

FAYODE Report



2020-2022

STORIES FROM THE FIELD

Africa should stop blaming itself...

Africa continues to be impacted by the global rise in food prices, an increase spurred by a perfect storm of internal and external factors. Often overlooked, agriculture has never been more critical to the continent's future.

Before the Russia–Ukraine war, global food prices were already rising, driven by factors such as climate change and the Covid-19 pandemic.

The underlying factors driving the crisis across Africa can be summarised as follows: the effects of Covid-19; broken supply chains which reduced Africa's ability to import food; under-performing local agriculture; poor logistics on transportation; and the high rate of unemployment — as high as 60% among the younger generation.

But these challenges are not insurmountable. Africa has the resources — human capital with the highest percentage of a young and vibrant population, minerals, oil and gas, large waterways, and abundant rainfall and sunshine.

Africa should stop blaming itself for allowing its people to be dependent on the rest of the world for food imports — a phenomenon Africa can change. Yet, Africa holds nearly 60% of the world's uncultivated agricultural land, with a potential of 30–50% in increased production across the continent through higher yields. We should turn the Ukrainian war into an opportunity to produce our own food and export it, rather than relying on the rest of the world for food imports.

FAYODE at a glance: *FAYODE (Facility for Youth Development) Foundation* was officially incorporated in Nigeria as a not-for-profit organisation in January 2018. It became operational in June of the same year. FAYODE's main goal is to 'help rural youth to become self-reliant and contribute to improved livelihoods in rural communities of Africa'. Initially, the Facility will support young rural women and men in micro/mini, small- and medium-scale businesses and enterprises, with preference for the agro-industrial sector through the provision of competitive mini-grants.

Vision: A future where rural young women and men develop their entrepreneurial skills, become dignified and self-employed, and/or become employers of other youth, to sustainably contribute to the economy and social fabric of their communities.

Mission: To contribute to the development of productive entrepreneurial capacities and talents among young people in Sub-Saharan Africa.

Goals: To provide financial support and mentorship to rural youth, to help them develop well-managed micro, small, and medium sized enterprises (MSMEs), become self-reliant and contribute to improved livelihoods in their families and rural communities.

Strategic Objectives:

- Promote and support entrepreneurial opportunities among Africa's youth (mostly rural).
- Provide seed money for promising entrepreneurial ideas and for micro-, small- and medium-sized enterprises (MSMEs) that provide vocational products and services.
- Contribute to reducing rural poverty, illiteracy, redundancy, crime and rural–urban migration.
- Promote the broader social and economic advancement of rural communities in Africa through the facilitation of job creation by its youth.

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Message from the Chairman

When we released our first report — *FAYODE 2018–2019 Report: Little Grains of Hope* — the world was a different place. Covid “did not exist,” and the Russia–Ukraine War was unknown. The state of the world has since changed from the impact of Covid on people’s lives and national economies; the food crises have been exacerbated by the war in Ukraine with consequences on supply chains; and steeply rising fuel and food prices, civil unrest, and increased migrations from Africa to Europe have become the “new normal.” Africa continues to be badly affected with poverty levels reaching new highs in many countries.



Coming closer home, to Nigeria, the country’s political, economic, and social fabric continues to deteriorate. From the manifold disruptions caused by the coronavirus pandemic beginning in 2020, to rising food prices, high rates of unemployment, especially among the young population, to insecurity and increased civil unrest, the fuel crisis, a dysfunctional governance system, poor fiscal policies, and the confusion over the shortage of liquid cash in the wake of the recent currency redesign policy, everything leaves one to wonder: “*Whither Nigeria?*” As we write, the uncertainties around presidential, state, and legislative elections continue to unfold.

Covid-related lockdowns and restrictions to local and regional movement affected FAYODE operations, beginning in April 2020, and continued into 2021. Initially, we scaled down our project activities but finally had to suspend all operations in July 2021. We had to wait a whole year to resume our work (in July 2022), when the pandemic “came under control” and restrictions were removed. This situation drastically affected the funding of our activities.

