

BUDGETING

FOR Sustainable, Climate Resilient
Agriculture and Smallholder
Women Farmers in Nigeria
(At Federal and State Level)





Budgeting for Sustainable, Climate Resilient Agriculture and Smallholder Women Farmers in Nigeria (Federal and State Level)



Agriculture accounts for
22% of Nigeria GDP.



36% of labour force
is directly employed
in agriculture.

70% of the population, especially women, are directly and indirectly involved in agriculture.

Women contribute about **70%** to food production, processing and marketing.

70%

70%

Help
needed

Poor access to market
Lack of agro-processing and storage facility
Poor credit finance channels
Extorting middlemen
Poor government funding
Climate change
Rapid population growth
Monoculture cultivation
Heavy dependence on highly hazardous pesticides
Farmer herdsman conflicts
Insecurity in farms



Nigeria is one of the countries in Africa most susceptible to climate change.

THE PROBLEM: Conventional agriculture is not climate resilient. Already it is not ensuring Nigeria's food security.

INSTEAD THERE IS

1 FOOD SHORTAGES



2 FOOD INFLATION



3 HIGHER CO₂ EMISSIONS



4 LOW INCOME FOR SMALLHOLDER FARMERS



5 HIGH USE OF HIGHLY HAZARDOUS PESTICIDES





Nigeria's agriculture budget does not reflect a rethink of the food system as it favours conventional agriculture that involves ground tillage, tree felling (before planting), heavy use of chemical inputs (fertilizers, herbicides, fungicides, insecticide), heavy tractor machineries, etc. These threaten environmental health, Nigeria's food security etc.

The Federal Ministry of Agriculture projects that the demand for staple food will increase by

50%



due to



Increase in the population of Nigeria

Climate Change Impacts on Agriculture

By

2080



Agricultural production is expected to decline by

10-25%



Decline in yield in rain-fed agriculture could be as much as

50%



19.29%

of total greenhouse gas emissions in Nigeria comes from agriculture



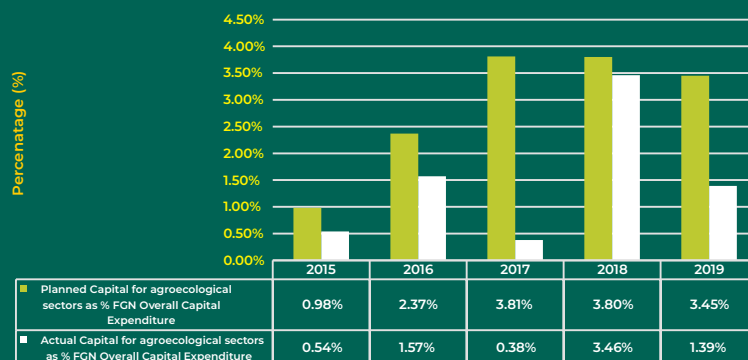
Planned average public spending for sustainable agricultural from 2015-2019 accounted for

2.88%

of the total FGN budget. Average actual spending, however, is only

1.47%

Share of Planned and Actual Capital Expenditure as a % of Overall FGN Capital Expenditure: 2015 - 2019





Nigeria signed the Convention on Climate Change on the 9th of June 1992 and ratified it on the 15th April 1994. Nigeria also ratified the Kyoto Protocol on 10th December 2004, and signed and ratified the Paris Agreement on 22nd September 2016 and 16th May 2017 respectively. These are the country's commitments to combat and reduce its CO₂ emission across key sectors.



There is a growing need to mainstream climate change solutions into government's agricultural development agenda by making budgetary allowances to help smallholder women adapt to climate change at both national and state level. There is need to examine the need of smallholder women farmers, and the level of support they get from national and state government in adapting and contributing to climate change and securing food security using more sustainable food system like agroecology.



Relevant Legal and Institutional Frameworks for a Climate Resilient and Gender Just Agricultural Sector

