

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

Strengthening Nigeria's business environment and increasing the capacity of MSME to increase income and employment

The Challenge

The lack of employment represents a serious challenge for the Nigerian economy and society. About 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. Sixty percent of the population lives below the poverty line. 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.

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 Edo, Lagos, Niger, Ogun, and Plateau in various value chains. Co-financing by the European Union since October 2018 allows the programme to expand to the federal states of Oyo, Abia, Kano, Kaduna, and Kebbi to selected value chains. SEDIN supports the capacity development of people and organisations by providing training to MSMEs, young people, returning migrants and other target groups. Also, the specific needs of women are considered in all fields of action.

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 cooperatives 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. SEDIN promotes MSME development.



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 Abia, Edo, Kaduna, Kano, Kebbi, Lagos, Niger, Ogun, Oyo, Plateau
Executing Partner Agency	Nigerian Federal Ministry of Finance, Budget and National Planning
Project Duration	April 2017 to September 2023 (third phase)
Funding Budget	€ 57.32 Million, including € 9 Million co-financing of the European Union (third phase)

This is done by promoting the economic and financial education and developing the entrepreneurial capacity of (potential) MSME owners, farmers, women, and the youth. To further promote MSME development, SEDIN cooperates with stakeholders to create an enabling business environment in several areas. The programme aids local markets, public-private dialogue forums, and local administrative units to strengthen Local Economic Development (LED). SEDIN supports the plastic recycling, cosmetics, e-commerce/ICT, cassava processing, soy processing, poultry processing, chilli, tomatoes, ginger, leather, and garment value chains.

SEDIN promotes access to finance and MSME development. The programme works with the Central Bank of Nigeria and financial service providers to increase sustainable access to demand-oriented financial services for MSMEs and the low-income population. This is implemented by developing the capacity of cooperatives on the supply side, creating linkages to financial service providers, and the financial education of MSME owners, farmers, women, and the youth on the demand side.



Left picture: A hybrid Public Private Dialogue
Right picture: LED training with beneficiaries



Left picture: A SEA-Hub student during a presentation

Right picture: SEA-Hub students during an entrepreneurship training

Results in figures ...

Improved Local Economic Development

- 30 markets supported with leadership, Public Private Dialogue (PPD) and advocacy skills
- 66 business advocacy and dialogue groups established and active at local government level
- Over 36,000 MSMEs have access to improved business services
- 2,750 MSMEs supported with improved market linkages

Improved Policy Framework and Business Environment

- Tax harmonization laws enacted in Niger, Ogun & Plateau States
- In Plateau the number of taxes, fees and levies required to be paid have been reduced from 64 to 21 with the new law
- 50%-65% reduction in time required for obtaining construction permits in Ogun state, same for land titles in Plateau & Niger state
- Provided Commercial Dispute Resolution (CDR) support to 30 local markets in 5 states
- 10,000 MSMEs trained in contract management to enhance their contract management skills
- 1,000 stakeholders trained in Alternative Dispute Resolution
- Improved the institutional framework for gender inclusion in Plateau state with the training of gender focal persons in 35 key MDAs from 17 LGAs

Improved Entrepreneurship Skills and Financial Literacy

- 140,000 participants (45% women) trained in economic & financial literacy
- 30,000 students (60% female) in 330 secondary schools gained entrepreneurship skills through the SEA-Hub extracurricular clubs
- 19,700 Nigerians (37% female) have benefitted from entrepreneurship trainings
- 12,770 people, including 3,652 women, came into work or additional employment
- 870 returnees benefitted from existing and newly implemented entrepreneurship trainings

... and stories

Market Intervention: Unlocking Possibilities

It's a new dawn in Ijebu, Ogun State, for community members, especially farmers. Through SEDIN's capacity building exercise for farmers and market leaders, the people of Ijebu now enjoy active economic activities with the construction of a farmer's market. The market houses about 360 open stalls and 28 lock up shops, all fully occupied. Farmers and market leaders were empowered to act after receiving training on leadership (especially for women actors), financial and management skills, advocacy, dialogue, negotiation, group/cooperative formation, and communication for market associations. It also helped with conflict resolution and problem solving.

Beyond Disabilities

Sanyaolu, a 44-year-old visually impaired businessman who produces home essentials such as liquid soaps, sanitiser etc was one of the participants of the SEDIN-GOPA training on business upscaling. The training played a big role in the expansion of his brand, Sanyaolu stated that he was making only liquid soaps but after attending the training, he learnt ways and possibilities to upscale his business, this made him expand from one (1) to fourteen (14) products. Despite his visual challenge, Sanyaolu completed the training and further rebranded, repackaged his product, he further stated that he his income has increased as he also learnt how to better market his products.

Catching Them Young

Joy Amos is a secondary school graduate of the Government Secondary School (GSS) Chamyap in Jos North LGA of Plateau state. Joy joined the Students Entrepreneurship Activity Hub (SEA-Hub) in her school in 2017 and graduated in 2019. Her participation in SEA-Hub activities was the turning point in her life. Joy now owns a beauty Salon in Jos where she has four (4) employees working for her. She never thought she could further her education after secondary school, due to the lack of funds. Today, Joy is attending the University of Jos and her schooling is completely funded by the proceeds from her business. She plans to open new branches and employ more people soon.

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