There is a good side to this story. In the initial years (2018–2019), our project activities took us hundreds of kilometres away from our operating base in Iju (Ifo LGA), and far into small rural villages in three states: *Ogun State* (Joga-Orile, on the outskirts of Abeokuta); *Kwara State* (Malete, near Ilorin); and *Anambra State* (Abagana, near Awka). Against the backdrop of increasing Covid restrictions, we found ourselves partnering with friends in a privately funded voluntary food distribution scheme to assist local populations in neighbouring communities around the FAYODE office — Iju, Ajuwon, Akute. This took us into the midst of a large population of young entrepreneurs engaged in minor business ventures.

There is reason to believe that there are scores of successful agribusinesses (farming enterprises and agro-industries) run and managed by our young women and men across the country who are silently transforming the agricultural landscape. Companies like *Hello Tractor*, *Releaf*, *Corporate Farmers*, and *EZ Farming* are already making inroads into the Nigerian agricultural sector. Mention should be made here of *Agrorite*, a technology-driven platform that is providing smallholder farmers with finance, advisory services and access to markets.

In this FAYODE Report, the subjects of our feature stories are young and dynamic upcoming entrepreneurs who may one day be in the forefront of that transformation. But for them to grow and prosper, they need help — not by way of handouts, but by providing them an enabling environment with the right policies, access to finance, dependable infrastructure and reliable

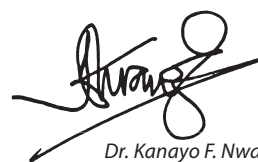
services, supported by a holistic and integrated approach from our national and state governments. In this report, the results of FAYODE's small-grant interventions in Ajuwon-Akute, beginning before the suspension of operations in July 2021, are captured under *Tailor Siblings* (page 6) and *Styles & Smiles* (page 7). The report also provides updates on the progress of three entrepreneurs and their businesses that first appeared in the FAYODE Report 2018–2019.

The support received from several institutions and individuals is recognized under Consultants and Collaborating partners (page 12). Comparatively speaking, our budget expenditures (page 11) during 2020 to 2022 represent a drastic scaling down of project activities, with administrative costs amounting to an average of 45% over the 3-year period, the highest being in 2022 (93%). We, however, remain committed to our vision and mission, the reason for which FAYODE did not completely fold up after the devastating effect of the Covid pandemic, as happened to many organisations and businesses.

Africa is home to hundreds of uncoordinated, multilateral- and bilateral-funded agricultural and rural development projects that often have competing objectives and agendas. But that is not to say that there are no success stories... and that list is long! We must, on the one hand, echo the call for the international community to fully back the numerous agricultural transformation agendas of African governments (agendas that they have helped, if not coerced the governments to formulate), by better tailoring and coordinating their financial and technical assistance. More importantly, we must also call out loudly on African governments to take the lead and proactively coordinate that transformation, rather than continue to depend on international assistance to achieve that. The leadership demonstrated by the African Development Bank (AfDB) President, Dr. Akinwumi Adesina — who in 2022 raised \$8.9 billion, the highest replenishment in the 50-year history of the Fund — is an inspiration and a challenge to our leaders. Trust is built by delivering on the promises made, with tangible results and evidence-based impact. It is proof of positive action that sustains development partnerships — not rhetoric or window-dressing.

Foregoing rhetoric for action is what this report presents as a “postscript” (inside back cover) on the Second Africa Food Summit (*Dakar 2*), which took place 25–27 January 2023. The subsequent endorsement, a few weeks later, by the AU 2023 Summit, is an integral part of this postscript.

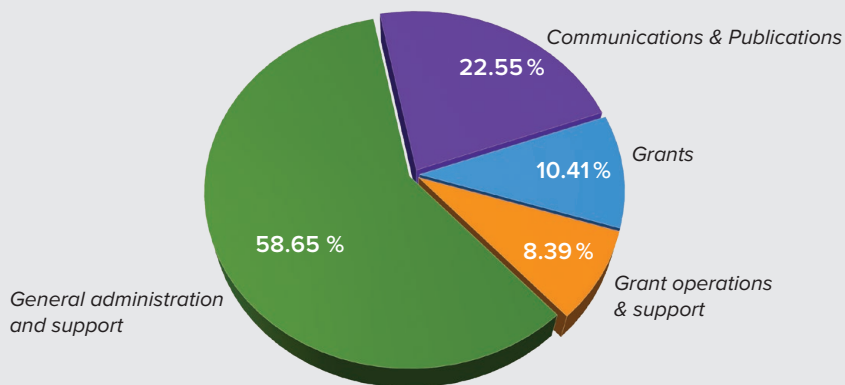
Post Covid, we are happy to be back in the field, amid our young rural populations — the leaders of tomorrow — and to be in a position to put together this FAYODE Report 2020–2022. I hope you find our ‘Stories from the Field’ as exciting and inspiring as they have been for us to share them with you.



