programme under which the National Quality Infrastructure Project (NQIP) implemented by UNIDO has been funded to the tune of 12,080,000.00 euros.

GIZ in Nigeria pursues several programmes of support for competitiveness and value chain development and some regional projects in which Nigeria is a beneficiary including; the Nigerian Energy Support Programme (NESP) and the Pro-poor Growth and Employment Promotion in Nigeria project (SEDIN), the Sustainable Smallholder Agri-Business (SSAB) project, and Competitive African Rice Initiative (CARI) the last two projects being regional.

#### *1.4.5.1. United Nations Development Assistance Framework (UNDAF) III Nigeria- Action Plan 2014-2017*

The United Nations Development Assistance Framework (UNDAF) III is a UN system model for delivering strategic programmatic support to countries. UNDAF Action Plans (UAP) are expected to create synergy in the combined work of the UN agencies in Nigeria to engender collaborative planning and implementation of development activities. It provides unified action platform for realising the four (4) key result areas, 18 outcomes and 52 outputs of the UN system in the country. The four result areas of UNDAF III are based on Nigeria's key development priorities as articulated in Vision 20:2020, and the Transformational Agenda.

## 2. Findings and assessment

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### 2.1. Approach to the Assessment of UNIDO CP 2012 -2017

This section of the report details the findings and assessments made by the ET.

Key findings from project visits, the survey and document examinations are presented for the three thematic areas and based on the evidence amassed, an assessment of the CP performance in the respective themes is made for the evaluation criteria of; relevance, effectiveness, efficiency, impact, ownership. The evaluation considered the 'potential for impact' as a fair proxy for assessments of impact. Ownership by stakeholders of project and related activities is often seen as a sine qua non of potential for impact and this discussion refers to it where necessary.

Case study reports of sample projects in each of the three programme themes are presented in Annex 6 and contain more information on the projects.

This section also responds to four (2,3,4, & 5) of the seven evaluation questions presenting the evidence found for the three themes of the CP namely;

- Creating Shared Prosperity (Poverty reduction through productive activities)
- Advancing Economic Competitiveness (Trade Capacity Building) and
- Safeguarding the Environment (Energy and environment).

Gender and youth were treated in this evaluation as cross-cutting issues while policy is given special treatment.

### 2.2. Theme 1: Creating Shared Prosperity (Poverty Reduction through Productive Activities)

#### 2.2.1. Background

Two outcomes characterize this theme:

- i. Improved capacity of Government (Federal and State) and Private Sector to promote sustainable industrial development, and
- ii. Increased agribusiness investment and employment

The outputs associated with the 1<sup>st</sup> theme include;

- Enhanced industrial competitiveness in targeted sectors
- Strengthened private sector for effectiveness
- Increased foreign and domestic investment in manufacturing and the services sector, and;
- Enhanced skills and competencies of FMITI and relevant MDAs.

The second outcome of 'Increased Agribusiness Investment and Employment', the outputs are:

- Improved agribusiness competitiveness
- Enhanced value-addition in targeted food and non-food value chains
- Enhanced the entrepreneurial and technical skills of agro-SMEs linked to markets

A total of fourteen (14) projects address this theme ten (10) of which are national and four (4) regional. Three (3) other 'activities' in support of projects were undertaken in this theme. Table 2.1 below identifies the projects implemented, their budgets and status at the time of the evaluation.

The project 'Support to the Development of Staple Crops Processing Zones, SCPZA' (ID 120624), being implemented with the FMARD, appears to have stalled whereas the 3 ton/hr Efficient Rice Mill project in Ebonyi State - an activity under the CP -, and the "Leather Products Training and Production Centre for stimulating Employment Creation and Rural Economic Growth in Delta State through Leather Products and MSMEs Development", (ID 130002) in Issele Uku Delta State were found to be faring better.

The 3 ton/hr Efficient Rice mill was established to promote value chain development in agriculture and demonstrate efficiency in rice milling encouraging millers in Ebonyi state to adopt the technology to curb waste and increase yield. The project also has the potential to demonstrate linkages between themes in the CP, for instance, energy efficiency and poverty reduction through productive activities by, for example, utilizing rice husk to fuel biomass power generation for rice mill. The project, though experiencing operational and maintenance challenges - discussed in the Annex 6 - has proved beneficial to rice millers across the state and inspired the adoption of 'Efficient Rice Milling' technology by rice millers in the state. Since its launch in early 2017, three other efficient rice mills have been established by private investors in the state validating its value to the local economy.

The Leather Production Training Programme (LPTP) is one of the signature projects which exemplify the Delta State government's "Beyond Oil Policy". It seeks to alleviate poverty amongst the youth in the state by engaging young women and men in productive activities to contribute to job creation, self-employment, income generation, sustainable economic growth and development through a vertically integrated Leather Products Training and Production (LPTP) Centre. A Leather Products Training and Production (LPTP) Centre, located in Issele Uku Delta State an output of the project, commenced operations early 2017, and has trained 280 persons in basic technical designs and patterns, cutting/sewing/padding (assembling techniques) - 14 basic courses and 60 others in 4 high level - intermediate courses at the time of the evaluation in 2017. A few young women and men trained have established their own enterprises and are either producing leather products and hiring workers or providing training for others unable to access the LPTP course for a variety of reasons.

The 'Assistance to the Leather Project Cluster' project (ID 101069) in Kano conceived in 2007 commenced in 2014. The project which established a common facility for leather was set up to support entrepreneurs/ enterprises in leather clusters in Kano and enhances the quality of their products. Equipment was supplied, and a cooperative of over 70 mixed aged men and women work in the facility using equipment supplied by the project. The interviews and FGD showed that some equipment at the facility are not being used because the workers do not know how to operate them as they have not been trained to use them.

The project 'A public private partnership approach to cassava value chain development' (ID 150390) is another example of a challenged project. The idea of this project located in Oyo-Ifelodun was seeded in 1994 after an International Institute of Tropical Agriculture (IITA) Ibadan workshop where the benefits of technological application in cassava proceeding were

heighted. In 2008 UNIDO conducted a survey to support the realization of the project and a grant was secured from the Embassy of Japan for the project. Although the project is described as closed by UNIDO, the main equipment was fabricated and delivered in 2017 but still not assembled at the time of the IE. This is an example of a seriously challenged project with major lessons for implementers and funders.

*Table 2.1. Projects in Theme A - Creating Shared Prosperity*

Creating Shared Prosperity						
S/N	Outcome	Project No	Project Title	Location	Budget US\$	Status
1.	2.1	160076	Strengthening the coordination mechanism in the Ministry of Agriculture and Rural Development, and support the staple crop processing zones	Nigeria	300.000,00	Ongoing
2.	2.3	150390	A public private partnership approach to cassava value chain development	Nigeria	21.819,00	Ongoing
3.	2.3	130020	Promoting Inclusive and Vibrant Growth of Africa by Investing in Youth through Entrepreneurship, Technical and Vocational	Regional	1.163.920	Ongoing
4.	2.3	130002	Leather Products Training and Production (LPTP) Centre for Stimulating Employment Creation and Rural Economic Growth in Delta	Nigeria	946.858	Ongoing
5.	CP	120552	Revised Country Programme of Cooperation between UNIDO and the Federal Republic of Nigeria	Nigeria	2.287.801	Ongoing
6.	2.1	120624	Supporting Nigeria's Staple Crop Processing Zones (SCPZs)	Nigeria	1.269.300	Ongoing
7.	2.3	120043	Youth Employment and Entrepreneurship Forum - Job Fair	Nigeria	164.666,00	Completed
8.	2.2	101061	Improving the income generating potential of the oil palm in west and central African Region (Cameroon and Nigeria)	Regional	3.271.956	Completed
9.	1.3	102004; 102117	Capacity-Building Of Investment Promotion Agencies (Ipas) In Sub-Saharan Africa	Regional	1.764.203	Completed
10.	CP	101066	The Country Service Framework of Nigeria (Phase II): Nigerian Textile Cluster Development	Nigeria	452.846,00	Completed
11.	2.3	101069	Assistance to the Leather Cluster Kano	Nigeria	138.058,00	Completed
12.	2.3	101210	Youth entrepreneurship development and IT capacity building in Nigeria	Nigeria	95.042,00	Completed
13.	CP	107023	Csf Nigeria, Phase Ii (Central Budget)	Nigeria	1.025.453	Completed
14.	2.3	100341	Youth As Catalysts For Agribusiness Development And Growth In Western And Central Africa	Nigeria	215.923	Completed

## 2.2.2 Findings

It was found that projects have been developed to address all identified outputs. Of the 14 projects and activities undertaken in this theme, eight (8), three (3) and two (2) comprising 53%, 20% and 13.3% commenced respectively in 2010, 2012 and 2013. One project each was started in 2015 and 2016. All the projects started in 2010 were 'operationally' completed although the ET found that there were outstanding issues with partner expectations of unfinished business with two of these -ID 101061- 'Improving the income generating potential of the oil palm in west and central African Region (Cameroon and Nigeria)' and ID 101069- 'Assistance to the Leather Cluster Kano'. Six projects (40%) were ongoing at the time of the evaluation; other than one 2012 project - 'Youth Employment and Entrepreneurship Forum - Job Fair' (ID 120043) which was completed, all projects commenced from 2012 were still being implemented at the time of the evaluation.

