



CONTEXT...

Funded by the World Bank and DFID, the Growth and Employment in States (GEMS) programme aims to increase growth, income and employment, especially for poor men and women, by improving competitiveness in strategically important Nigerian industry sectors in selected states and nationally. Wholly-funded by DFID, the target market for the GEMS1 component is the meat and leather industry.

As in other target markets, GEMS1 uses the Making Markets Work Better for the Poor (M4P) approach targeting sustainable improvements in market outcomes by altering the incentives that the market as a system provides to participants. It addresses major government and market failures in the system thus bringing about systemic change. Improving the incomes of the poor, especially women and the young, is an explicit goal of M4P programmes. The GEMS1 component is being implemented over 5 years (2011-15).

This GEMS1 Output Fact Sheet summarizes Project support to **Business Membership Organizations (BMOs) and Advocacy** to improve meat and leather industry competitiveness.

STRATEGY and RATIONALE...

BMOs and Advocacy Strategy: A key entry point activity for GEMS1 has been advice and guidance to Agricultural Transformation Agenda (ATA) stakeholders to identify responsive strategies and action plans for the Beef, Small Ruminants and Leather sectors. The overall GEMS1 meat and leather industry strategies compliment the target outputs of the three ATA sectors while ensuring high local ownership by the private sector. Strategies and action plans are responsive to resolving major competitiveness constraints identified by stakeholders while exploiting growth and employment opportunities.

The ATA and GEMS1 strategy for support to Business Membership Organizations (BMOs) and Advocacy involves the development/upgrading of regional BMO and national association capacity for: (1) advocacy for business environment reforms to underpin meat and leather industry competitiveness; (2) the provision or facilitation of demand-driven services for BMO members; and, (3) the introduction of improved practices aligned with systemic economic development.

BMOs are also key partners for GEMS1 support to target markets and linkages for upgrading competitiveness in the meat and leather sectors [see GEMS1 Output Fact Sheets on Finished Leather Goods (FLGs), Finished Leather for Export, Livestock Feed Finishing, and Quality Meat Processing and Retailing]. GEMS1 is also partnering with regional BMOs to establish and assume ownership of key meat and leather national associations to advocate for business environment reforms and support with state and federal governments.

Rationale for Support to BMOs and Advocacy: The Nigerian meat and leather sectors are not well organized. In particular, BMO membership services are weak while they also lack the advocacy skills and capacity necessary to stimulate responsive support and cooperation from federal and state governments to undertake key business environment reforms crucial to upgrading industry competitiveness. Key issues to be addressed include standard setting/upgrading and regulation, Export Expansion Guarantee review, imports protection, environmental sustainability, working conditions, and other.

The rationale for support to BMOs is that they can play a catalytic role in upgrading competitiveness while facilitating cost-effective target enterprise outreach at scale because of their strengths supporting: (1) networking; (2) delivery of some and facilitating links to other demand-driven business and financial services; (3) self-regulation; and, (4) intermediation advocacy (providing the link between enterprises and governments on dialogue and initiatives for reforming the business environment).

GEMS1 target private enterprises cannot grow and flourish without an adequate policy and regulatory framework. However, support for meat and leather industry reforms from the federal and central governments underpinning competitiveness is lacking. There is a clear need for private sector advocacy and interaction with governments on business environment reform and other support. Because of their membership nature and mandate, and through their national associations, BMOs can represent and voice the concerns of their members at the policy level, thereby creating a constituency for change that can lead to sustainable, bottom-up policy reforms.

One of the key causes of poor meat and leather sector organization is shallow business networks. GEMS1 is therefore developing BMO capacity to strengthen meat and leather business networks through networking events such as events that promote dialogue between actors on business constraints and solutions, Business-to-Business (B2B) linkage meetings/events to generate new customers and opportunities, trade fairs and other.

A major constraint to business growth and upgrading is limited access by meat and leather value chain actors to finance for working capital and equipment. Facilitating such access is significant for GEMS1 because of its cross-cutting

nature benefitting at least 3 different Project outputs – Feed finishing, Finished Leather Goods and Finished Leather (see also related Output Fact Sheets). Project support to BMOs to access commercial and concessional finance sources for their members includes negotiation facilitation with major finance sources/providers, strengthening service provider/source delivery and accountability, and technical assistance with applications for block finance as well as evaluation/assessment of finance impact.

In support of GEMS1 membership expansion targets for BMOs, those with a well-developed capacity for interest representation and service provision will be more attractive for existing as well as potential members.

OBJECTIVES, INTERVENTIONS and INDICATORS...

The **expected outcome of GEMS1** is to “improve the performance and inclusiveness of meat and leather sector market systems that are important for poor people” (the Brief on GEMS1 Support to the Meat and Leather Industry provides additional information on target impact and outcome indicators). Carrying a contribution weight of 15% to these GEMS1 impact indicators (i.e. impact outreach and value, and employment) and outcome indicators (i.e. firm growth and value, and systemic competitiveness changes), the **target output of support to BMOs and Advocacy** is “new meat and leather industry competitiveness improved through enhanced organization and advocacy skills (capacity) in the sector”.

Key **interventions** available to GEMS1 include:

- Upgrading BMO management and organizational skills (including reorientation of focus and informally merging complimentary BMOs to implement similar activities/services delivery where relevant, developing functional membership databases and information communications systems, and so forth);
- Assisting regional BMOs to identify key advocacy issues and to establish national associations to undertake collective advocacy initiatives while facilitating regional advocacy sensitization events; developing the capacity and skills of national associations to advocate for business environment reform;
- Upgrading BMO demand-driven services delivery and facilitation supporting membership expansion and satisfaction including product and market promotion and development (trade fairs and exhibitions, branding and other), and with special emphasis on business networking and access to finance; and,
- Assisting BMOs and national associations to develop/upgrade standards and practices with appropriate self/public sector regulation in support of sector upgrading and systemic competitiveness.

Indicator information for the GEMS1 BMOs and Advocacy output is summarized below.....

Indicator	Baseline 2011	Target 2015
1. Number of collective advocacy initiatives undertaken	0	8
2. Number of enterprises in meat and leather sector organized in a BMO	0	12,500
3. Number of enterprises in meat and leather satisfied with BMO's business membership service	0	6,250
4. Number of institutions (MDAs, BMOs and projects) aware of improved practices aligned with systemic economic development	0	10
5. Number of institutions (MDAs, BMOs and projects) implementing improved practices aligned with systemic economic development	0	8

Sources of verification for indicators 1, 2, 3 and 5 include: impact assessments sub-sector guides; sub-sector analysis and baselines; intervention control frameworks (containing impact summary); for indicator 4 includes project meeting records and impact assessments; GEMS1 applies the Donor Committee for Enterprise Development (DCED) results measurement and reporting standards including Value for Money

Assumptions:

Project can be replaced within the market systems as convening agent and facilitator when intervention support is completed

Risk Rating:
(HIGH)

Regional tensions between north and south because of insurgency activities and insecurity may make national level advocacy difficult

Prepared by GEMS1, the DFID-funded programme supporting the Nigerian Meat and Leather Industry implemented by GRM International Limited