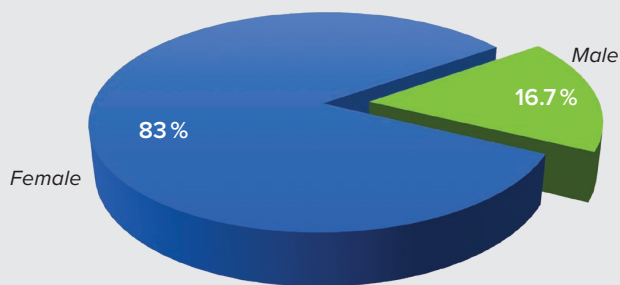
Dr. Kanayo F. Nwanze
Board Chairman & Chief Executive

FAYODE — Project Statistics

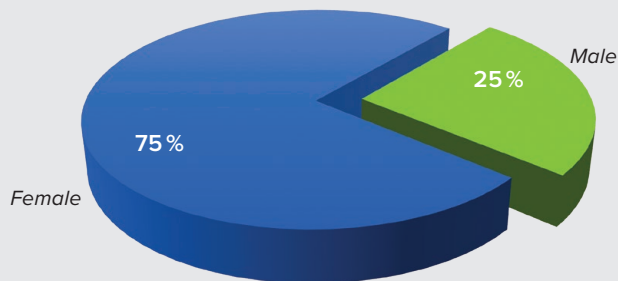
FAYODE's budget distribution



Distribution of grant financing



Grant beneficiaries male / female

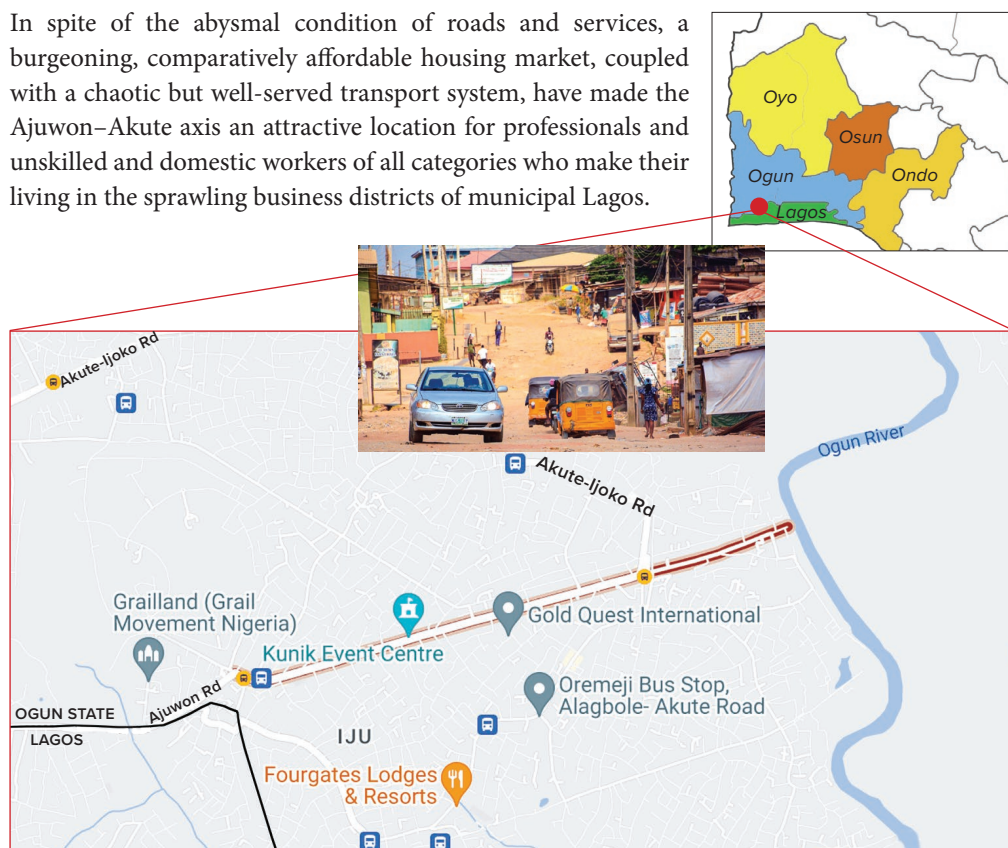


Ajuwon–Akute: rural communities for Lagos city workers

Akute, Alagbole, Ajuwon, and Lambe are four communities strategically located within the borders of Ogun and Lagos States, in southwestern Nigeria. The four are much closer to Ikeja (Lagos) and regrettably farther away from Abeokuta (the Ogun State capital). The location of the communities seems to be their greatest attraction for a growing number of residents who consider these communities geographically part of Lagos, which is perhaps why successive governments of Ogun State have considered it a waste of resources to invest in their infrastructure and services.

In spite of unpassable roads, crowded with motorbikes (*okada*) and three-wheeler taxis (*keke*), local entrepreneurial initiatives and private institutions in these communities have created an attractive rural space for professionals of all ages who work in the commercial towns and cities of Lagos. Associations of residents have mobilized local assistance to establish security architectures and provisions of amenities. Not surprisingly, the development of the capacity of young Nigerians in these communities is of little interest to the state government. Yet, the youth of Ajuwon and Akute (both within the Ifo local government area), demonstrate incredible entrepreneurial aspirations which, as this FAYODE report shows, is contributing to a vibrant and attractive rural space. Markets and SMEs thrive both day and night amidst loud competing head-pounding music.

In spite of the abysmal condition of roads and services, a burgeoning, comparatively affordable housing market, coupled with a chaotic but well-served transport system, have made the Ajuwon–Akute axis an attractive location for professionals and unskilled and domestic workers of all categories who make their living in the sprawling business districts of municipal Lagos.



The Ajuwon–Akute Tailor Siblings

The Adeniyi siblings — Abisola (Abisola Styles Perfection) and Adeola (Adeola Famous) were both beneficiaries of a grant-financing from FAYODE. Born to a professional tailor mother, they both took up the profession after completing the mandatory National Youth Service Corps (NYSC) program, with Abisola specializing in women's clothing and Adeola in men's clothing.