## 2.2.3 Assessment

### 2.2.3.1. *Relevance*

All the projects and activities in this theme of Creating Shared Prosperity (Poverty reduction through productive activities) were found to demonstrate relevance and alignment with national development priorities.

On a 4-point rating scale of Very Good, Good, Fair and Poor, the ET found relevance of this theme to be 'very good'.

### 2.2.3.2. *Efficiency*

Efficiency, considered by this evaluation as the nature of use of resources including human, material and time, was found to be suboptimal. All eight of the fourteen projects commenced in 2010 were completed in this CP period. Of the two 2012 projects, one - a 'Youth Employment and Entrepreneurship Forum - Job Fair' project ID 120043, was completed in the period while the other 'Supporting Nigeria's Staple Crop Processing Zones (SCPZs)' ID 120624 is still ongoing. All the 2013, 2015 and 2016 projects are still ongoing. One project (ID 101069) officially designated as completed by the RON is considered incomplete by the project partners and implementers because of a still outstanding planned training.

Most interview respondents described delays as a regular feature of project implementation.

The ET rates the efficiency of this theme as 'poor'.

### 2.2.3.3. *Effectiveness*

The programme has recorded a handful of impressive outputs in the CP period including; industrial policy instruments, strategic plans, action plans and operational road maps for both the federal and state governments. Five States (Abia, Bayelsa, Ebonyi, Lagos and Oyo), have been supported to develop industrial policies, while a national policy for Staple Crop Processing Zones and a 2-year action plan for the revitalization of the Tomato sector in Nigeria have been created. While most of the plans are not yet legal and binding instruments, some of them and

parts of others are slowly seeping into practice and public consciousness. The Tomato action plan is reported to have made a positive mark on the national action score board.

Curricula especially for entrepreneurship and business skills have been developed and although they are currently not in nation-wide use, the ET found that UNIDO has contributed to improved capacities required in both the public and private sectors for the promotion of sustainable industrial development and increased agribusiness investment, trade and employment. The extensive curricula developed by the Nigeria Educational and Research Development Council (NERDC) project (ID 130020) with UNIDO support are lying idle.

Business (especially agri-business) practices have been positively impacted. Many key informants and FGD participants who had received training attest to changing mindsets in their approach to entrepreneurship and positive changes in their business practices. In Ebonyi state, the establishment of an efficient rice mill for a private sector market association, the Abakiliki Rice Mill Owners' Association, is yielding fruit in rice production, rice output, and member incomes. Participants in the Youth entrepreneurship development project -ID 101210 reported having created employment and generating income for themselves.

Some instances of challenges to the effective delivery of projects in this theme were observed;

- Delays were common in project implementation, arising from late release of funds from counterparts i.e. partner government agencies e.g. those involved in the HP LIFE' as well as others.
- The 2015 project (ID 150390) 'a public private partnership approach to cassava value chain development' had the main equipment fabricated and delivered in 2017 but still not assembled at the time of the evaluation. This is an example of a seriously challenged project with poor partner responses, in this instance, the Raw Materials Research and Development Council (RMRDC).
- The UNIDO exit strategy was called into question when the 3 ton/hr Efficient Rice Mill in Abakiliki Ebonyi State abruptly shut-down due to operational and maintenance issues (See Annex 6).

Based on the above factors, the ET rates the effectiveness of this theme using a four-point scale of; very good, good, fair and poor as 'good'.

#### *2.2.3.4. Impact and Sustainability*

The collective potential for impact of the projects under the theme 'Creating Shared Prosperity' is given a 'Fair' score. Three reasons inform this score. Firstly, the evidence available to the ET suggests that only one of the half dozen policies developed in the period have become law or binding i.e. adopted. Secondly, impressive as the training in the projects is, the numbers trained to date remain small in comparison to the relevant populations either of youth, women or government officials who need it and who number in the millions. The effects/gains are small although not insignificant. Finally, the gains of training and practice are reversible without further reinforcement or follow-up support.

Follow-on support speaks directly to sustainability. There are cases where required training has either not been given or insufficiently provided for the skills required to continue learned



practices after project termination; as for example in the Efficient Rice Mill project in Ebonyi, and ‘Assistance to the Leather Cluster Kano’ where training to operate and maintain the equipment was not provided.

The industrial policies so far developed may fall to disuse or not become law i.e. enacted and adopted due to several political processes including changing governments and/or agendas, political control wars including intrigue, manipulation, and rotation of senior officials - a common practice in the country.

## 2.3. Theme 2: Advancing Economic Competitiveness (Trade Capacity Building)

### 2.3.1. Background

The second theme in the UNIDO Nigeria CP of ‘Advancing Economic competitiveness’ (Trade capacity building) responds to the third outcome of the CP. It seeks to develop in-country capacity for trade and competition in the global exchange of goods and services. The country is in dire need of quality infrastructure of internationally acceptable standards for safety, integrity and marketability of goods and services to surmount technical barriers to local, regional and international trade. The poor state of this infrastructure is underscored by the historic rejection and ban of 100 Nigerian commodities by the EU. The projects and activities in this theme are geared to ensure that Nigeria’s trade and quality infrastructure are strengthened for improved safety and marketability of Nigerian goods and services, globally.

Quality Infrastructure (QI) is defined as the totality of “institutional framework (public and private) required supporting and implementing standardization, metrology (scientific, industrial and legal), accreditation and conformity assessment services (inspection, testing and product- and system certification) necessary to provide acceptable evidence that products and services meet defined requirement<sup>17</sup>.

Table 2.2. Projects in Theme B- Advancing Economic Competitiveness

Advancing Economic Competitiveness (Trade Capacity Building)			
Project #	Project Title	Scope	Status
130220	The National Quality Infrastructure Project (NQIP) for Nigeria: Building Trust for Trade	National	Ongoing
140203	West African Quality System Support for the implementation of the ECOWAS quality policy	Regional	Ongoing
140318	Investment and Technology Promotion Office (ITPO) in Nigeria	National	Ongoing
140070	Capacity strengthening for sustainable industrial development in Nigeria	National	Ongoing
140012	National Industrial skills gaps study in Nigeria	National	Ongoing
140071	Facilitating job creation through the Entrepreneurship Training Programme "Learning Initiative for Entrepreneurs"	National	Ongoing

<sup>17</sup>See NQIP Inception Report, June 2014

102173	UNIDO-HP Cooperation for entrepreneurship and IT capacity building in Africa, Asia, Latin America and the Middle East	Inter-Regional	Completed
102052	Industrial Information System and Computer Refurbishment	National	Completed
102051	SPX Nigeria - Assistance in Establishing an Industrial Subcontracting and Partnership Exchange in Nigeria	National	Completed
106097	Development of the National Quality Improvement Programme (NQI) for Nigeria	National	Completed
106006	West Africa Quality Programme - Support to competitiveness and harmonization of TBT and SPS measures	Regional	Completed
106007	West Africa Quality Programme - Support to competitiveness and harmonization of TBT and SPS measures - UEMOA Component	Regional	Completed

Table 2.2 above shows that all the six (6) projects in this theme, commenced during the CP period from 2013 are still ongoing. Of these, one project ID 140203 is a regional project. All the six (6) projects commenced in 2010 have been completed. One of the ongoing projects (ID 130220) is dominant in the CP activities for the theme – ‘The National Quality Infrastructure Project (NQIP) for Nigeria: Building Trust for Trade’. The overall objective of the project, one of three components of the EU private sector Support Programme, is the enhancement of national quality infrastructure by developing missing quality infrastructure and the enhancing existing elements to improve quality, safety, integrity and marketability of Nigerian goods and services as well as reduce or remove technical barriers to trade. This latter expectation is to be achieved by having an adequate, effective and sustainable National Quality Infrastructure (NQI) in place, consistent with international and regional principles and practices.

The project, with a total budget of 12,080,000 euros is being implemented by UNIDO in coordination with the Federal Government of Nigeria. The project has more than twelve implementing partners with an almost equal number of observers. The project implementers include the following; Weights & Measures Department of the FMITI, Standards Organization of Nigeria (SON), Consumer Protection Council (CPC), Nigerian Export Promotion Council, National Agency for Food, Drug Administration & Control (NAFDAC), Nigerian Association of Chambers of Commerce, Industry, Mines & Agriculture (NACCIMA), Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), Manufacturers Association of Nigeria (MAN), Nigerian Association of Small and Medium Enterprises (NASME) and the Nigeria Customs Service UNIDO’s contribution to the project is 80,000 euros.

The project has five components with the following objectives:

- ✓ Promulgation of a National Quality Policy and legislation for NQI
- ✓ Establishment of a National Accreditation Body
- ✓ Development of a National Metrology Institute, NMI
- ✓ Improvement of Organized Private Sector (OPS) patronage of the NQI and their capacities to create and support conformity assessment bodies (CAB), and
- ✓ Enhancement of the consumer protection role on quality issues as well as increased capacities of consumer associations to lift up the quality offer/culture of Nigerian enterprises

The Evaluation Team (ET) visited seven (7) NQIP implementing partner organizations namely; the Lagos headquarters of the National Association of Chambers Of Commerce, Industry, Mines and Agriculture (NACCIMA), the Lagos Chamber Of Commerce and Industry (LCCI), the Institute of Public Analysts of Nigeria (IPAN)-Lagos, National Association of Small and Medium Enterprises (NASME) - Lagos, Rha'Be Ventures Limited- Lagos, National Metrology Institute (NMI) – Enugu and the Bank of Industry (BOI)- Lagos.

