

CHAPTER 5

AGRICULTURAL SUPPORT PROJECT

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CHAPTER 5**AGRICULTURAL SUPPORT PROJECT**

BNSL 9 of 1994.

PART I—GENERAL

1. This Law may be cited as the Benue State Agricultural Support Project Law and shall be deemed to have come into operation on the 5th day of December, 1994. Short title and commencement.

2. In this Law:—

Interpretation.

“agriculture” includes field crops production, horticulture, forestry and the use of land for the purposes of husbandry keeping, breeding and processing of livestock, poultry, fishing and primary storage, handling and marketing of any product of horticulture, veterinary services, extension, home economics and agricultural engineering;

“BNARDA” means the Benue State Agricultural and Rural Development Authority;

“Chairman” means the person appointed to be the Chairman of the Project Implementation Committee under this Law;

“Chief Technical Adviser” means the Chief Technical Adviser of the Project;

“Commissioner” means the Commissioner for Agriculture;

“Community Development Fund” means the Fund set up by the Local Government into which participating communities and the Local Government pay their contribution for the project;

“Credit Agreement” means the agreement entered into between the State and participating Commercial Bank as specified in the Loan Agreement;

“Financial Year” means the period beginning from January and ending on the 31st day of December in any year;

“The Fund” means the International Fund for Agricultural Development;

“Governor” means the Governor of the State;

“Local Government” means any of the Local Government Areas of the State which is a beneficiary of the project;

“member” means a person appointed to the membership of the Project Implementation Committee;

"Participating Institutions" means any institution or agency involved in the execution of the Project;

"Project" means the Benue State Agricultural Support Project established under section 3 of this Law;

"Project Agreement" means the agreement entered into between the Fund, the African Development Bank and the Commissioner;

"Project Annual Work Plan and Budget" means the programme of activities and budget for the year;

"Project Co-ordinator" means the Chief Executive of the Project;

"Service Agreement" means the agreement between the co-operating agency or Community and the Project Co-ordinating Team;

"State" means Benue State of Nigeria;

"Subsidiary Agreement" means the agreement signed between the Federal Ministry of Finance and the State Ministry of Finance in respect of the Project.

PART II—ESTABLISHMENT, COMPOSITION AND FUNCTION OF THE PROJECT

Establishment
and composition
of project.

3. (1) There is hereby established for the State, a body to be known as the Benue State Agricultural Support Project (hereinafter in this Law referred to as "The Project").

(2) The Project shall be a body corporate with perpetual succession and common seal and with power to sue and be sued in its corporate name.

(3) The Project shall have power to:—

- (a) hold purchase or otherwise acquire and dispose of any property both movable and immovable;
- (b) enter into agreement with any person, organization and other bodies as it may deem necessary for carrying into effect the provisions of this Law.

Project
Implementation
Committee.

4. (1) There shall be established for the Project a committee to be known as the Project Implementation Committee which shall be in charge of the overall supervision and control of the Project.

(2) The Project Implementation Committee shall be made up of the following as Chairman and members:—

- (a) the Governor who shall be the Chairman;
- (b) the Commissioner as Vice Chairman;

- (c) the Commissioner of Finance and Economic Planning;
- (d) the Commissioner of Works and Housing;
- (e) the Secretary to the State Government;
- (f) the Programme Manager Benue State Agricultural and Rural Development Authority (BNARDA);
- (g) a representative of the Federal Department of Agriculture;
- (h) the Head of Federal Agricultural Co-ordinating Unit (FACU);
- (i) the Managing Director, Lower Benue River Basin Development Authority;
- (j) the Director, Benue Rural Development Agency; and
- (k) the Project Co-ordinator of the Project who shall also be the Secretary to the Committee.

(3) All the members of Project Implementation Committee other than the Project Co-ordinator shall be *ex-officio* members.

5. The Governor may remove any member of the Project Implementation Committee if in his opinion that member is:—

Removal of members.

- (a) unable to perform the functions of his office by virtue of any physical or mental incapacity;
- (b) convicted of any offence involving fraud or necessarily implying dishonesty; or
- (c) involved in such financial or other interest adverse to the operation of the Project or which in the opinion of the Governor is likely to affect the discharge by that member of his functions as a member.

6. A member of the Project Implementation Committee shall cease to be a member on vacation of his designated position.

Tenure of members.

7. The Project Implementation Committee shall be charged with responsibility for:—

Functions of the Project Implementation Committee.

- (a) project planning;
- (b) the Project implementation performance;
- (c) resolving policy, technical and financial issues.