Support from FAYODE grant-financing provided the siblings with the following items:

- Body form: for fitting of women's dresses for clients far away from the business location;
- Set of presser feet: to make different sowing patterns on dresses;
- Steam iron: to make the finished product neat and attractive.

Although far from special or specialized, these items transformed the siblings' tailoring initiative into a thriving local business that generated more funds to procure three new machines, and to provide employment for two new support staff!

- A hemming machine for finishes, and to complement the existing straight-sowing machines;
- A button-tacking machine to complement the existing button-holes machine;
- A computerized monogramming machine for making bespoke designs on cloth;
- A new eyelet and cover-button machine.

What more?! They added a brand-new 3.2 kVA generator to power all the machines at the same time!

An interesting summary of the business before and after FAYODE's intervention

Growth areas	Pre-FAYODE	Post-FAYODE
Number of customers per month	25	65
Number of machines	6	14
Average monthly income (NGN)	100,000	260,000
Average number of work hours per day	6	12

Left: The Adeniyi siblings in the company of Chairman Dr. K.F. Nwanze. Right: Adeola and Abisola with their newly acquired machines.



Ajuwon-Akute — Styles & Smiles

‘Styles & Smiles’ is a unisex hairdressing saloon providing hairdressing services to both male and female customers. Rare to find this unique combined service in rural settings where power supply is unreliable, FAYODE provided the business with a brand new 3.5 kVA generator as most of the services provided are electricity-dependent. Styles & Smiles recently employed three additional hair stylists, and the premises which was barely noticeable has been given a new face-lift and has become the local gossip spot.

Resolving youth unemployment, especially in rural areas, holds the key to Africa’s development, a continent where 60% of its population is under the age of 25.

While agriculture is arguably the most important business opportunity even for the young, a range of smaller openings — from fashion design to roadside canteens — offer them immense scope in rural areas (like those mentioned in this report). When governments invest in rural areas, communities develop and thrive, and young people begin to sow the seeds for a better future.

At FAYODE, we believe that investing in our rural young women and men means long-term investment in our common future!