### 2.3.2 Findings

The ET found a certain level of absence of clarity surrounding the composition of projects in this theme. The team interpreted this as arising from the practical implementation of the two poles of the theme i.e. Trade Capacity Building and Advancing Economic Competitiveness; while three (3) of the ongoing projects namely; The National Quality Infrastructure Project (NQIP) for Nigeria: Building Trust for Trade, West African Quality System; Support for the implementation of the ECOWAS quality policy and Investment and Technology Promotion Office (ITPO) in Nigeria (IDs 130220, 140203 and 140318 respectively) address the latter notion, the others - Capacity strengthening for sustainable industrial development in Nigeria, National Industrial skills gaps study in Nigeria and Facilitating job creation through the Entrepreneurship Training Programme "Learning Initiative for Entrepreneurs", (Project IDs 140070, 140012, 140071 respectively) deal more with capacity development.

Nevertheless, the ET found a good degree of internal continuity in the projects from the last CPF cycle into the present – a useful and positive factor for coherence and successful programme implementation and potential for sustainability.

### 2.3.3 Assessment

#### 2.3.3.1 *Relevance*

The projects under this thematic group are very relevant to the nation and align well to her priorities. Specifically, NQIP with its complementary WAQIP represent UNIDO's flagship of technical assistance to Nigeria and a most important intervention towards promoting economic competitiveness in the country. It is therefore, particularly relevant and critical to poverty reduction and employment generation through the competitiveness they build in Nigeria's industry and trade and the integration they bring to regional trade in West Africa. NQIP is facilitating Nigeria's quest to diversify away from oil, enhance the quality and competitiveness of locally manufactured products in the international market and in the process engender increased inflow of foreign exchange, income and employment. The private sector beneficiaries reported that NQIP, through its Technology Incubation Centre (TIC) has provided the opportunity for all the players in the export processing chain to meet, fast tracking export licensing approvals and quality knowledge sharing among members. IPAN, with responsibility for certifying and accrediting laboratories and product analysts in the country now meets regularly with NAFDAC (the quality enforcer) to share common understanding of quality.

Respondents from the BOI stated that COMFAR III is helping them speed-up the processing of the huge volume of financial applications, the analyses and final decisions about lending;

making it more error free and leading to increased success of credit applications and ultimately the volume of credit available to borrowers. This speaks directly to the mandate of the BOI.

On a scale of four (very good, good, fair, poor), the ET rates the relevance of this theme 'very good'.

#### *2.3.3.2. Efficiency*

The evaluation found that projects routinely fall behind deadlines and schedules leading to repeated demands for extension or worse, anxiety (expressed by implementers interviewed) that some programme results will be jeopardized. The quality standards and National Quality Policy (NQP) for example, ready since 2017 has not been presented to or adopted by the Federal Executive Council (FEC), to make it binding and legal. It was equally found that equipment supplied to the NMI was incomplete – i.e. missing critical accessories. The Institute reported that the equipment integrity may be at risk the longer it stays uninstalled. Reasons advanced by respondents to explain the situation include, the red tape and bureaucracy associated with seeking and receiving approvals from UNIDO headquarters, the small staff strength of the RON, and, bureaucratic red tape as well as political power games among senior officials in implementing government agencies. It was reported for instance that the Standards Organization of Nigeria (SON) is against the approval of the National Quality Policy (NQP); a petition to that effect was said to be holding that part of the project hostage at the time of the evaluation because it (SON) is not in favour of any other accrediting and conformity assessment agency.

On the scale of one to four (very good, good, fair, poor), the efficiency of this theme is adjudged to be 'fair'.

#### *2.3.3.3. Effectiveness*

The programme was found to be effective. Programmed activities as well as related components have been and continue to be implemented. Some results found include; 150 trained national quality assessment auditors, 6 quality training centers established, Nigeria National Accreditation Service (NINAS) established, 125 staff of BOI trained on COMFAR III, National Metrology Institute established in addition to a draft National Quality Policy and Good Governance Standards produced and awaiting approval by the FEC. A key outcome of this theme is creation of the so called 'Zero Reject Committee'. The Committee was inaugurated in response to rejection of some Nigerian products in international markets because of poor quality. The Committee is working along with the NQIP to ensure that Nigerian commodities are accepted rather than rejected in the international market place.

BOI staff members attest to the positive influence of the COMFAR III training on their work outcomes.

On a scale of four (very good, good, fair, poor), effectiveness of the Advancing Economic Competitiveness programme is scored 'good'.

#### *2.3.3.4. Impact and Sustainability*

The projects in this programme thematic area have high potential for impact. The evaluation found high levels of consciousness among a wide range of individuals in government, the organized private sector (OPS), and others on related relevant matters. Many more people and organizations are aware of industrial standards of quality otherwise called ISOs, are seeking training and certification, and receiving accreditation for them.

The expectation is that training centres established as part of the projects will remain for a long time after the project and will continue to train more and more individuals and organizations. Those trained under various projects will continue to act as trainers to others thus sustaining the gains over time. Whereas the evaluation found a high potential for impact with the projects in this theme, challenges to sustainability were also observed.

With respect to sustainability, it was found that the challenges are financial and political. The 10th EDF of the EU which funded the NQIP has closed with no plans for extension into another financial cycle. The ET was informed that a proposal for the FGN to provide the required balance of funding for project conclusion has been accepted. If approved, concerns regarding sustainability of the NQIP may be settled but there are never guarantees with government. However, the Programme Manager reported that some funding can be secured from the West African Quality Project to ensure that vital project activities are completed. The status of a completed 2010 CPF project in this theme (ID 102051) titled 'SPX Nigeria - Assistance in Establishing an Industrial Subcontracting and Partnership Exchange in Nigeria', suggests that sustainability is very fragile and may be a fleeting characteristic of projects.

Partners, whether cooperating, executing or implementing, constitute a major factor in ownership. Ownership (and commitment to it) is a necessary condition for sustainability. The BoI is committed to making COMFAR III training a long-term feature of its staff development programme as a way to infuse investment profiling and analysis skills across the entire bank without recourse to UNIDO. The evidence suggests that the BoI has taken full ownership of COMFAR III. The fact that Computer Model for Feasibility Analysis and Reporting (COMFAR III), a software application developed by UNIDO for the analysis and appraisal of investment projects of any kind and size was specifically requested by the Bank of industry (BoI), cannot be ignored. It is reasonable to believe that sustainability of this activity is assured.

It was also reported that the NQIP project was commenced in direct response to a demand by the former Minister of FMITI while the BOI requested and paid for COMFAR III. Except for a few international consultants over 98% of the key personnel driving the NQIP project are Nigerian nationals whereas COMFAR III trainings are largely undertaken by expatriates. On the other hand, despite the large number of implementing agencies (35) for the HP LIFE project, SMEDAN, the principal federal government agency with the mandate for small and medium enterprise development has not shown commitment (ownership) to the project by making available its share of counterpart funding.

On a scale of four (very good, good, fair, poor), the evaluation gives the impact and sustainability of the theme 'good'.

## 2.4. Theme 3: Safeguarding the Environment (Energy and Environment)

### 2.4.1 Background

This theme addresses optimizing the environment for industrial production on one hand and protecting it on the other. Projects implemented under the theme of 'Safeguarding the Environment' promote increased access to energy, energy efficiency in industrial processing, cleaner production, cost-effective and environmentally friendly urban waste management procedures, as well as greater human and institutional capabilities to implement international environmental protocols, conventions and agreements.

The poor situation of generation and distribution of power in the country is widespread, severe and unrelenting. The daily power generation fluctuates around 3,900mw. The World Bank estimates the national power deficit to be about 94,500mw<sup>18</sup>. The Nigerian Government has made several efforts to address this challenge through policies, laws and regulations such as; the National Electric Power Policy (NEPP) of 2001, the Electricity Power Reform Act, EPSRA<sup>19</sup> of 2005, and Nigeria Power Sector Reform Road Map 2010.

Harmful environmental practices in the country include indiscriminate logging and tree felling, gas flaring in the oil industry, and industrial pollution to mention but a few. These result in desertification, erosion, drought and contribute to global changes in global weather and warming arising from ozone layer depletion.

Eighteen (18) projects were implemented in this theme, five (5) of which were regional projects and thirteen (13), national. Table 2.3 below provides a list of the projects and their status at the time of the evaluation. Two (2) activities were undertaken in the CP in support of the theme. These are: Solid Waste Management Policy and Improving Nigerian Industrial Energy Performance and Resource-Use Efficiency through Programmatic Approaches and Clean Technology Innovation Promotion. The ET visited and/or reviewed eight (8) of national projects.

Most of the projects and activities in this theme have been implemented in partnership with government ministries, departments and agencies (MDAs) and to a lesser extent, the organised private sector. The key partners are; the Energy Commission, Federal Ministry of Water Resources (FMoWR), and Federal Ministry of Environment (FMoE).