Officers of
Project.

8. The Officers of the Project shall be:-

- (a) the Project Co-ordinator;
- (b) the Financial Controller;
- (c) the Monitoring and Evaluation Specialist;
- (d) the Chief Technical Adviser; and
- (e) the Credit Manager.

Project
co-ordinator.

9. (1) The Project Co-ordinator shall be appointed either by name or Project office by the Governor on the advice of the Commissioner and upon such terms and remuneration as provided for under the loan agreement.

(2) The Project Co-ordinator shall be a person with relevant professional training in agriculture or related field, with post graduate training in agriculture and rural development and with at least ten (10) years post qualifications experience in teaching, training and practical work in agriculture and rural development.

(3) The Project Co-ordinator shall be the Chief Executive Officer of the Project and shall have responsibility for:-

- (a) the supervision and control of the Project;
- (b) co-ordinating implementation, including preparation of the annual work plan and allocation and control of the financial and other resources of the Project;
- (c) entering into agreements with participating institutions on working relationship to ensure that the clear scope and objectives of the Project and their functions and methods of achieving them are clearly understood;
- (d) supporting the management, administration and supervisory capacity of the participating institutions including the Federal, State and Local Governments as well as banks and other non-governmental organizations, to ensure their effectiveness in reaching the poor;
- (e) having overall responsibility for the co-ordination and administration of the Project and generally working towards successful implementation of all Project activities; and
- (f) carrying out the policies and decisions of the Project Implementation Committee and shall conduct the correspondence of the Project.

10. (1) There shall be appointed for the Project a Monitoring and Evaluation Officer who shall be responsible to the Project Co-ordinator and shall be the head of the Monitoring and Evaluation Unit of the Project. Monitoring and Evaluation Officer.

(2) The Monitoring and Evaluation officer shall:-

- (a) have an advanced university degree in Economics or Agricultural Economics with a strong background in Statistics and Quantitative method;
- (b) have at least seven (7) years post-qualification experience in the design and management of monitoring and evaluation systems preferably for rural agriculture or agricultural development projects; and
- (c) have demonstrated written and oral presentation skills.

(3) The Monitoring and Evaluation Officer shall have responsibility for:-

- (a) the identification of key performance indicators for the Project in consultation with implementing agencies;
- (b) the development of monitoring report formats for all implements, Community Development Departments and the participating local Banks;
- (c) the organization of inception workshops to explain the objectives of the monitoring and evaluation function to senior management of the Project Co-ordinating Team and implementation agencies and obtain feedback prior to finalising the design of the Monitoring and Evaluation system;
- (d) periodic preparation of Project implementation progress reports for management and financing agencies;
- (e) designing case studies and surveys;
- (f) assisting in the selection of consultants and location of universities for the baseline survey; and
- (g) supporting BNARDA monitoring and evaluation staff in data collection, processing and analysis.

11. (1) There shall be recruited for the Project, a Chief Technical Adviser, a person who shall be a member of the Project Co-ordinating Team. Chief Technical-Adviser.

(2) The Chief Technical Adviser shall be an expert in rural development and shall:-

- (a) possess a degree in agriculture or related field;
 - (b) have a postgraduate training in the field of rural development preferably at the Doctor of Philosophy level; and
 - (c) have at least 15 years post qualification experience in teaching, training and practical work in agriculture and rural development.
- (3) The Chief Technical Adviser shall have responsibility of:-
- (a) assisting the Co-ordinator in advisory capacity for a period of three years;
 - (b) developing a functional work plan for the successful implementation of the various activities proposed for the Project;
 - (c) assisting participating institutions with technical guidance on the approach to use in carrying out their functions;
 - (d) ensuring that consultants give necessary technical support to the participating organizations by working closely with them and having input into their programme of activities;
 - (e) assisting with the establishment of modalities for proper support and working relationship with participating institutions and generally with the implementation of the Project; and
 - (f) assisting the Co-ordinator in ensuring that the Project's focus on the poorest of the poor, especially women, is pursued.

Financial
Controller.

12. (1) There shall be appointed a Financial Controller to the Project who shall be a qualified Accountant of at least ten years post qualification experience.

(2) The Financial Controller shall be a member of the Project Co-ordinating Team and shall be charged with responsibility of the finances of the Project as may be directed by the Project Co-ordinator.

Credit Manager.

13. (1) There shall be appointed a Credit Manager to the Project who shall be a member of the Project Co-ordinating Team.