Right: Chairman Dr. K.F. Nwanze with the Styles & Smiles grant recipients. The 3.5 kVA generator set (below left) was an invaluable and eagerly-awaited grant item from FAYODE; the Styles & Smiles saloon (below right) after FAYODE’s intervention.

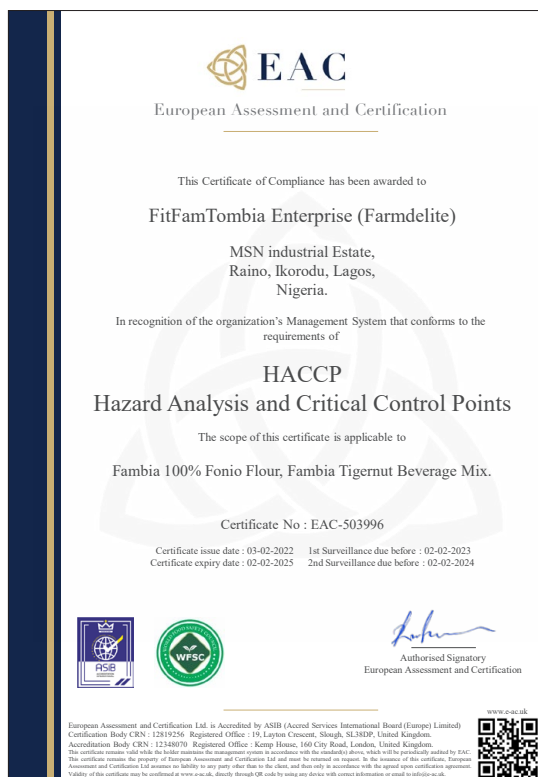


FitFamTombia — Growth & Consolidation

In most parts of Nigeria, in both urban and rural areas, young people have learnt in one way or another how to transform agricultural produce into value-added products within their various communities. These products are largely for household consumption and at best shared with close relatives or neighbors. The products hardly get into the market to compete with other products. Oftentimes, this is due to the herculean task – in terms of both time and finance – of getting these products registered with the regulating authorities in Nigeria.

When Ms. Uduma Perpetual-Love first stepped into FAYODE offices in 2019, to discuss the possibility of grant financing for her products, she would never have suspected that the little grains of hope offered by FAYODE would one day carry her products far beyond the stalls of supermarkets in Nigeria.

As reported in the last FAYODE report, Ms. Perpetual-Love's business — *FitFamTombia* — started on a micro scale in 2016. The company produces foods and beverages and various flour products from locally-sourced materials which are supplied by rural farmers and young off-takers from rural communities.



The challenge in registering her products with the food regulating authority in Nigeria was solved after FAYODE provided the needed finance. This was the only financial support required for her products to travel beyond the shores of Nigeria.

This resilience has yielded even better results. The enterprise has now secured the European Assessment and Certification for her products! This will enable export of her products into parts of Europe.

Agbe Roko Bodun De — Growth & Consolidation

The coronavirus pandemic hadn't been thought of as a global disaster when FAYODE's programme of intervention was initiated in Malete. Located in the Kwara State in North-Central Nigeria, Malete is home to the *Kwara State University*.

The FAYODE program of grant financing, which targeted a small group of young rural farmers in 2020 in the local university community, took into consideration a novel approach of first aggregating them into a loose, informal cooperative — *Agbe roko bodun de* — in order to achieve strength in unity of purpose for resource maximization and productivity.

This strength would later withstand buyers who would want to exploit the market but would later prove to be a tool for resilience when the pandemic later broke out. Border restrictions introduced to slow the spread of the virus also substantially impacted the production, transportation, and trade of food across the continent. However, this group of young farmers was able to prosper during that period.

With a small grant from FAYODE, this group of seven young farmers received inputs comprising of fertilizers, herbicides, and sprayers. No cash grants! Mentorship was also provided by FAYODE.

But just how big can 'small' become? Most of the group members, with little or no experience with fertilizer/herbicide application, were able to obtain improved yields in both quantity and quality. Their farms have expanded, more workers were employed, more food was produced in spite of the corona pandemic, and more income was generated. This confirms the adage: *aim for the sky but start small and let it grow!*

Left: Young rural farmers of the Malete project on their farm with FAYODE's Assistant Programme Officer, Temokun Olugbenga David (extreme right). Right: Small but novel approaches can yield amazing results.