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<sup>18</sup> See <http://iwin.org.ng/index.php/news/item/4255-https-newtelegraphonline-com-world-bank-nigerias-power-deficit-hits-94500-mw>

<sup>19</sup> For details, see official gazette of Act at <http://www.power.gov.ng/download/Electric%20Power%20Sector%20Reform%20Act%202005.pdf>

Table 2.3. Projects in Theme C – Safeguarding the Environment

<b>Safeguarding the Environment (Energy &amp; Environment)</b>			
<b>Project ID</b>	<b>Project</b>	<b>Location</b>	<b>Status</b>
150170	National Action Plan (NAP) on Mercury for the Artisanal and Small-Scale Gold Mining Sector in Nigeria – Under development	Nigeria	Ongoing
140185	Preparation for HCFC phase-out investment activities (stage II) (refrigeration and air-conditioning manufacturing sector)	Nigeria	Ongoing
130317	Minamata Initial Assessment in Nigeria	Nigeria	Ongoing
120537	Pilot demonstration project on ODS waste management and disposal	Nigeria	Ongoing
120492	HCFC - Phase out Management Plan (Stage I, 2nd and 3rd tranche)	Nigeria	Ongoing
120374	Enabling activities to review and update the National Implementation Plan for the Stockholm Convention on POPs	Nigeria	Completed
120334	Scaling up small hydro power (SHP) in Nigeria	Nigeria	Completed
120119	Scaling Up of Small Hydro Power (SHP) for Augmenting Rural Electricity Access – Nigeria	Nigeria	Ongoing
103052	Promoting Coordination, Coherence, Integration and Knowledge Management under Energy Component of SPWA	Regional	Ongoing
104071	Guinea Current Large Marine Ecosystem (GCLME) Project (EG/RAF/04/001)	Regional	Completed
104061	Regional project to develop appropriate strategies for identifying sites contaminated by chemicals listed in annexes A, B and/or C of the Stockholm Convention. Ghana and Nigeria	Regional	Completed
100260	Mini-grid based on Renewable Energy (Biomass) Sources to augment Rural Electrification – Nigeria	Nigeria	Ongoing
103001	Supporting Integrated and Comprehensive Approaches to CC Adaptation in Africa	Nigeria	Completed
105314	Strategic Demonstration Project for Accelerated Conversion of CFC Chillers In 5 African Countries	Regional	Completed
105363	HCFC Phase-out Management Plan (Stage I, 1st Tranche)	Nigeria	Ongoing
101170	Supporting Integrated and Comprehensive approaches to Climate Change Adaptation in Africa	Nigeria	Completed
100110	Promotion of neem-derived bio pesticides in West Africa	Regional	Ongoing
103138	Technical assistance in promoting locally available renewable energy resources for productive users	Nigeria	Completed

A summary of the projects and activities reviewed in the Energy and Environment theme can be seen in Annex 6 – Case Studies.

## 2.4.2. Findings

This theme carries the largest portfolio of projects of the three thematic areas. It was also found to have the largest number of ongoing projects (10) with four of these having commenced in 2010. Eight projects comprising 44 percent of the total had been completed at the time of the evaluation. The other two thematic areas A and B had corresponding completion rates of 58% and 50% respectively.

The ET found little enthusiasm among staff of the federal ministry and it was reported that some older projects had difficulty with gaining the interest of beneficiaries. The picture of involvement by implementing partners is mixed.

Much of the funding for projects in this theme comes from the Global Environment Facility and it was reported that most of them have not been evaluated. The ET was informed that monitoring and evaluation activities (reviews etc.) are subsumed within project plans.

## 2.4.3 Assessment

### 2.4.3.1. *Relevance*

The dire nature of power supply in the country is proof of the relevance of this theme. It responds to national priorities espoused in most if not all national policy documents and strategies – Vision 20:2020, the NIRP and the EPSRA. The projects also support Nigeria's fulfillment of the Montreal Protocol and other global environmental agreements and conventions for which the country is a signatory e.g. the Stockholm Convention, Minamata Convention on Mercury etc.

On a four-point rating scale of - very good, good, fair and poor, the performance of the thematic area of safeguarding the Environment was found to be 'very good'.

### 2.4.3.2. *Efficiency*

The overall completion picture observed by the ET of projects in this theme suggests a serious challenge with efficiency. Four (4) 2010 projects (ID 100110, 100260, 103053, 105363) and three (3) 2012 projects (ID 120119, 120492, 120537) are still ongoing 7 and 5 years respectively after their commencement according to the documentation. Two (2) of the eight projects (constituting 25% of those under implementation in the CP period under review) had been completed (ID 120334, 120374) at the time of the evaluation. With delays like these, project results cannot be delivered on budget for evident reasons considering the growing cost of goods and services. One example is the 32kw/hr biomass plant (project ID 100260) which took four years for the pilot to be ready and the project is still incomplete. The larger component of the project remains undelivered due to government administrative bottlenecks and inertia.

On a four-point rating scale of – very good, good, fair and poor, the efficiency of the thematic area of safeguarding the Environment is 'poor'.



#### *2.4.3.3. Effectiveness*

Some of the activities programmed for the delivery of this theme and the related component have progressed as planned – Scaling Up of SHP, HCFC Phase-Out Management Plan, etc. - Outputs associated with most of the projects around the global environmental protocols – Minamata Initial Assessment (MIA), Implementation Plan for Stockholm Convention on POPs, National Action Plan on Mercury - have either been delivered or remain on course, although not much can be said about the outcomes. The HCFC project has produced the following results:

- Increasing awareness of the dangers of VOCs to health and to the environment
- Awareness of environmentally friendly alternatives
- Training of 200 air conditioning and refrigeration artisans and
- Provision of machines to 75 small business owners for HCFC phase-out nationwide, and
- Helping Nigeria meet its MP obligations

However, the outcomes of the various environmental projects domiciled in the FMoE are yet to be ascertained and in the case of the HCFC, limited in coverage.

Effectiveness of the biomass project requires time to validate as the technology is being copied for replication. At the moment, it does not resonate with the beneficiary or any user that the rated output is a mere 32kw although it could be argued that the project is only a demo.

Elsewhere, results of various interventions within the theme are relatively sanguine and meet with considerable expectations in some cases. Five pilot projects in SHP, listed above, have been implemented in partnership with state organs. Local engineers trained in the SHP project have turbines which are being commercialized. The Tunga SHP project, Taraba State, now powers a tea factory -Highland Tea Factory which had been abandoned because of poor power supply. The factory is now in an expansion phase because of the boost in power supplied by the Tunga dam SHP. The biomass plant has been commissioned for replication, which commenced February 2017 and has reached 80% completion. When completed, plans are in place to scale up the output and replicate for three locations across the state to augment power generation for small scale industry and, agro-processing activities such as rice milling and cassava processing.

Effectiveness in the theme of Energy and Environment is mainly propped by the outcomes of the Energy component.

On a four-point rating scale– very good, good, fair and poor, the ET found the effectiveness of thematic area of safeguarding the Environment to be ‘good’.

#### *2.4.3.4. Potential for Impact and Sustainability*

National ownership is clearly demonstrated in several of the Energy projects. The Tunga dam (400 kW) SHP project, Taraba State, powers the erstwhile moribund Highland Tea Factory abandoned for no access to sustainable power supply. The project is undergoing expansion for phase II under the sponsorship of Taraba state government – owners of the tea factory - with the technical assistance of UNIDO (GEF facility). Local engineers trained in SHP technology for turbine manufacturing at the Ikeji Ile SHP have replicated SHP turbines awaiting installation at the site. Elsewhere, the Energy Commission (EC), partner to the project, and the Federal

Ministry of Water Resources (FMoW) are embroiled in a tussle for ownership of the Regional Centre - RC SHP - underscoring the level of ownership the project has attained, although the FMoW is best suited for this purpose as it regulates and owns water resources around the country.

The HCFC and environmental projects are yet to be fully owned by Nigerians. Beneficiaries of the HCFC phase-out capacity building project, members of NARAP, reported that they found the training difficult. They also informed the ET that they were not consulted before the replacement machines were bought and they are unusable, lying idle in their workshops/business premises because of a poor power related technical specification. They however showed good understanding of the science behind the ozone layer repair and HCFC replacement strategies of the project reporting that they changed their practices from using more environmentally injurious gases to safer ones which are available and affordable. A Common Facility Centre has been provided by the Oyo State Government to house the newer machines but not yet ready for use and has not been handed over.

Energy projects under this theme illustrate approaches to sustainable energy for adaptation to industry. Results hold a promise for power augmentation for local industrialization in an environmentally friendly manner. Generally, various components of the theme promote sustainability through the local capacity they build while sustainability approaches remain unclear in other aspects especially the environmental projects.

On a four-point rating scale of very good, good, fair and poor, the potential for impact and sustainability of the thematic area of Safeguarding the Environment is 'fair'.

## **2.5. CP Performance in Mainstreaming Gender and Youth**

### **2.5.1 Background: Gender and Youth in CP 2012-2017**

This section reports ET findings on the gender and youth dimensions of the CP 2012 -2017 specifically responding to the question; 'how have gender and youth goals been integrated in UNIDO interventions in Nigeria?'

The CP recognizes, and states as follows, 'youth unemployment is a growing problem in the country'<sup>20</sup>. A 2010 authoritative report by the National Bureau of Statistics (NBS) put the unemployment rate in Nigeria at 21%, up from 20% in 2009 with unemployment among 15 - 24-year-olds at a high 36% while among 25-34-year-olds it was 23%. By any standard, these figures are troubling. There are also wide regional variations in these unemployment rates. In the north east of the country for instance in Borno and Yobe States the corresponding figures were 27% and 39% respectively while in Lagos unemployment was a lower 8%. Youth unemployment in Nigeria increased to 25.20% in the fourth quarter of 2016 the highest in the last decade. From 2014 until 2016, it averaged 19.20%, (<https://tradingeconomics.com/nigeria/youth-unemployment-rate>, accessed Dec 7 2017).