S/N	Legal Framework/ Agreement	Context	Objective
1	United Nations Framework Convention on Climate Change (UNFCCC)	An international environment treaty established in 1992. Nigeria signed the Convention on Climate Change on the 9th of June 1992 and ratified it on the 15 April 1994. Nigeria also ratified the Kyoto Protocol on 10th December 2004, and signed and ratified the Paris Agreement on 22nd September 2016 and 16th May 2017 respectively.	Focused on facilitating inter-governmental climate change negotiations, providing technical expertise and assisting in the analysis and review of climate change information reported by Parties.
2	Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW)	Entered into force in 1981, Nigeria ratified the CEDAW on 23rd August 1984. Nigeria agreed to implement all appropriate measures, including legislation and temporary special measures, to ensure that women's human rights and fundamental freedoms are protected.	An international treaty of the United Nations aimed at ensuring the equal rights of men and women to enjoy all economic, social, cultural, civil and political rights.
3	Maputo Protocol on the Rights of Women in Africa	The Protocol which supplements the African Charter on Human and Peoples' Rights provides for a comprehensive set of human rights for African women. Nigeria ratified the Protocol in 2004 after its adoption in 2003.	Article 18 of the Protocol calls on State Parties to ensure women have the right to live in a healthy and sustainable environment, while article 15 and 19 provide for right to food security and right to sustainable development respectively.

4	Nigeria's Nationally Determined Contributions (NDCs)	NDCs are a country specific pledge to reduce carbon emissions, which is an obligation of the Parties to the Paris Agreement.	Nigeria's main target for its NDC is 20% unconditional and 45% conditional green-house gas emission reduction by 2030. The key priority sectors of Nigeria's NDCs include – agriculture and land use, power, transport, energy, oil and gas.
5	National Action Plan on Gender and Climate Change for Nigeria	Women are most vulnerable to the negative impacts of climate change and gender inequality has further exacerbated these impacts.	The main goal of the Action Plan is to ensure that national climate change efforts in Nigeria mainstream gender considerations so that women, men, youth and other vulnerable groups can have access to, participate in, contribute to and hence optimally benefit from climate change initiatives, programs, policies and funds.

MATCHING THE NEED?

Analysing Nigeria's Budget in Relation to Agriculture, Climate Change and Smallholder Women Farmers

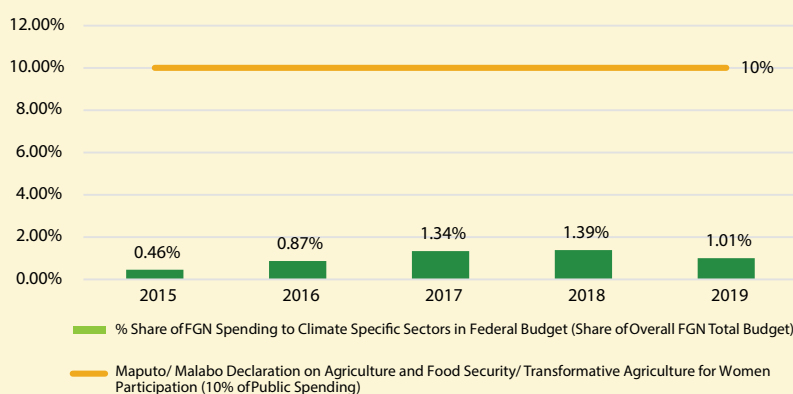


Despite the **1999**
Constitutional prescriptions and signed
Agroecological and signed conventions
and treaties,



Nigerian agricultural
sector is still
poorly funded.

Share of FGN Spending for Sustainable Agriculture as % of
Total FGN Budget vs Expected Share of 10% Spending by Maputo/ Malabo
Declaration



