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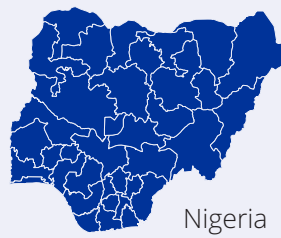


Nigeria Nexus Country Window

OVERVIEW

The Nigeria Nexus Country Window is designed to support Nigeria's rural population, where over 70% depend on agriculture for their livelihoods, and nearly half reside in rural areas. This project focuses on the agriculture and energy sectors, as well as on projects that interlink the two, to foster sustainable development and resilience. The initiative prioritises climate-smart agriculture by directly and indirectly supporting smallholder farmers and Small and Medium Enterprises (SMEs) to increase productivity and incomes sustainably. By targeting investments in key value chains identified by the European Union Delegation (EUD), the project seeks to reduce greenhouse gas (GHG) and methane emissions in agricultural production while decreasing reliance on fossil fuels and pesticides.

GEOGRAPHICAL REGION



Nigeria

IMPLEMENTATION PERIOD



15 years



TOTAL BUDGET

€57,000,000

(EU contribution: **€20 million**;
EDFI contribution: **€37 million**)

IMPLEMENTING AGENCIES

Dutch Entrepreneurial Development Bank (FMO) and European Development Finance Institutions (EDFI)

KEY ACTIVITIES

- **Promotion of investments in agriculture and energy sectors:** The Nigeria Nexus Country Window targets investments in agriculture and energy by providing long-term financing to smallholder farmers, contributing to food security, or enhancing renewable energy generation.
- **Integrated funding for rural development:** It addresses rural challenges by scaling agricultural production and providing sustainable energy solutions to reduce energy shortages and reliance on diesel generators.
- **Support for renewable energy infrastructure:** Funding is directed to companies developing local renewable energy infrastructures to support agri-businesses and rural communities.
- **Comprehensive investment platform:** The Nigeria Nexus Country Window provides a full range of investment support services, ensuring early-stage project viability and access to senior debt for later-stage growth.
- **Indirect investments through impact funds:** The initiative uses impact funds to reach smaller organisations such as farmers' cooperatives, small rural microfinance institutions (MFIs), and nascent SMEs that lack formalisation.
- **Support for financial institutions:** Engagement with MFIs, commercial banks, and insurance companies expands agricultural and energy portfolios, offering affordable products to smallholder farmers.
- **Direct investments in SMEs and producers' organisations:** SMEs and producers in agriculture and energy value chains receive long-term, flexible funding to scale operations and attract private and development finance institution (DFI) investments.
- **Addressing long-term financing needs:** Patient capital is provided with investment tenors of five to ten years (or up to 13 years for energy projects), overcoming financing barriers and enabling sustainable growth.
- **Tailored market approaches:** Customised investment strategies are implemented to meet specific market needs and ensure successful execution.
- **Learning from past operations:** Insights from over five years of operational experience are incorporated, focusing on market needs, intermediated investments, and adapting investment criteria to the Nigerian context.

EXPECTED RESULTS

12,000
smallholders reached

Increased reach and investment impact: Reaching 12,000 smallholders through 4-6 direct investments and 2 indirect investments to drive transformative change in agriculture and energy sectors.



Resilient agricultural practices: Promoting environmentally and socially sustainable agriculture to enhance resilience, ensure food security, and reduce GHG emissions.

€37million

Mobilised in private sector investment

Leverage effect: Mobilising an additional €37 million in private sector investment from DFIs, impact investors, and the local banking sector, with a leverage ratio of 1.85x.



Enhanced financial inclusion: Providing rural populations with improved access to financial services and products, empowering smallholder farmers and SMEs to scale their activities.

4,100
direct employment generated

Job creation and inclusion: Generating 4,100 direct employment opportunities, including 1,200 jobs for women, advancing gender inclusivity in economic activities.



Support for renewable energy investments: Financial services will focus on renewable energy and resource efficiency projects, aligning with global sustainability priorities.

11MW
renewable energy installed

Renewable energy expansion: Installation of 11MW of renewable energy generation capacity, contributing to Nigeria's energy transition and reducing reliance on fossil fuels.



Sustainable energy goals: Expanding renewable energy generation capacity to support rural electrification and contribute to Nigeria's environmental objectives, fostering a greener, more inclusive future.

Coordinating Ministry:
Federal Ministry of Budget and Economic Planning

www.nationalplanning.gov.ng/



www.eeas.europa.eu/delegations/nigeria

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