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<sup>20</sup> Revised Country Programme of Cooperation Between the Federal Government, Republic of Nigeria And UNIDO 2012 – 2016, July 2012

The GoN initiated youth targeted programmes in response to the 2009 Youth Policy<sup>21</sup> such as the hugely popular ‘Youth Enterprise with Innovation in Nigeria initiative’, also known as ‘YouWin!’ started at the beginning of the CP period. The total population of unemployed youth in Nigeria is so large (some estimates put it at 29 million<sup>22</sup>) that one programme cannot change the landscape, the GoN needs the help of partners to make an impact and reach the objectives stated in the 2009 Youth Policy.

There is no longer an argument that gender is a critical element in development since in no country in the world is there, in this period in history or indeed before, gender equality of opportunity, access or privilege. Nigeria, like many other countries of Africa has a National Gender Policy created in 2006 response to gender inequality being implemented by the Ministry of Women Affairs. The Policy has never been revised. Nigeria is a signatory to most of the United Nations gender equality and human rights conventions as well as signatory to the Africa Union’s parity principle and Women’s rights protocols.

It is in the light of these and of the more recent UN-SWAP as well as other UN system-wide efforts to mainstream gender in development to ensure the end of gender-based discrimination, assure the SDG principle of no one left behind and especially end violence against women, that it is imperative to assess the degree to which UNIDO as a member of the UN family has performed in this regard in the period of the CP.

## 2.5.2 CP Performance on Gender & Youth

The goal of the UNIDO CP 2012 – 2017 is ‘economic transformation through sustainable and inclusive industrial development and trade of value added products’. One of the lessons learnt from implementation of the previous CP was that ‘there is a need to address the issue of youth employment more systematically and in collaboration with national and international actors, including other UN agencies. An attempt should be made to mainstream youth employment in projects targeting private sector development’, and that ‘increased attention needs to be given to mainstreaming gender and youth in UNIDO projects and programmes’. Two of the three themes (A & B) of the CP namely, **Creating Shared Prosperity’ (Poverty Reduction through Productive Activities)** and **Advancing Economic Competitiveness (Trade Capacity Building)** identify gender responsive and youth related results at the output level. Two of the expected outputs of component A2 i.e. ‘Agribusiness and Agro-Industrial Development for instance include;

- Policies and strategies for promoting agribusiness and agro-industries development that are gender responsive and youth-inclusive formulated, with implementation framework in place for increased income, jobs and wealth creation at federal/state levels
- Enhanced value-addition and processing capacities for post-harvest loss reduction that is gender responsive, youth inclusive and employment generating.

The CP asserts that ‘Youth employment and women empowerment are mainstreamed across themes at project implementation levels’. A handful of projects in theme A of the CP **‘Creating**

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<sup>21</sup> Second National Youth Policy of the Federal Government of Nigeria 2009 Undated  
[http://www.youthpolicy.org/national/Nigeria\\_2009\\_National\\_Youth\\_Policy.pdf](http://www.youthpolicy.org/national/Nigeria_2009_National_Youth_Policy.pdf) Accessed December 10th 2017

<sup>22</sup> <https://www.vanguardngr.com/2017/06/29m-nigerians-jobless-unemployment-rate-rises-14-2-q4/>

**Shared Prosperity** are devoted to youth including; 'Promoting Inclusive and Vibrant Growth of Africa by Investing in Youth through Entrepreneurship, Technical and Vocational' (ID 130020), 'Youth entrepreneurship development and IT capacity building in Nigeria' (101210), 'Youth As Catalysts For Agribusiness Development And Growth In Western And Central Africa' (100341), and 'Youth Employment and Entrepreneurship Forum - Job Fair' (120043). No project devoted solely to either men or women was found in the CP although some projects were by default dominated by women and others by men.

### 2.5.3. Mainstreaming Gender Equality & Youth Employment

Most of those interviewed when asked if the projects they were responsible for or engaged in were targeted at either women or youth responded in the negative. The picture which emerges is that there is no intentionality in the design of projects to target women as a group. However, the ET found that many project beneficiaries of some of projects e.g. the UNIDO HP LIFE project and to a smaller extent the COMFAR activity were found to be youthful. One project (Ifelodun Cassava processing) was found to have more older women beneficiaries while for one of the activities of the NQI project - training on assuring food quality was by default dominated by women; 90% of the those registered in Agri-business with NAFDAC/TIC are women.

The evidence found by the ET suggests that despite the stated recognition of the importance and relevance of ensuring gender mainstreaming in projects and activities, the results do not show the full extent of the benefit that women and youth derive from the projects with reference to employment and income. One possible reason for this result is the absence of consistent, coherent and accessible disaggregated data or information on sex and age the minimum necessary to assure gendered pictures of programme results. Although some project staff asserted that data was available it was not easily accessible or generally available to the ET.

There were more projects at the nominal level addressing youth than women as a target group. Other than one project, - 'A public private partnership approach to cassava value chain development' (ID 150390), and one of 5 components in the NQIP project (ID 130220) where women outnumbered men, for most of the other projects the numbers of women among project beneficiaries was much smaller than men. Based on the information available to the ET the CP has not done as well with women as it claimed - there was no evidence that gender mainstreaming was seriously addressed because of the small proportion of projects designed for women.

## 2.6. RON and Country Programme Management

This section presents findings on aspects of the administration and management of the Regional Office in Nigeria (RON) and some aspects of programming. The key dimensions of programme implementation and performance including relevance, efficiency, effectiveness, impact and sustainability have largely been covered in the earlier parts of this Section 2 (2.1 – 2.4). In this section brief attention is given to findings of other dimensions which include, programme design, programme theory, monitoring, evaluation and the contribution made by the RON to UNIDO's visibility in Nigeria.

### 2.6.1. Programme Design, Programme Theory (Theory of Change)

The CP 2012-2017 is rooted in; the overall objective of the Programme, the UNIDO thematic priorities for the period and the express needs and aims of the country, as articulated in key policy documents and statements. The CP resonates with and responds to the lead government agency's vision. The Federal Ministry of Industry Trade and Investment in its draft Strategic Plan for the period 2017-2020 identifies its mission to include; Creating an enabling environment, catalyzing Nigeria's industrialization, facilitation of the development of soft and hard Infrastructure, the development of Small and Medium-Scale Enterprises (SMEs), promotion of local and foreign direct investment, and strengthening ties with Strategic partners and international organizations to foster regional and international trade.

The programme design, is captured in the logical framework of the CP. The ET found the 3 programme components of the CP to be logically and conceptually linked with well-articulated outcome statements. The good news however ends there. Some outputs identified appear like outcome statements while some of the indicators read like mere assertions. It is mind boggling to comprehend how the one hundred and twenty plus indicators identified would have been tracked by the few staff members in the RON and projects. Only a few risks are identified in the log frame, and no assumptions appear to have been made. No reference is made to a monitoring and evaluation plan, framework or approach. The risk of this absence of a plan is that little or no monitoring can be done, especially in the absence of a costed i.e. budgeted plan. This is a major lost opportunity because the value of a well framed logical framework for monitoring and implementation planning as well as documentation of results is missed. The programme theory is implicit and remains untestable on account. Efforts should have been made to diligently construct the log frame by completing all the required boxes so that a clear, practical, traceable trajectory of travel and trackable theory of change is evident to and appreciated by programme and project staff as well as assessors and evaluators. It is imperative that this is done for the next CP to improve programme results. The underlying (implicit i.e. unarticulated) programme theory of change appears to be something like this; with the appropriate industrial, investment and trade policies in existence, implemented by knowledgeable, skilled and certified individuals in the private and an public sectors, using the correct tools, approaches and processes to make and trade quality oil and non-oil products and services of globally accepted standards, the country will achieve the vision of being among the 20 most industrialised countries by 2020.

#### 2.6.1.1. Programme Synergies and Linkages

Other dimensions of programme design considered by the IE are the potential for synergies, linkages and cooperation among projects within and outside of the CP. If successful, synergies could amplify results and the profile of UNIDO in the country.

Within the three thematic areas, the potential for linkages was not exploited nor pursued with diligent intentionality neither was it attained between them. The projects in the theme of '**Creating Shared Prosperity**' are quite varied making harmony and synergy among them somewhat challenging. No evidence was found to suggest that two similar projects; 'Assistance to the Leather Cluster, Kano' (ID 101069) and 'Leather Products Training and Production Centre for Stimulating Employment Creation and Rural Economic Growth in Delta,' (ID 130002) have ever cooperated or benefited from the similarity of their experiences and aspirations. Also, no

collaboration was found between these two above and a similar leather products common facility project in Aba implemented by another development agency. Among projects under the theme of **Advancing Economic Competitiveness**, one strand around which synergy could have been attempted is trade and investment tools and promotion. Cooperation in key elements (e.g. profiling) of the following three national projects namely; The National Quality Infrastructure Project (NQIP) for Nigeria: Building Trust for Trade (ID 130220), Investment and Technology Promotion Office (ITPO, ID 140318), and SPX Nigeria - Assistance in Establishing an Industrial Subcontracting and Partnership Exchange in Nigeria (ID 102051) could have magnified results and impacts. Energy projects in Safeguarding the Environment theme have great but still under tapped potential for synergy among themselves and with similar projects implemented by other development agencies. The 3 ton/hr Efficient Rice mill in Ebonyi State project (ID 100260) for instance has the potential to link energy efficiency with shared prosperity programming activities by, for example, using the rice husks (waste) from the mill being utilized as biomass fuel to generate power for the rice mill. The ET found that a non-UNIDO solar powered generating project sits independently nearby as another unconnected project. So, whereas conceptually the programme components speak to each other, operationally, at the project level this was not the case in many instances - a missed opportunity. The situation can be explained in part by how and where the project originates; it was found that when this happens from the UNIDO headquarters and managed from there (and vice versa), linkages are not usually easy to engineer. But this can be and should be surmounted.