(2) The Credit Manager shall have:-

- (a) a university degree in economics or agricultural economics with at least 10 years of senior level experience in banking operations in Nigeria;
- (b) substantial experience in planning and implementation of agricultural banking schemes to the farming community; and
- (c) personal characteristics suitable for relatively complex manage-

ment operations in circumstances in which flexibility of approach will be a prerequisite for the performance of the tasks.

(3) The Credit Manager shall be answerable to the Project Co-ordinator and have the following responsibilities:-

- (a) in collaboration with the Project general management and the participating bank; make an implementation plan for the Project period for the Project's savings and credit activities based on the guidelines set in the Project Agreement;
- (b) at the start-up of the Project, finalise an agreement with the participating bank regarding the detailed tasks and duties of the participating bank in rural banking operations;
- (c) administer and supervise on a day-to-day basis, the implementation of the operations of the rural banking components;
- (d) supervise the recruitment and daily work of the Credit Assistants who will perform the tasks of the field officers in rural banking operations;
- (e) in collaboration with the participating bank, plan and implement the training programme related to the Project banking sub-component;
- (f) due to the pilot nature of the component, make proposals on an on-going basis to the Project general management and the participating bank regarding the possibilities of re-directing and intensifying the use of savings and credit interventions in the project area;
- (g) liaison subjects related to the implementation of the banking activities with representatives of relevant organizations at Federal, State and Local Government levels;
- (h) make comprehensive semi-annual reports to the Project General Management, State and the Fund on the performance of the sub-components according to the guidelines set in the Project Agreement; and
- (i) towards the end of the Project period, make preparations for a smooth transfer of his and the Credit Assistant's responsibilities to their counterparts in the participating bank as the bank is expected to serve the target group independently after the Project period.

14. (1) The tenure of office of the officers of the Project shall otherwise terminate with the Project period. Tenure of office.

Staff of the project.

15. (1) The Project may recruit or appoint such other staff as it may require for the purpose of carrying into effect its functions under this Law.

(2) There shall be seconded to the Project such other staff as the Commissioner may, with the approval of the Governor, determine.

Remuneration of officers and staff.

16. There shall be paid to the officers and staff of the Project such salaries and allowances as the Governor may, having regard to the terms of the Loan Agreement, determine.

PART III—FINANCES, ACCOUNTS AND AUDIT

Resources of the project.

17. The funds and resources of the Project shall consist of:—

(a) such sums or other property whatsoever as may be advanced to the Project by way of loans or grant by the Federal or State Government;

(b) such sums or other property as may by way of loans or grants to be made to the Project by:—

- (i) the Fund;
- (ii) the African Development Bank;
- (iii) the Federal Government;
- (iv) the State Government;
- (v) Local Government;
- (vi) Community Association;
- (vii) other International Agencies; and
- (viii) individual or other foundations;

(c) all monies received by or falling due to the Project in respect of the payment of any loan made by the Project or the interest payable in respect of any such loan or advances;

(d) any investment or other property whatsoever acquired by or vested in the Project and all money earned or arising therefrom; and

(e) all other sums or other property which may in any manner whatsoever become payable to or vested in the Project.

Loans and Grants by Government.

18. (1) It shall be lawful for the Government of the Federation, State or Local Government to within the terms of the Loan Agreement and with the consent of the Governor:—

- (a) make to the Project grant of any sum or property as the Government may deem fit;
 - (b) grant loans upon such terms as to repayment, payment of interest or otherwise as the Government may deem and determine.
- (2) The Project may, with the consent of the Governor borrow such sums of money as may be required in the exercise of its functions under this Law or within the terms of the Loan Agreement.
- (3) Where the Governor gives consent to the Project to borrow money, he may specify the purpose for which the money shall be used.

19. (1) The Project shall maintain separate accounts for all Project Accounts. related expenditure.

(2) All accounts of the Project expenditure by Government Departments shall be maintained in accordance with Government accounting procedures.

(3) The Project shall keep proper account and records in relation thereto and shall prepare in respect of each project year, a statement of account in accordance with the terms of the Loan Agreement.

(4) The annual Statement of Account shall be a fair and accurate statement of the financial operations of the financial year to which it relates and shall contain the following, that is to say:-

- (a) the credit funds received by the participating bank shall be accounted as a special long-term borrowing item under liabilities;
 - (b) funds lent to the target group shall be reflected in individual loan accounts under assets; and
 - (c) income from lending and costs for borrowing and other expenditures shall be accounted in the specific Fund's coded profit and loss sub-accounts.
- (5) All progress reports shall be prepared in accordance with guide lines acceptable to the Fund.