Allocation to agricultural
sector in national budget
has been less than

**2% since
2015.**

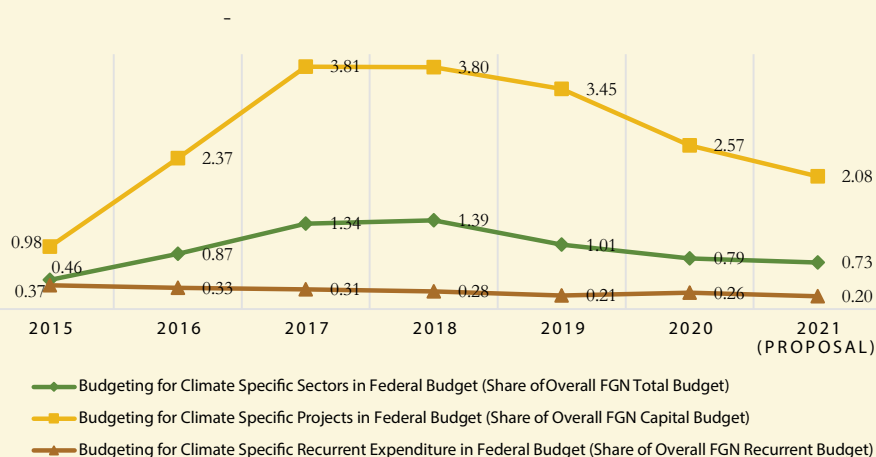


Capital Allocation to Sectors Relevant to Climate Change and Smallholder Farmers (2015 - 2019) (Amount NGN)					
MDA	2015	2016	2017	2018	2019
Federal Ministry of Agriculture and Rural Development	5.51 billion	30.28 billion	63.95 billion	80.24 billion	49.34 billion
Federal Ministry of Environment	1.19 billion	2.95 billion	5.1 billion	5.23 billion	3.44 billion
National Agency for the Great Green Wall	-	-	895 million	653 million	485 million
Total	6.70 billion	33.23 billion	69.94 billion	86.13 billion	53.27 billion

Source: Budget Office of the Federation, 2015 – 2019

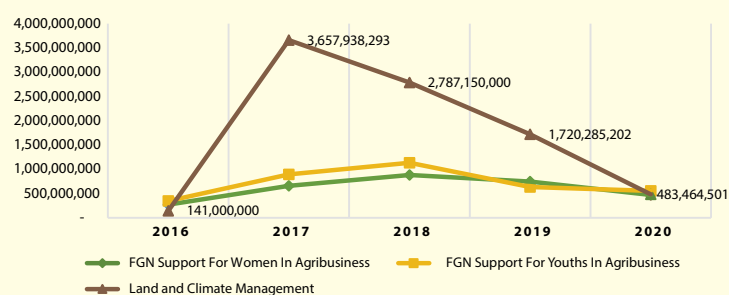
Share of Budget Allocations

Allocation to Smallholder Farmers Sensitive Climate Change Related Projects in Nigeria (2015-2021)



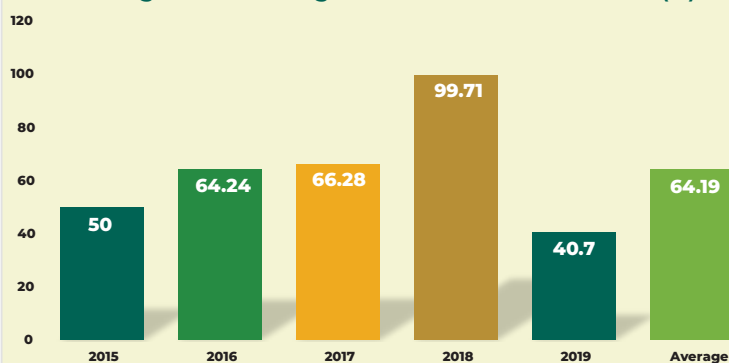
The allocation relevant to a climate resilient and gender just agricultural sector have been declining between 2016 - 2021.

Allocations to Women, Youth and Climate Management in Agricultural Sector: 2016 – 2020

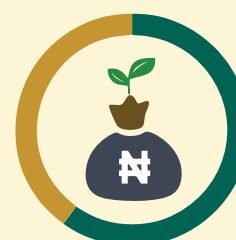


There has been no steady commitment in the budget allocation for women, youths in agribusiness, land and climate management by FMARD from 2016-2021.

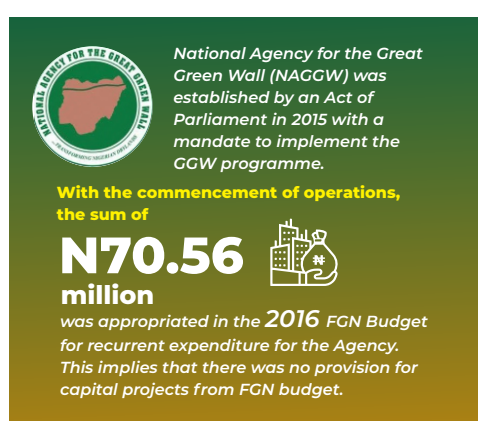
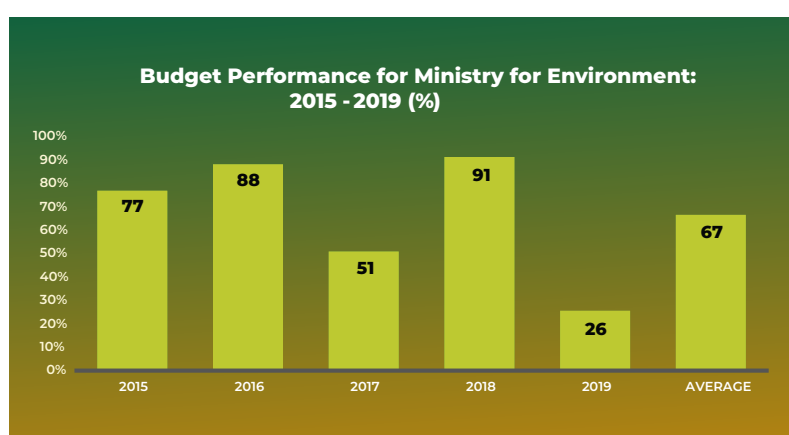
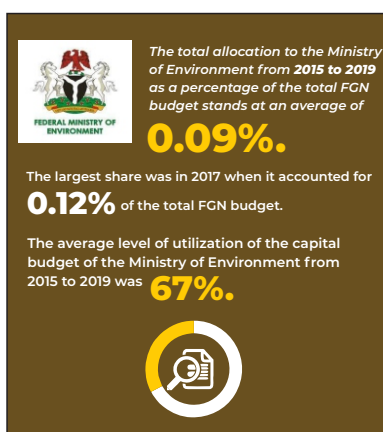
Agriculture Budget Performance: 2015 – 2019 (%)