## 2.6.2 Programme Design and Policy Making

Several outputs of the CP interventions are policy related e.g. supporting policy enhancing research and or policy making. UNIDO often responds to requests for support in this regard. Annex 1 (TORs) shows the number of policy related projects undertaken in the CP period.

The CO reported being requested to support the development of the following policies & policy related/relevant documents: FMITI Strategic Plan 2017- 2020, Industrial Policy and Strategy for Inclusive and Sustainable Development, Ebonyi State, Industrial policy and Strategy for Inclusive and Sustainable Industrial Development of Oyo State, 2-year Action Plan and Operational Road Map for the Revitalization of the Tomato Sector in Nigeria, Industrial Policy for Sustainable Industrial Development of Abia State, Good Governance Standards & National Quality Policy on Standards (of the NQIP). Policy Making is often a long and tortuous process as has been reported and found by this evaluation. It is not as simple as the technical compilation of the document. Policies require accent by very senior government officials and sometimes the legislature. There are usually many different players and interests at play some of which may have the effect of undermining the enactment of the policy/policies. Despite having an impressive list of stakeholders, partners and observers, outputs of the influential NQI Project (ID 130220) - the Good Governance Standards & National Quality Policy on Standards, completed a while back are still not yet presented to or approved by the National Executive Council to become public policy. Most of the industrial policies created for 6 state governments with UNIDO support under the CP 2012-2017 have a similar fate. Project implementers and partners reported this as discouraging. Another completed policy document with a similar fate is the FMITI Strategic Plan 2017- 2020. It is important for UNIDO to plan for the reality of potential endemic delays associated with policy projects. While some key informers suggested project level education to deal with the politics of projects, others believed that policy

interventions require some kind of high level political hand holding and negotiation. Neither of these suggestions is cheap, easy or rapid - a fact that UNIDO RON must live and deal with.

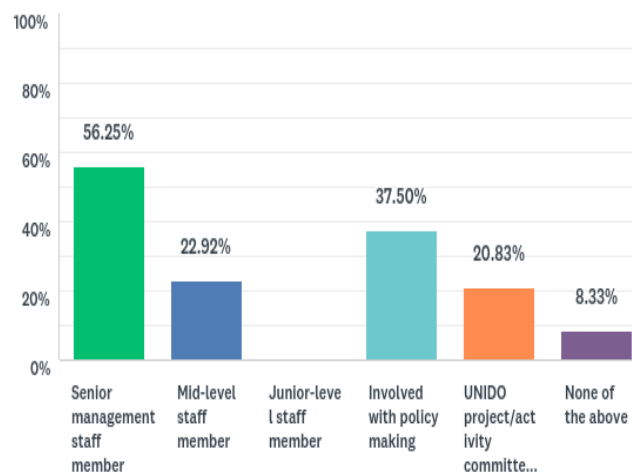
### 2.6.3. Management, Coordination and Monitoring

UNIDO RON has a good administration and management structure for the CP comprised of a steering committee (SC) and project implementation committees (PICs). The SC is chaired by a representative of the FMITI with other key ministries and MDAs as members. The SC is responsible for programme oversight. For instance, this evaluation was presented and approved by the SC whose members made valuable comments and suggestions for its implementation. Project implementation committees (PICs) which provide advice and oversight for projects, a good practice with the potential for engendering participation and ownership.

The RON’s links with key national stakeholders and MDAs as well as international partners is good. Most projects have key government ministries and officers as primary implementing partners. Within the ministries and MDAs, UNIDO has the distinct characteristic of dealing with senior management staff. Figure 2.1 below shows that over 56.25% of the survey respondents were senior management staff while 37.50% were involved with policy making in their respective organizations.

*Figure 2.1 RON National Implementing Partners*

Q3 In your organisation you are currently (please select all that apply):



The flagship NQI project (ID 130220) for example has a list of stakeholders (and observers) which reads like the who is who of Nigerian Industry and includes the following; Weights & Measures Department (FMITI), Standards Organization of Nigeria, Consumer Protection Council, Nigerian Export Promotion Council, National Agency for Food, Drug Administration & Control, Nigerian Association of Chambers of Commerce, Industry, Mines & Agriculture, Small and Medium Enterprises Development Agency of Nigeria, Manufacturers Association of Nigeria Nigerian Association of Small and Medium Enterprises, Delegation of EU To Nigeria & ECOWAS, Nigeria Customs Service, and Trade Division WTO.

The UNIDO Regional Office in Abuja Nigeria serves as both the National office for Nigeria and a regional office with responsibility for four West African countries of; Benin, Burkina Faso, Mali and Niger. UNIDO RON works with the ECOWAS Commission and is responsible for the following:

- General management and monitoring of programmes.
- Reporting on the programme performance to the relevant bodies.
- Procuring required international expertise for programme delivery.
- Managing, supervising and monitoring the work of the international teams and ensuring assuring the technical quality of deliverables.

The office staff consists of seven nationals (2 Secretaries, 2 Drivers and 2 National Project Officers) and a handful of consultants to implement projects. Regular monthly meetings called and chaired by the UR provide opportunities for updates and monitoring of activities and projects. Considering the present portfolio of about 45 projects, the available human resource is clearly inadequate to provide adequate monitoring and project support. Nigeria is a large country of 36 States which by itself is a big area to cover considering that projects are scattered all over the country. Serving four additional countries in the region is added burden.

The RON initiates and manages a limited number of projects with most projects being managed from Vienna, at UNIDO headquarters. This arrangement is reported to elongate decision making and processing times for implementing partner and thus project requests. Partners complained about the length of time it takes to get responses sometimes for simple or ordinary questions and issues from Nigeria based UNIDO officers. This is because they must wait for their HQ based managers. This can create reputational risks for the RON.

Project monitoring and documentation is weak. There is no RON-wide M&E plan and it was explained that some projects are covered by plans of their respective funding partners for example GEF. It was however reported that 'most of the GEF supported projects have not been evaluated'.

#### 2.6.4. UNIDOS's Participation in UN System-wide and Interagency Cooperation

As a member of the UN family in the country, the CP of necessity reflects the modus operandi and responsibilities of the UN System in the programming mechanism of 'Delivering as One' within the UNDAF III framework and plan. In addition to being part of UNDAF III UNIDO is also engaged in bilateral arrangements associated with the delivery of its mandate. In this regard, it works with ECOWAS, GIZ, the EU. With ECOWAS it implements the ECOWAS Quality Infrastructure Project for trade competitiveness (EQIP) while it partners with the EU and GIZ, in its flagship intervention in Nigeria for enhancing trade competitiveness, the NQIP. UNIDO's footprint in interagency cooperation is critical because of its modus operandi and as key resource mobiliser for country programmes; a role which is even more important in the new Programme for Country Partnership (PCP) environment of the organization.

Although it identifies with and takes its role in UNDAF III seriously as the lead in one result area and implementing member of 2 others, results in this endeavor remain less than expected through no fault of UNIDO's. Cooperation between UNIDO and other UN Agencies has been challenging although there are hopeful signs with the on boarding of UN Women and others



soon. Although opportunities for collaboration and cooperation exist, they do not often translate into the desired practical partnerships. The 32kw biomass demonstration project in Ebonyi is a case in point. UNDP intervened with an agro processing project, and UNIDO the Efficient Rice Mill project – in the same state – where both projects could have cooperated in resource sharing as both projects were not only within the same vicinity, but also similar and complementary. It is, however, important to note that this absence of cooperation is not peculiar to UNIDO but pervasive in the UN System. Furthermore, it is important to mention the role of government inertia where political intrigues and political interference delay or disrupt project timeliness and remain a serious threat to the delivery of UNIDO CP results. In several instances, government departments and officers are unable to convene and where they do, are unable to reach consensus on policy and programmes. It is often the case that institutions with the responsibility for advancing government programmes are financially weak thereby negatively affect the delivery of UNIDO programme results to the country.

#### 2.6.5. UNIDO RON: National Visibility

In this contemporary era with the ubiquity of ICTs, and social media capture of human actions and activity, visibility is a key dimension of presence, value and to a debatable extent, effectiveness. The ET investigated the degree to which UNIDO was mentioned in the popular press i.e. newspapers, newsletters and some virtual spaces – online news publications.

The ET analyzed the huge stack of newspaper cuttings diligently collected by the Communications Office for the period between February 2017 and November 2017. The pieces i.e. stories were culled from 48 sources most of which are national newspapers. Six projects received media coverage/mentions in this period. These were; COMFAR, HP-LIFE, NQIP, EDIP, ITPO, and Small Hydropower Projects (SHP). The most popular by a large margin based on number of stories (bylines) in the papers was HP-LIFE, followed by NQIP. The visit of senior staff often got media attention and cover e.g. the visit of the Director General to Nigeria was well covered. A further analysis of the numbers translated into an average of 1.1. mentions per month of UNIDO in the major newspapers and newsletters in the period of the CP. Not a lot one might say, but the situation may be different in the other more social media such as twitter, Facebook and similar others which were not investigated by the IE. These others require more proactive involvement from organization in investments in time and other resources e.g. financial; something the IE found was not available.