FAYODE–YEASA partnership: building the Agripreneurs of the future

The *Youth Enterprise in Agribusiness and Sustainable Agriculture* (YEASA) was a grant financing provided by the International Fund for Agriculture Development (IFAD) to the Afe-Babalola University, Ado-Ekiti (ABUAD), Nigeria. ABUAD was the hosting institution and major implementing partner. Other collaborating partners included the International Institute of Tropical Agriculture (IITA) and AfricaRice, IITA Nigeria Station, which facilitated the onsite implementation of the various aspects of the programme.

FAYODE nominees came from various parts of Oyo and Ekiti States. A total of seven (7) young women and nine (9) young men benefited from this programme.

The YEASA project focused on youth development with emphasis on training in different aspects of the agricultural value chain in areas such as fish/crop production and value addition. Major food crops emphasized were:

- Mango/Fish production and value addition –ABUAD
- Soybean/Bean production and value addition – IITA
- Rice Production and value addition – AfricaRice.

FAYODE's participation in the YEASA programme involved the identification and nomination of grantees. The training programme involved five (5) days of on-site participation in product production, product transformation and preservation, and business development at ABUAD, IITA, and AfricaRice, with direct provision of grant fund and items by ABUAD to the trainees as startup and re-enforcement of existing activities.

The FAYODE and YEASA partners remain in contact with the beneficiaries to provide support as well as monitor their progress.

Testimonials

"I will like to appreciate FAYODE/YEASA for the opportunity to be part of the Africa Rice Value Addition training program. It is a rare privilege to be part of the training and be exposed to the diverse business opportunities in rice flour with various value additions. Before the training, I only knew about the traditional ways of cooking and eating rice. Never did I know that I could do much more with rice like making rice milk, coconut biscuit, cake, short bread, etc. I learnt various ways of generating income using rice flour and I will be taking advantage of the same". — Shoga Rebecca

"This YEASA training has been a huge success on my part, it has also been an eye-opener for me on some neglected areas of fish farming that have been silent yet it can be a source of revenue if it's followed hard. This program has given me the privilege of acquiring a new skill to explore in order to gain financial freedom and most importantly an additional stream of income. I also want to use this medium to say a big thanks to FAYODE, to have graced me with this opportunity of a lifetime. I have acquired a lot". — Irinyemi Foluso



Summary of financials¹

Expressed in Naira (NGN)			
Expenses	2020	2021	2022
Grants	85,000	213,000	
Grant Operations/Support	119,226	82,000	38,900
General Administration/Support	721,817	444,950	511,476
Communications and Publications	645,225		
Capital Expenditures	0	0	0
TOTAL EXPENDITURES (NGN)	1,571,268	739,950	550,376
TOTAL EXPENDITURES (USD) ²	3,562.96 ²	1,321.34 ³	809.38 ⁴
GRAND TOTAL (NGN)	2,861,594		
GRAND TOTAL (USD) ⁵	4,785.74		

1. Unaudited FAYODE accounts for 2020–2022

2. USD value calculated at 1USD = 441NGN

3. USD value calculated at 1USD = 560NGN

4. USD value calculated at 1USD = 680NGN

5. Total of 2020, 2021, and 2022. Total expenditures using USD average of the three years.



FAYODE Board, Staff, Consultants, and Collaborating Partners

FAYODE Board

Dr. Kanayo Felix Nwanze – Board Chairman and Chief Executive

Ambassador Azuka Celicia Emejulu – Board Member

Mr. Ayokunle A. Akinboyede – Board Member

Staff

Dr. Kanayo Felix Nwanze – Chief Executive

Mr. Temokun Olugbenga David – Assistant Programme Officer

Mr. Giwa Mobolaji Muhydeen – Field supervisory Assistant until 2020 (Proxy)

Consultants

Mr. Joel Onaolapo – Procurement*

Mr. McNeil Afegbah – IT*

Ms. Tola Adenmosun – Strategy**

Mr. Adedayo Adefioye – Communications**

Mr. Omotomiwa Adesanya – Media**

Mr. Feyisayo Akinboboye – IT***

Mr. Fareed Agbaje – Software Developer*

** pro bono consultants*

*** IITA pro bono consultants until 2020*

**** pro bono consultant until 2020*

FAYODE – Collaborating Partners

- Afe-Babalola University, Ado-Ekiti (ABUAD), Nigeria.
- Africa Rice Center, Ibadan, Nigeria.
- International Institute of Tropical Agriculture (IITA), Ibadan, Nigeria.
- Theophilus C. Nweke, MD/CEO, CloudEnergy Solutions, Lagos, Nigeria.
- Youth Employment in Agribusiness and Sustainable Agriculture (YEASA).