Despite the low budget allocations, the utilisation of FMARD'S capital budget is below the 65% mark.



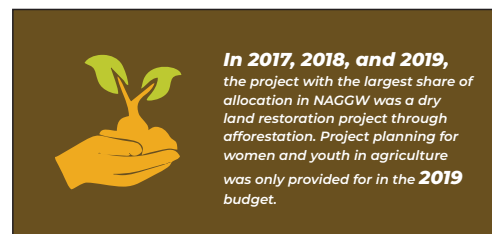
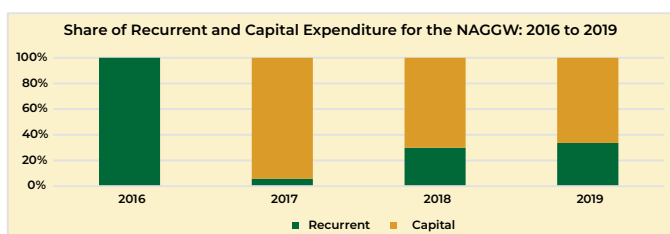
Budgeting in Other Relevant Institutions and Sectors



The budget performance of the NAGGW have been very low at an average of



Despite the potential of the agency to drive agroforestry programmes.



Capital Projects in National Agency for the Great Green Wall			
S/N	Project No.	Project Name	2017 Allocation
1	ERGP19105059	Afforestation Project	68,601,190
2	ERGP19105077	Promotion of Alternative Livelihood	70,837,744
3	ERGP19105120	Programme M&E	57,092,162
4	ERGP19105142	Dry Lands restoration through massive afforestation	424,630,248
5	ERGP80100617	Empower of Women and Unemployed Youths in Agric - Business	30,000,000
2018 Allocation			
1	ERGP19105059	Rehabilitation of afforestation project coordinating unit (APCU) headquarters	30,275,391
2	ERGP82172172	Construction of 2 solar powered boreholes in Yango village, Rimingado local government, Kano	20,000,000
3	ERGP19105077	Promotion of alternative livelihoods	64,281,030
4	ERGP19105120	Programme monitoring and evaluation	50,366,598
5	ERGP82172173	Office Retainership	40,000,000
6	ERGP19105142	Dry lands restoration through massive afforestation	600,857,351
2019 Amount			
1	NAFGG25413905	Rehabilitation of APCU office and establishment of 11 state field offices	34,799,300
2	NAFGG84918019	Promotion of alternative livelihoods	108,369,000
3	NAFGG00313503	Program monitoring and evaluation	92,375,400
4	NAFGG54305923	Drylands restoration through massive afforestation	814,778,565

Source: Federal Government Budget, Budget Office Federation



The Ecological fund is an intervention Fund established in 1981 by the Federal Government of Nigeria through the Federation Account Act 1981 to address the multifarious ecological challenges in various communities across the country. The objective of the initiative is to have a pool of funds that would be solely used to fund projects to address ecological problems nationwide.