It was reported that the RON has no budget for communications. Clearly this is a situation in need of urgent remediation for evident reasons. Visibility for UNIDO RON is publicity for the work of UNIDO HQ and it makes sense to invest in media presence to improve visibility, national presence, recognition and branding. This is critical for attracting funding and cement the role of a successful funding/financial broker for the country.

## 3. Key Findings, Conclusions, Lessons and Recommendations

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### 3.1. Key Findings

#### 3.1.1. Relevance, Alignment & Ownership

##### 3.1.1.1. Relevance & Alignment

UNIDO interventions in Nigeria in the period between 2012 and 2017 were relevant not only to the individual organizations and institutions in which projects were implemented but also aligned to national priorities and goals. Almost 98% of survey respondents averred that the 'UNIDO projects implemented by (their) organizations since 2013 are relevant to the goals of (their) organization/institution', while 93% agreed that they were also in line with national development priorities, (Annex 6, Q10,11). Asked about specific policies, 83%, 89%, 71% and 73% respectively affirmed that the CP projects are closely linked to and reflect Nigeria's Vision 20:2020, SDGs, ISID and the AU 2063 (see Annex 6, Q13).

As expressed in the words of some of the respondents; *'The various components of the NQIP have been of tremendous assistance to my organization (MAN). Several trainings and workshops have impacted positively on our staff as well as our interpretation to members of the Association. Our inclusion in country-wide tour to China in 2015 was very instructive as these and other projects have received the nod of the leadership of MAN at the highest level', 'My office gives awards for companies that utilise local raw materials for their production. My office is promoting food safety throughout the agro value chains for raw materials production/ processing. My office applied and is being assessed as a certification body for products under the NQIP for Nigeria'. ' Since I attended the training, I have a better perspective towards running my business which will in turn increase in profit margin. if this is same with other attendees too, then it's in line with Nigerian's national development priorities'. 'They align with Nigeria's ERGP'.*

##### 3.1.1.2. Ownership

Generally, the level of national ownership of the CP and UNIDO interventions in the country was found to be good. Three reasons inform this assertion. Firstly, the CP was developed by paying close attention to and responding to existing conditions in the national context. Most of the projects in the 'Safeguarding the Environment' theme fall under this category as well as others in the other two themes. Secondly, most importantly, most projects have been developed upon request made by national interests and individuals either at the federal or state government levels; in a demand driven modus operandi and the degree to which funding has been provided for such interventions support this claim. Finally, projects are implemented by national organizations - ministries and development agencies (MDAs) which have direct control over their progress and in some cases have developed beyond the initial vision of the project e.g. COMFAR III. In most cases, national partners demonstrate a high commitment to joint programmes and maintain a cordial relationship with UNIDO.

### 3.1.2. UNIDO's positioning in Nigeria

UNIDO holds a unique position in Nigeria because of its specialised mandate. It is well recognized in the country for its technical expertise in industrial development, appreciated and deeply valued for its support especially for diversification of the economy away from petroleum. UNIDO's comparative advantages were identified as; its 'exceptional technical expertise' by 87% of the respondent sample (Annex 6, Q9); its specialized mandate by a similar percentage of respondents i.e. 87% and its familiarity and knowledge of the country and region.

### 3.1.3. UNIDO's Contribution to Change in Nigeria

UNIDO's interventions in the CP period investigated have contributed to development changes in Nigeria. Survey respondents reported that the results of the projects for which they have had responsibility in the period of the CP were excellent for 34.8% of them while 56.5% described the results as good and for 4.4%, the results were described as poor. Asked if the projects and activities have contributed to changes and benefits for the long term - for the country and or development results, 83% agreed (44.7% strongly) that this was the case (see Annex 6 Q18). Some of the explanations given for their responses were; *'Nigeria /Nigerians will be the better for it e.g. Food Safety policy, zero rejection status etc'. 'The plan for infrastructure development is a long-term objective that will be beneficial to the country. Development of conformity body by my Association will no doubt aid the development process and facilitate trade in the country'. 100 % implementation of the projects could have long term benefits to development results in Nigeria'.*

Organizational and individual changes have also been brought about by involvement and engagement in UNIDO projects. Eighty-three percent of the survey respondents agreed that the UNIDO CP has contributed to long term organizational changes while 72% reported personal changes and benefits (Op cit). In their own words, they said; *'The various capacities built on the National Food Safety programme is being put to practical uses in our places of work. It is also being imparted to the rural dwellers by Committee members during the ongoing Nationwide Campaign on Food Safety'. 'With the impact of the training there is an unending shift. With positive impact that creates personal, organizational and national benefit'.*

*'My training and certification as a Lead Auditor in ISO 9001:2015 is equally a professional development for me'. 'As a member of technical Committees, there is an immediate short and long-term benefits to me personally'. 'My experiences have improved my personality. Individual change is the beginning of change in an organization. Subsequently, when various organizations experience change, the whole country is transformed. It's like an algorithm set in motion'.*

### 3.1.4. Outcomes and Impact of UNIDO's CP in Nigeria

#### 3.1.4.1. Outcomes of UNIDO's CP in Nigeria

The CP 2012 -2017 had three outcome statements one for each of the three priority themes. *'By 2017, the industrial sector of the Nigerian economy is strong and contributes to poverty reduction through productive activities anchored on evidence-based industrial policy, enhanced human and institutional capacities, robust private sector, agribusiness and agro-industrial development; leading to expanded employment especially for youth and women through their strengthened capacity and increased advocacy,'* for theme A (Creating Shared Prosperity).

The IE found that the CP has made fair efforts to contribute to the Nigerian economy. The volume and scale of productive activities supported have been small in relation to the size and depth of the problem but have potential for impact especially in agri-business and agro-industrial development. Entrepreneurial skills have been strengthened among youth and women although employment has not been significantly affected. The policy intended to support evidence based industrial development although ready has not been adopted.

The stated outcome for theme B (Advancing Economic Competitiveness) is: *'By 2017, Nigeria's foreign and domestic trade is expanded, regionally and internationally) competitive and based on international best practices, norms, standards, deriving from evidenced-based policies and strong technical capacity underpinned by national quality, accreditation and metrology infrastructure resulting in improved trade with significant increase in foreign exchange earnings and GDP'.*

The evidence suggests that the UNIDO CP 2012 -2017 has contributed to increased understanding by critical stakeholders of the issues surrounding international best practices, norms and standards for foreign and domestic trade. National institutions with responsibility for supporting and maintaining quality and standards have been strengthened and or created. However, the policy instruments, although ready have not yet been approved and adopted by the government. There was insufficient evidence to assess the degree to which the CP outcomes have influenced trade although the commitment to make this happen was strongly declared in the creation of the Zero Reject Committee<sup>23</sup>.

The stated outcome for theme C (Safeguarding the Environment) is: *'By 2017 the Nigerian industrial sector is driven by increased and diversified use of renewable energy sources; is characterised as environmentally friendly with national environmental regulatory frameworks aligned with international conventions and supported by efficient institutions and evidence-based policies and strategies'.*

The IE found excitement in the growing use and influence of renewable energy sources in Small Hydropower Plants for industrial purposes especially in agro-processing. Although not yet widespread, there is definite potential for future expansion. The CP has supported the GoN to move forward with its domestication of international environmental regulatory frameworks and conventions. Understanding the reasons for environmentally friendly behavior and practices is taking root owing to the work of the CP, but attitude change is much slower for additional reasons related to weaknesses in national institutions.

### 3.1.5. Effectiveness, Efficiency, Potential for Impact & Sustainability

The ET, using a four-point rating scale of; very good, good, fair and poor, translated into letter scores of A, B, C and D, collated all the evidence available to it at the time of the evaluation to score to each of the three themes for the effectiveness, efficiency, impact and sustainability of their interventions in the period of the CP. The Table 3.1 below shows that effectiveness in all three themes was good whereas efficiency was poor for two of them. The potential for impact and ownership was good for one theme i.e. B but poor in the other two themes – A & C.

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<sup>23</sup> The Zero Reject Committee was created by the GON following the rejection by the EU of Nigerian exports to Europe to ensure that no future exports from the country suffers that same fate. The Committee has close ties with the Nigeria Quality Infrastructure Project.

The survey respondents, when asked about the potential for impact of the UNIDO projects with which they had been involved, or had responsibility for, responded as follows; 46.8% -excellent, 44.7% -good, 6.4% -fair and 2.1% -poor. Responses to a similar question with respect to effectiveness were; 34.8% -excellent, 56.5% -good, 2.1% -fair, 4.4% -poor. The ET finding that effectiveness was good was thus affirmed by the survey sample.

That efficiency was found to be generally poor in the current evaluation is not new. Two other evaluations (2012 & 2016) made similar findings.