Is Africa waking up?

The Dakar 2 Food Summit*

The Second Africa Food Summit (*Dakar 2*) held 25–27 January 2023 in Senegal, was attended by heads of state and government from 34 African countries, along with scores of African ministers of agriculture and many international partners. The summit with development partners agreed to commit \$30 billion to back the continent's resolve to boost agricultural productivity and become a breadbasket for the world.

Among the development partners are the African Development Bank, which plans to contribute \$10 billion over five years, and the Islamic Development Bank, which intends to provide \$5 billion.

The Dakar 2 Summit — under the theme *Feed Africa: food sovereignty and resilience* — adopted a Declaration on the implementation of the Summit's resolution, to be submitted to the African Union.

Organized by the Senegalese government and the African Development Bank, the Summit rallied dozens of dignitaries, including 34 heads of state and government, 70 government ministers, and development partners, to work tirelessly on compacts that would transform agriculture across Africa. The President of Ireland Michael D. Higgins attended all the three days of the Summit.

Addressing the closing plenary, African Development Bank Group President Dr. Akinwumi Adesina said the continent and its partners are determined to see results, and that implementation is critical to boosting food production and feeding Africa.

"The message was clear: we will work together to strongly support the implementation of the Food and Agriculture Delivery Compacts at country levels," Dr. Adesina said. He said the heads of state and government committed to setting up presidential high-level advisory councils to oversee the implementation of the Compacts, to be chaired by the presidents themselves in their respective countries.

Endorsement by AU 2023 Summit of Heads of State and Government*

African heads of state and government have endorsed the outcomes of the recent Dakar 2 Summit on Food Sovereignty and Resilience, hosted in January by the African Development Bank Group and the government of Senegal, calling for global support for its immediate implementation.

In a resolution read at the end of the 36th African Union Summit on Sunday, 19th February 2023, in the Ethiopian capital Addis Ababa, they described the Dakar 2 Food Summit as important and timely to address rising food prices, disruption in the global food supply, and worsening of food insecurity in Africa.

In less than a month, the Dakar 2 Food summit mobilised more than \$36 billion in investment to boost food and agriculture production across the continent.

As a proactive step forward, the African Union called for the implementation of the Country Food and Agriculture Delivery Compacts with time-bound and clearly measurable indicators for success, including concrete national policies, incentives, and regulations to establish an enabling environment for wider and accelerated investments across the agriculture sector.

Outgoing African Union chairperson, President Macky Sall of Senegal, paid tributes to the African Development Bank and the effective work it does to spur progress across the continent, including food security.

* Source: AfDB.

In my 'Open Letter to the African Union (AU) Heads of State' (written in June 2014, reproduced in the FAYODE Report 2018–2019), among several pleas, I made a specific call: "*Don't just promise development; deliver it, make it happen now*". Declarations and commitments don't feed people!

To date, there have been innumerable global and Africa regional events — landmark events that lead to the MDGs, followed by the SDGs and Agenda 2030, by the establishment of the Comprehensive African Agricultural Development Programme (CAADP) and the Maputo Commitment [2003], by the African Continental Free Trade Area [ACFTA, 2018], by the Africa Food Security Leadership Dialogue [AFSLD, 2019], by the UN Food Systems Summit [UNFSS, 2021], to mention a few. And now today, we have the Dakar 2 Summit.

There is reason to believe that *Dakar 2* will produce results, if only for the main force behind this African commitment — the President of the African Development Bank. A proof of concept already exists: the delivery of TAAT (Technology for African Agricultural Transformation) in 30 African countries on several commodities, involving broad and robust partnerships. The outstanding results on heat-tolerant wheat in Ethiopia and Sudan are well documented.

Is Africa waking up? I sincerely hope so — with the right leadership, yes!

— Kanayo F. Nwanze



Youth empowerment and development is the very raison-d'être of FAYODE. Africa's youth are at the epicenter of Africa's future.



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