Between 2015-2019, a total of **192** projects were approved for implementation by the Ecological Fund Office. As of September 2019, however, only

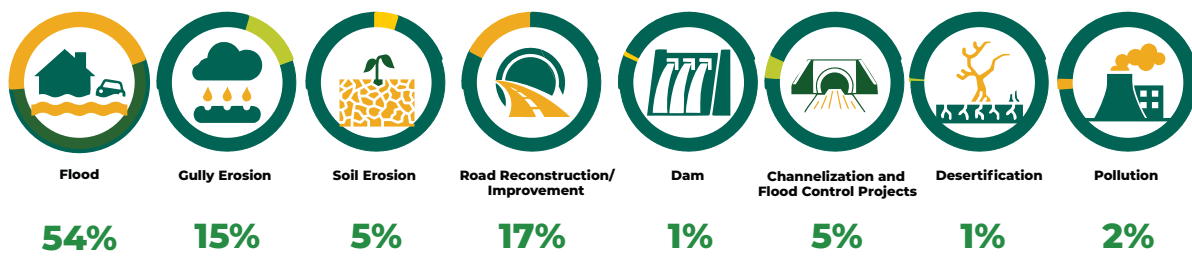


69%
of these projects have been completed while
31%
are ongoing.

Structure of Ecological Fund and Share by Tiers of Government

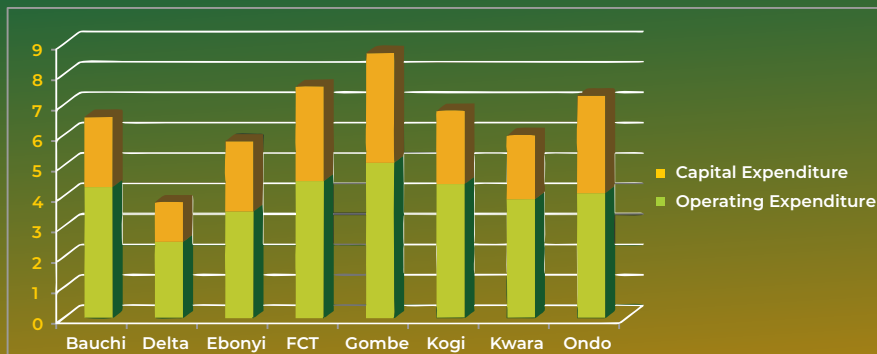
	Derivation Fund	Ecology Fund	Total
Federal Government	0.49%	0.97%	1.46%
State Government	0.24%	0.48%	0.72%
Local Government	0.20%	0.40%	0.60%
National Ecological Fund	1%	2%	3%

Ecological Fund Office Projects Executed between May 2015 and September 2019 by Priority Area



At State Level:

Climate change operating and capital expenditure as percentage (%) of total budgets across states



Less than

2%

of state budget to agriculture climate action

Analysis shows that actual spending falls largely below the budget in all the 8 states. This implies that on aggregate, states government's commitments to climate change do not always reflect what was budgeted.



In 2015, a total of **N121.2m**

was budgeted by state governments on climate related expenditures but only

2.3%

of the total budget was utilized.

In 2016,



2.5%

of the state's total budget was used for climate action.

In 2019, only



1.6%

of the total budget was used for agricultural climate action.

Analysis of the State budget shows that while



of the state governments budget examined do not have budgetary provision for agro-ecology,



10%

of the state budgets appears to provide information that are agroecological in nature with emphasis on social enabler projects.

Major Issues Identified in Nigeria's Budgeting for Sustainable, Climate Resilient Agriculture and Smallholder Women Farmers

The overall budget allocation for the agricultural sector at less than 2% of the total budget demonstrates a lack of clear commitment.

Nigeria's agriculture budget does not reflect a rethink in our food system as it still favours conventional agriculture that involves ground tillage, tree felling (before planting), heavy use of chemical inputs (fertilizers, herbicides fungicides, insecticides) heavy tractor machineries, etc, that destroys the soil and then requires improved seeds (mostly genetically modified) and more synthetic chemicals .

The planning and implementation of agricultural sector budgets especially at state level lacks political backing and commitments; hence it's overall poor performance.

No clearly targeted financial support to smallholder farmers to protect and increase productivity in the face of climate change, using sustainable approaches to agriculture such as agroecology.

The agricultural sector budget at Federal and State level is not promoting organic farming, subsidies for bio-pesticides and other environmentally friendly product usage.

Poor budget implementation/utilization rate especially for capital expenditure.

Annual increase in administrative capital budget such as purchase of office equipment, computers, rehabilitation and construction of office buildings, etc.



Budget releases are often late and poorly timed with the production cycles of the agricultural sector.

Lack of disclosure, transparency, and accountability in the budget process and its implementation. The public does not have details on contractors, contracts and project milestones.

Capital budget line items are not detailed enough in the budget, making tracking difficult.