*Table 3.1 IE Rating of Effectiveness, Efficiency, Impact & Sustainability*

<b>EVALUATION CRITERION</b>	<b>Creating Shared Prosperity</b>	<b>Advancing Economic Competitiveness</b>	<b>Safeguarding the Environment</b>
<b>Effectiveness</b>	B	B	B
<b>Efficiency</b>	D	C	D
<b>Potential for Impact</b>	C	B	C
<b>Sustainability</b>	C	B	C

### 3.1.6. Programme Design, Synergies and Linkages Within and Outside the CP

The potential for linkages was not sufficiently exploited or pursued with diligence and so synergy was not attained within the projects in the three thematic areas or between them. The reasons for this include the manner of project initiation, development and design which is often done with/by individual programme managers without broader consultation or involvement external to the thematic priority. The result of this was the loss of amplitude which would hopefully be corrected in the next CP cycle.

### 3.1.7. RON/Field Office Performance

The RON has performed the tasks for which it has responsibility such as general management and coordination of programmes, procuring international experts, as well as managing, supervising and monitoring the work of international teams well, manages relations with the government and other key stakeholders quite well although the long time it took to get a replacement UR for the office created an unnecessary and unpleasant lull. The office has uninhibited access to senior government functionaries and private sector operatives. The office and UR have an open-door policy.

The monitoring, documentation and reporting on projects remains generally weak. Some projects had no documents on the online portal at the time of this IE and report. The most variable percentages from the survey respondents were recorded for the question; *'The support provided by the UNIDO country office for the implementation and monitoring of UNIDO projects and or activities in Nigeria and/or the region is adequate'*; 35.4% -Strongly agree, 33.3% - Agree, 14.6% -Disagree, 6.2% -Strongly disagree (Annex 6 Q19). This figure shows that 20.8% of the survey sample considered the 'monitoring' support inadequate.

The contribution of the office to UNIDO's visibility in Nigeria is fair but can be improved.

### 3.1.8. Gender and Youth

Although women and youth empowerment goals are identified in the CP document stating that these will be mainstreamed in all projects, the extent to which these were addressed 'in all the projects' was minimal and inconsistent. Women and youth have indeed benefitted some from projects in two thematic areas - Creating Shared Prosperity and Advancing Economic Competitiveness but appear absent from projects in the theme of Safeguarding the Environment.

Gender and age disaggregated data in respect of employment and income is neither systematically collected nor openly available.

## 3.2. Conclusions

The IE found that UNIDO Nigeria is recognized throughout the country, valued for its technical expertise in industrial development, sought and appreciated for its support. Its knowledge of the country and region as well as its specialized mandate constitute its comparative advantage in the country. The Country Programme 2012 -2017, developed in close consultation with key national stakeholders is aligned with national development, industrial and economic priorities articulated in key policy documents e.g. Vision 20:2020, the Nigeria Industrial Revolution Plan, NIRP, and the Economic Growth and Recovery Plan (EGRP).

The three programme priorities pursued by UNIDO RON have great relevance for the peoples and government of Nigeria and the region. In most cases, national and regional partners demonstrate an appreciable level of ownership and commitment to the programmes. While the programme design is coherent and logical, the desired outcomes are quite ambitious for the size of the office and its human resources. The small size of the UNIDO country office notwithstanding, projects have been effectively implemented as planned with partners often with a few variations dictated by realities and other contextual conditions or imperatives. UNIDO RON is largely seen by most partners as strategic, responsive and able to secure access to and use local resources. Its effectiveness is constrained by limited staff numbers and local autonomy, bureaucratic red-tape with approvals which lead to delays and extended project timelines.

There is strong evidence that a good number of the projects have potential for impact, but the fragmentation, piece-meal approach and non-amalgamation (or indeed continuation) of good project ideas robs UNIDO and the countries of the benefit of greater, deeper and longer lasting change from fewer larger comprehensive well-planned projects.

UNIDO Nigeria is an active member of the UN family in the country heading up action on one of UNDAF III result areas in the spirit of the principle of UNCT Delivering as One (DaO). Its engagement with the private sector was found to be weaker than its engagement of the public sector. Industrial development and economic growth depend on innovation advanced by and in the private sector, if the link with the private sector is not strong industrialization and economic growth fired by innovation will be hampered.

### 3.2. Lessons Learned

- Strategic involvement of key stakeholders in the implementation of projects is a sine-qua-non of success. However, development project politics, political intrigues, and other interference such as frequent staff changes are critical risk factors in the success of UNIDO programmes in Nigeria.
- There is no substitute for a good study of project context for full scale project intervention success; many small projects do not add up to scaling up.
- Industrial policies are not judged good until adopted and implemented, many idle policies show an absence of value for money and lack of political goodwill by government for the policies so developed. Political goodwill is critical for policy adoption.
- Government inertia and weaknesses in government (MDA) implementation partners influence project success and this may pose a reputational risk for UNIDO.
- In a country like Nigeria youth and women must be engaged to assure future success; their energy and numbers are a valuable resource.
- Culture and local knowledge play a critical role in the transfer of knowledge and building of capacity for industrialization. Demonstration projects are good for show and tell, but ineffectual if the demonstration technology is not adaptable/adapted within the life of the project to local realities.
- There are no quick fixes for critically important capacity development (organizational or individual) it requires resources, serious long-term visions, planning and engagement.
- Continuous capacity development is supported by platforms, spaces, networks, circles and the like where stakeholder groups meet to reinforce, share and encourage one another to fast track, deepen or smoothen processes and increase quality of services.

### 3.3. Recommendations

#### Programme Design, Implementation & Management

1. UNIDO should use/apply the theory of change (TOC) together with the logical framework to ensure and summarize the conceptualisation of a coherent programme ensuring linkages across priority themes and within them. Efforts should be made to diligently construct the TOC or log frame with realizable outcomes, smart objectives and manageable, practical and measurable/trackable indicators.
2. UNIDO should develop and document a comprehensive monitoring and evaluation (M&E) framework and budgeted plan a necessary complement to the TOC and an absolute requirement for the next CP to improve monitoring, documentation and reporting. UNIDO could consider an arrangement i.e. a contract with a local service provider for the supply of the required services which could include the TOC, log frame, M&E frame work and costed M&E plan etc.

3. The experience and evidence from the Nigeria Quality Infrastructure Project suggests that UNIDO should consider large, carefully designed and integrated programmes with broad based and strategic stakeholders, partners and implementers in the new CP. Transaction costs for small projects add up almost to and quite possibly surpass those of large projects. Small projects also undermine synergies and have limited impact potential hence our reason for this recommendation.
4. Support for policy development is a major engagement of the three programme priority themes. UNIDO should consider redefining its work around policy support to ensure better results by looking to engage at 3 levels of; federal, state & institutional policy development, and policy making. Consideration should also be given to using advocacy to support its policy work.
5. Capacity development is a critical ingredient for in all thematic programme areas. The ET therefore recommends that a broad integrated capacity project or programme be conceptualized which will feed other programme areas effectively and could be a flagship for programme and possibly project synergies. The programme could be called 'Industrialization and Trade Capacity Development', which is already a named thematic priority.
6. Cross Programme project development, design and implementation should be encouraged to increase synergies.
7. Clear exit strategies need to be prepared at the start and discussed through-out the life of projects for all of them to enhance ownership and or sustainability. This could also reduce the likelihood of reputational risks if project closure processes go awry as was found in a few instances.
8. The ET recommends that UNIDO should adopt a standard and mandatory participatory approach for engaging local and strategic expertise and stakeholders in project conception and design to ensure adequate understanding with and response to (adaptation) local contexts.
9. Since UNIDO has the mandate to integrate social and gender equity dimensions in all programmes and projects, UNIDO should do more to encourage project officers and programme managers to seek input of gender experts to support actions in this regard. One practical suggestion is to mandate the collection, and collation of sex, age and status (occupation) disaggregated data for all project and programme activities.
10. When dealing with project extensions & delays; UNIDO should plan for the reality of endemic delays associated with local realities particularly with policy projects.

#### Partnerships: Selection, Balance, Co-ordination and Management

Partnerships are critical for programme success. Just as important is the balance among the stakeholders, key implementers and strategic partner groups. Most of the UNIDO projects in the 2012 -2017 CP have public sector government Ministries, Departments and Agencies (MDAs) as principal implementing partners.



11. The ET recommends that the Government of Nigeria in cooperation with UNIDO expand and nurture private sector partnerships for future Country Programming.
12. UNIDO should consider developing a robust approach to engage the private sector which encourages innovativeness and uptake, commercialization and industrialization of promising project outputs by the sector.
13. Programme and project partners have in some instances undermined positive results through intrigue and interference. The ET recommends that the Government of Nigeria should promote education, conversations, and awareness sessions on the greater good of sustainable industrial development for the country to counter pervasive individualism.
14. The good practice of creating programme governance structures e.g. the CP Steering Committee and the Programme/Project Implementation Committees should be made even more effective and results oriented by for instance; coordinating them more closely and giving them clearer roles and greater support to advocate for the programmes/projects with the national government and other strategic partners e.g. for policy approval, adoption and implementation.
15. Inertia among MDAs, political intrigues and interference remain among critical risk factors for the success of UNIDO's technical assistance in Nigeria. The Government of Nigeria may need to find acceptable ways of providing high level political hand holding to deal with these.

#### UNIDO RON Operations

16. UNIDO's visibility is an important element of its role as broker, intermediary, re-granter, funder and instigator of industrial change. UNIDO must make financial and material investments in its communications and outreach to create awareness of its programmes and activities for wider embrace especially by the Organised Private Sector. Each project could for example have a budget for communications.

#### UNIDO HQ Operations

17. The ET recommends more autonomy for in-country project/programme management to enhance programme efficiency and effectiveness. Project Management from Vienna has created a sluggishness which is to be avoided.