

Pro-Poor Growth and Promotion of Employment in Nigeria – SEDIN

Strengthening Nigeria’s business environment and promoting MSMEs to increase income and employment

The Challenge

The lack of employment represents a serious challenge for the Nigerian economy and society. About 60% of the population lives below the poverty line and 44% of the working age population are either unemployed, underemployed, or have retracted from the labour market. Especially for young people it is difficult to find full and productive employment and decent work. While micro, small and medium-sized enterprises (MSMEs) provide for 84% of employment and 50% of economic growth, inadequate framework conditions and entrepreneurial skills as well as lack of access to financial services constrain their sustainable growth.

Our Approach

SEDIN supports implementation partners in improving the employment and income situation of the MSME. The programme cooperates with partners at the federal, state and local levels. It has been concentrating its field work in the federal states of Ogun, Niger and Plateau in various value chains. Co-financing by the European Community since October 2018 allows the programme to expand to the federal states of Lagos, Oyo, Abia, Kano and Kaduna, and to the tomato, ginger, garment, and leather value chains. SEDIN supports the capacity development of people and organisations by providing training to MSMEs, young people and other target groups to improve their entrepreneurial skills and financial literacy. With the additional implementation of the “Returning to New Opportunities” programme in Lagos and Edo since 2019 migrants are added as an additional focus group. Implementation partners such as microfinance banks (MFBs) and business development service providers are supported to improve their services. Furthermore, SEDIN facilitates linkages between stakeholders and public-private sector dialogues for improving the business environment.



Project name	Pro-Poor Growth and Promotion of Employment in Nigeria - SEDIN
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Implementing Organisation	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Project Area	National and Federal States of Niger, Plateau, Ogun, Edo, Lagos, Oyo, Kaduna
Executing Partner Agency	Nigerian Ministry of Budget and National Planning
Project Duration	April 2017 to March 2023 (third phase)
Funding Budget	€ 51.1 Million, including € 9 Million co-financing from the European Community (third phase)

SEDIN promotes access to finance and MSME development. The programme works with the CBN and other stakeholders to increase sustainable access to demand-oriented financial services for MSMEs and the low-income population. This by developing the capacity of MFBs to improve product development, risk management and social performance on the supply side, and the financial education of MSME owners, farmers, women and the youth on the demand side.

To promote MSME development SEDIN cooperates with stakeholders to create an enabling business environment in several areas. The programme aids local markets, forums, local administrative units to strengthen Local Economic Development (LED). SEDIN supports the development of one-stop-shops that provide a bundle of services to MSMEs. To support the capacity development of MSME, SEDIN uses the “SME Loop” approach.



Left picture: Aisha Yusuf, participant of the SME Loop, managing accounts in her office

Right picture: Students gaining entrepreneurial skills during one of their extracurricular club sessions



Left picture: Cross section of members of farmers' market Ijebu Ode, Ogun state who participated in the SEDIN capacity building workshop.

Right picture: Cassava processing

Markus Wauschkuhn
Head of Programme,
Pro-Poor Growth and
Promotion of Employment
in Nigeria – SEDIN

sedin@giz.de

Result in figures ...

Strengthened microfinance banks

- 15 strengthened MFBs with 266,315 depositors
- 31% increase in number of borrowers to 59,352 borrowers (59% women)
- 13% increase in total loan portfolio to Naira 3.1 billion
- 47% income growth of the supported MFBs

Improved financial literacy

- 100,000+ people trained in financial literacy
- financial literacy integrated into the curriculum for primary and secondary schools

Improved business environment

- 37 business advocacy groups established and active
- Eight mediation and arbitration centres established with 347 mediators certified to settle commercial disputes
- Tax harmonisation laws passed in Niger and Plateau
- The number of illicit fees and levies required to be paid have been reduced from 61 to 12 in Niger and Plateau
- 50-65% reduction in time required for obtaining construction permits in Niger, Plateau and Ogun
- The time to acquire land from customary owners has been reduced from two to four years to six weeks in Niger, Plateau and Ogun

Improved entrepreneurship skills

- 346 Nigerians (50% women) participated in two "Start-up Loops"
- 562 MSME owners (30% women) participated in two "SME Loops", including the MSME of the year 2018
- 402 returnees benefitted from existing and newly implemented entrepreneurship trainings
- 5,366 new jobs were created through support of agricultural value chains
- 14,859+ students (56% girls) in 388 secondary schools gained entrepreneurship skills in extracurricular clubs

...and Stories

Financial Literacy: National Youth Service Corps (NYSC)

In collaboration with the Federal Ministry of Youth and Sports Development, financial literacy was introduced into the NYSC scheme. Nigerian university graduates are enabled to raise financial literacy awareness and become multipliers. The Financial Inclusion Community Development Service integrates financial literacy into the NYSC scheme and foresees that about 2,000 corps members will undergo financial literacy training every year. To date 3,840 corps members have been trained.

A group loan for the Zazawamari Women Group

Pana Microfinance Bank in Niger State was assisted to introduce group lending in 2015. The 20 women of the Zazawamari Women Group in Nukuchi village used a group loan as working capital for their melon and rice businesses. The additional income enabled the women to repay their loans and gain access to further loans. They were able to set money aside for the education of their children as well as to pool money for paying the salary of one secondary school teacher in their community.

Farmers in action

Farmers from the Farmers' market in Ijebu Ode, Ogun state were trained on leadership, financial & management skills, advocacy, dialogue, negotiation, group/cooperative formation and communication for market associations and market leaders to act.

As a result of the series of capacity building exercises, the group of farmers were able to develop their market by providing about 360 open stalls and 28 lock up shops which are all occupied with standard toilets and bathroom, organised security, a borehole and other social amenities. The farmers successfully relocated roadside traders into the market. They generated over 1,000 direct and indirect employment as well as stable employment for the market users.

Published by Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices Bonn and Eschborn, Germany

SEDIN Nigeria
20 & 22 Haile Selassie Street, Asokoro District, Abuja
Phone +234 (0) 8135157249
sedin@giz.de
www.giz.de

As at January, 2021

Author Pro-Poor Growth and Promotion of Employment in Nigeria
Programme- SEDIN

Design Barbara Reuter | Oberursel | barbarareuter-grafik@web.de

Photo credits GIZ Nigeria

GIZ is responsible for the content of this publication.

On behalf of German Federal Ministry for Economic
Cooperation and Development (BMZ)

In cooperation with Nigerian Federal Ministry of Budget and National Planning