Presence of ambiguous and repetitive budget line items such as seeds, seedlings, improved seedlings, herbicides, pesticides, which makes budget tracking difficult.

Lack of standardization in capital projects, good value for money is also lacking in the implementation of capital projects like rural roads, water projects, etc.

Poor monitoring and evaluation of capital projects with little verifiable information in the public domain.

There is no proper reporting in the ministry, or a central point where report for capital project for agriculture is reported either annual, bi-annually or every four years.

The budget for agricultural sector especially at state level is not accessible to rural communities and farmers.

Budget implementation is not inclusive and participatory, especially regarding the inclusion of women farmers.

Poor access of agricultural inputs due to the failures of the government to use informal groups to execute projects. This is informed by the continued assumption that small-scale farmers are not organised.

Budget for agricultural mechanisation are focused on big machines that cannot access farms of smallholder farmers, that contribute to emissions in the sector and that are not aligned with the needs of most smallholder women farmers.

Poor distribution of agricultural inputs funded by the budgets to smallholder farmers.

The selection of capital projects for the agricultural sector seem to lack professional on-the-field experience consultation, especially in the area of sustainable agriculture.

Poor commitment to offer quality-on-the-field training to smallholder farmers in the area of organic agriculture and agroecology, as a more sustainable food system, and climate remediation effort.



Smallholder Women Farmers' Perspectives on Government Support and the Budget Process



58.3%

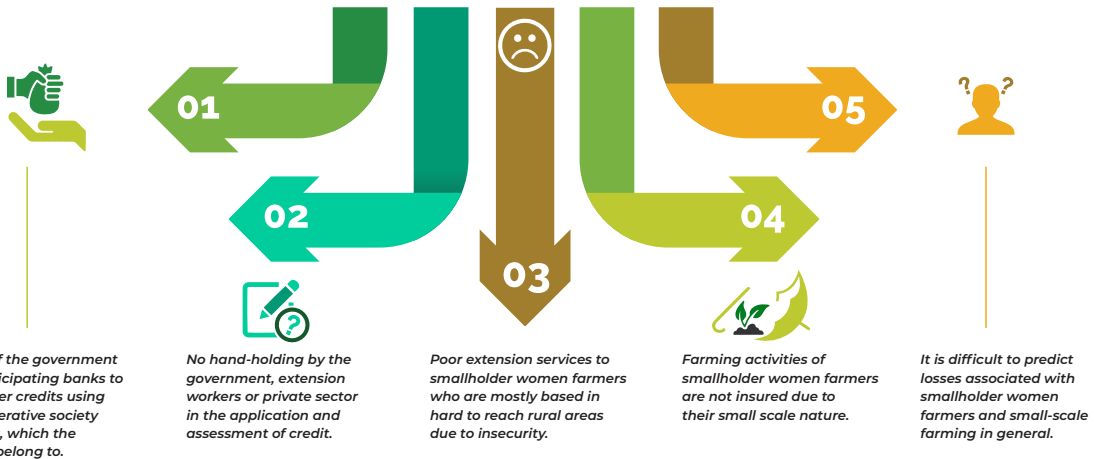
of the interviewed smallholder women farmers said the government provides farm inputs such as fertilizers, pesticides, and other farm inputs to farmers.



50%

of the respondents noted that the provision of these farming incentives and support are not regular.

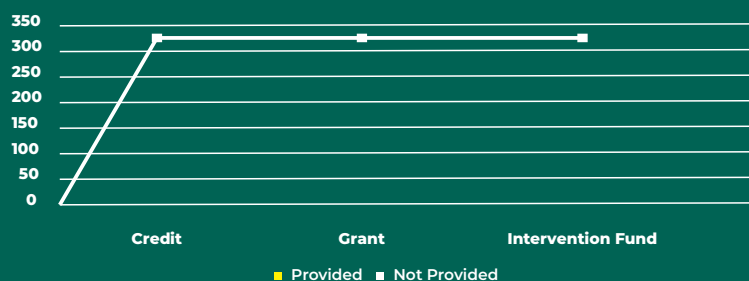
Smallholder women farmers do not have access to credit due to:



According to smallholder farmers, there is no evidence of state or federal government credit, grant and other financial interventions for sustainable agriculture such as agroecology.



Government provision of CC & Agroecology targeted financial support to SWFs



State and Federal Government has not provided the needed enabling environment and support in terms of funding.



There are no explicit budget line items for the support of agroecology.

RECOMMENDATIONS:

Factors that improve access to credit, farm input, and other agroecological support to smallholder women farmers



