

ACTION PLAN FOR THE IMPLEMENTATION OF OLOP IN NIGERIA

PRESENTED
BY

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Background

- Nigeria has a population of over 140m people
- Agriculture is the mainstay of the economy
- Depends almost absolutely on crude oil export –monocultural.
- About 70% rural with high poverty rate.
- ***Wide gap between rural and urban income***
- Large stock of untapped human and natural resources:

INTRODUCTION

- This Action Plan (AP) is made in line with the present administration's development programme (Vision 20-2020 and 7-Point Agenda), in the context of the NEEDS.
- To serve as a compass to guide the implementation process

OBJs

- The AP is tailored towards achieving the over-all objective of OLOP viz:
“empowerment of rural communities in Nigeria to achieve economic growth by developing their capacity to identify, mobilise and utilise locally available resources to produce value-added goods and services”.

Other objs. are:

- Provide support for extension of **quality control** and **packaging** services.
- Support and enhance entrepreneurial culture.
- Formalize rural businesses/mainstreaming into national economic devt.
- Reduce rural-urban migration through improved rural employment and income.
- Promote and improve **market access** for locally produced goods.

Strategy

- The main strategy is to ensure that the ultimate beneficiaries of OLOP (**rural communities**), are made to be and remain at the centre of the programme design and execution, including the development of their human capacity.
- Massive enlightenment campaign
- **Training and leadership development**

Stakeholders

- Commodity Assocs., Local entrep. groups, Community leaders, MDAs, OPS, NGOs,
- Bank and non-Bank financial institutions, including micro-finance houses
- Business/industrial clusters, etc.
- International Development Partners/Donors

Potential OLOP products & services

leather/leather products; clay/ceramic products; spices and herbs; cooking oil; shea and cashew nuts; rice; ginger; traditional festivals, dances and cuisines; neem products, sea foods; fruits and vegetables, cutflower; etc.

Preliminary Activities

- Nigeria is yet to commence the implementation of OLOP in actual sense.
- However, preliminary activities had so far started, such as:
- Commissioning of a blue-print for nationwide OVOP implementation in 2004 and a stakeholders forum on OLOP in 2005, etc by SMEDAN

Preliminary Activities cont.

- Development of OLOP Concept Paper;
- Sensitization w/shops on OVOP in 2007 & 2008
- Complimentary activities under Commerce 44
- Hosted an Implementation Survey Mission
- OVOP-related courses & seminars

What Next.

- A National Coordinating Committee (NCC) shall be established under the chairmanship of the HMC&I or his/her rep.
- The NCC shall be the apex regulatory body for the national OLOP Programme to oversee the overall implementation of OLOP and be responsible for policy guidance and oversight, as well as for the following activities:

The NCC

- Provide supportive policy framework and guidelines for Programme launching, implementation and expansion.
- Review and endorse recommendations issued at conclusion of the programme implementation workshop to be held annually by SMEDAN;
- Submission of recommendations as endorsed, to the Consultative Committee on the National Policy on MSMEs for action;

The NCC cont.

- Review and approve the Annual Work Plans & Budgets (AWPBs) and Programme Implementation Manual (PIM), review implementation progress and provide guidance as may be required to improve implementation;
- Inter-face between the Programme and the Presidency/FEC

The NCC cont.

- Provide policy guidance and resolve conflicts and constraints for smooth Programme implementation;
- Review and approve annual progress reports, monitoring and evaluation reports and audit reports.
- Approval of OLOP project requests received from the State-Level Committee (SLC).
- The NCC shall meet at least two times in a year.

NCCS

- A national coordinating Secretariat shall be established at the Department of Commodities & Products Inspectorate (FMCI)
- The NCCS shall be responsible for planning and servicing of NCC meetings.
- It shall collaborate with the National Programme Implementation Secretariat (NPIS) for the organisation of annual Programme implementation review workshops.
- It shall also collaborate with NPIS for independent monitoring and evaluation of the Programme, including preparation of thereto progress and monitoring reports. The latter responsibility may be carried out indirectly through the National Planning Commission (NPC) or other relevant body.

The NPIS

- A National Programme Implementation Secretariat (NPIS) shall be established at SMEDAN.
- The NPIS shall be responsible for conducting task team work in accordance with the Programme framework to be agreed with JICA, and produce the output document(s) with JICA assistance for onward presentation to NCC.

The NPIS cont.

- Shall be responsible for:
- preparation of the annual work plan and budget (AWPBs) and its implementation,
- production of the Programme Implementation Manual (PIM),
- routine logistics planning and coordination, spear-heading of sensitisation campaign and promotional services,
- custody or oversight of Programme information materials, records, assets and equipment.
- inter-Agency coordination of relevant stakeholders

NPIS cont.

- Organisation of annual implementation review workshops.
- Internal monitoring and evaluation of the Programme, including preparation of progress and monitoring reports.
- Financial and accounting management

What next?

- Pilot OLOP Scheme to test implementation methodologies and logistics for local fit as well as generate *quick wins* on which to promote the larger-scale national comprehensive programme.
- entry point shall be existing clusters and community groups
- These are active, community-based, local enterprise activities (***products or services***) that if targeted for development may produce substantial socio-economic benefits to a wide spectrum of the host community in the short run.

What next cont.

- In the Nigerian OLOP, the perspective of the Ministry is that the project should commence with the establishment of one pilot project in each of the six geo-political zones of the country, learn from the experience, and gradually expand to increase the number in each zone up to the time the project will reach the level of self sustainability.

Success Factors of the AP

- Huge population (*market*)
- Existing structures (community groups/associations, political will, abundant resource potentials (human & natural), etc.
- Various govt. programmes (C44, NAPEP, NEPAD, Business Devt. Centres, Clusters, etc.)
- Communities that are easy to mobilize (particularly at the village level) as a result of shared sense of community fostered by; common history, culture, values, kindred relationship, vision & development aspirations.
- Willing development partners (Donors).

Success Factors of the AP cont.

- Adequate consultation with relevant stakeholders has been built into the Programme formulation.
- Adequate enlightenment and community mobilisation to promote understanding/sustain public interests has been factored in.

Also !

- OLOP must be understood as a ***dynamic and proactive*** programme
- Govt. acting as a strong partner to assist drive the programme
- Crucial role to be played by **cooperatives**
- The need for strong political will for stability and sustainability, etc.

Above all !

- ***Strong sense of community as pre-requisite***
- Human resource devt as critical ingredient/outcome
- ***Passionate community leadership*** with strong personal networking and information sharing
- ***Strong market networking***

Monitoring & Evaluation

- programme implementation review workshops (one in each geo-political zone) to provide the major platform for carrying out monitoring and evaluation of the Programme.
- States and LG Committees would constitute in-house teams to carry out monitoring and evaluation of the Programme at their respective sub-national levels.
- Reports of such activities will be collated for presentation at an annual national Workshop.

M&E Cont.

- Independent M & E teams led by external experts will also be constituted by the NCC to carry out programme M & E. This will ensure that monitoring and evaluation is procured both at the national and local levels to give a true picture of performance on the ground.

Project financing

- Qualified projects may draw financing from one or more of the following sources:
- Direct finance by the owners;
- Grants from Government (LGA/State/Federal)
- Grants from development partners e.g. JICA, etc;
- Loans from financial institutions e.g. BOI, NACRDB, NEXIM, commercial banks, micro-finance banks/institutions etc.

Project financing cont.

- Government assistance will be in form of:
 - knowledge-based capacity building,
 - providing enabling legal/regulatory environment,
 - infrastructural development,
 - market facilitation,
 - facilitation of private-sector service providers
 - provision of common facility centres for product finishing etc. ***However, to ensure that the programme (and its beneficiaries) remain focused, grants/aid from NGOs, donor agencies and foreign partners will be carefully monitored and administered.***

Limitations of the AP

- Weak support infrastructure base
- Large informal sector (need for mainstreaming)
- Poor database of existing (active) community groups.
- High level of poverty, particularly at the rural level.
- Inadequate business skills/information among rural population
- Difficulty in accessing financial services.
- Weak processing capacity
- Poor quality products and packaging

Role of Stakeholders

- **Govt. & service providers:**
- Awareness/promotional/adult literacy services
- Business information services and devt.
- Enterprise support services (vocational skills devt/upgrading)
- Research and development
- Technology transfer & back-up services
- Quality assurance and standards
- Marketing support services.

Role of stakeholders

Govt. & service providers cont...

- Facilitation of access to finance.
- Strengthening infrastructure, etc.
- Monitoring and evaluation.
- Receive and screen project proposals for approval and implementation.

Role of Stakeholders Cont.

- **Local communities/groups:**
- Provide *grassroot leadership* to drive the programme.
- Identify existing potentials/resources in their domain
- Put up proposals with technical support from govt.(if so desired).
- *Ensure project(s) sustainability*

GUIDELINES FOR SELECTION OF PROJECTS

- Projects must adhere to the central objective of OLOP,
- Based on available local resources/skills for which a ***comparative advantage exist*** in the local community
- Intended to ***add value*** .
- ***Community-wide acceptance and ownership,***
- Empowerment (socio-economic) of local community through human resource devt.
- High tendency for sustainability and
- Others specific on case-by-case

The AP at a glance

- ***Inauguration of NCC & NPIS (OCT. 2009)***
- ***Production of OLOP handbills/sensitization materials***
- ***Zonal sensitization w/shops & Seminars (Sept. & Oct., 2009)***
- ***Baseline survey of potential projects nationwide (Sept. – Nov., 2009)***
- ***Zonal training on preparation of project proposals (October & Nov., 2009)***
- ***Commencement of zonal pilot projects (1st quarter of 2010)***

Final note

- Let us talk less
and act more
- Thank you