20. (1) The consolidated financial statements relating to the Project Audit. funds including a statement of expenditure, shall be audited annually by qualified and independent auditors appointed by the Government and the participating banks.

(2) A special report on withdrawals from the fund loan based on statements of expenditure and such other information as the Fund may reasonably request, shall be forwarded with the auditors report to the Fund not later than six months after the end of the financial year.

PART IV—STRUCTURE AND SCOPE OF THE PROJECT

Project
organization.

21. There shall be established for the Project, the following bodies, that is to say:—

- (a) the Project Co-ordinating Team;
- (b) the Local Government Implementation Committee; and
- (c) the Village Implementation Committee.

Project
co-ordinating
team.

22. (1) There shall be established at the State level, a Project Co-ordinating Team (hereinafter in this section referred to as "the Team").

(2) The Team shall comprise the following officers:—

- (a) the Project Co-ordinator;
- (b) the Financial Controller;
- (c) the Monitoring and Evaluation Officer;
- (d) the Credit Manager; and
- (e) the Chief Technical Adviser;

(3) The Team shall:—

- (a) ensure the timely preparation of the Project annual work plan;
- (b) co-ordinate the implementation of the various Project components;
- (c) allocate and control finance;
- (d) support the rural banking activities; and
- (e) supervise monitoring and evaluation.

Implementation
institutions.

23. The following institutions and Agencies shall be involved in the implementation of the functions of the Project, that is to say:—

- (a) the Benue State Agricultural and Rural Development Authority (BNARDA);
- (b) the Community Development Department of the Ministry of Agriculture;
- (c) Public Commercial Banks;
- (d) the Benefitting Local Government Councils;
- (e) the Federal Agricultural Co-ordinating Unit or such other research or training institutions;
- (f) any other individuals or such other non-government organisations willing and accepted by the Project.

24. (1) There shall be established for the Project in each of the benefitting Local Governments, a Local Government Implementation Committee. Local Government Implementation Committee.

(2) The Local Government Implementation Committee shall consist of:-

- (a) the Chairman of the Local Government;
- (b) the Zonal BNARDA representative;
- (c) the Head of the Local Government Community Development Department;
- (d) the Local Government Head of Engineering Department;
- (e) the Local Government Community Development Liaison Officer who shall also be the Secretary of the Committee; and
- (f) a Traditional Ruler.

25. (1) There shall be established in each clan or district in the area of the benefitting Local Government the clan or district Implementation Committee. Clan or District Implementation Committee.

(2) the Clan or District Implementation Committee shall consist of:-

- (a) the Clan Head as the Chairman;
- (b) such number of influential people, not exceeding four in the clan;
- (c) the Community development agents;
- (d) the Village extension agents; and
- (e) co-operative agents.

26. The Project shall have responsibility for:-

- (a) ensuring that the poorer of the poor farmers and particularly women are assisted to increase their agricultural production through the Implementation Institutions; Scope of the project.
- (b) the orientation of the agricultural support service to cater for the needs, constraints and potential resources of the poor household;
- (c) ensuring the capability of a commercial bank to provide financial services to a poor rural population;
- (d) ensuring that such improvements are sustainable and shall continue after the project implementation period;
- (e) the provision of portable drinking water;

- (f) agricultural development through existing new approach to extension service towards the need of poor farmers by the introduction of low cost farming and processing equipment;
- (g) the provision of credit through public commercial Banks to farmer groups or associations;
- (h) the encouragement of community development through the formation of community associations and farmers groups; and
- (i) the provision of institutional support to the implementing agencies aimed at achieving the desired targets.

Participating
banks.

27. (1) The project shall engage the services of Commercial Banks as participating Banks.

(2) For all loans granted by the Project to any person or association, the terms of such loan shall be under the conditions acceptable to the Project, the Fund, the African Development Bank and the State.

(3) Notwithstanding the provisions of subsection (2) the project may with the approval of the Commissioner:—

- (a) reduce the rate of interest payable in respect of any loan; or
- (b) write off any such loans as bad debts.

PART V—MISCELLANEOUS

Loan to State.

28. The loan for which the Project is established shall be for the period contained in the Loan Agreement except otherwise amended or agreed upon by the State and the Fund.

Consultancy.

29. The Project shall have power to appoint qualified consultants for the proper monitoring and evaluation of the Project.

Meetings.

30. (1) The Project Implementation Committee shall hold at least four meetings every year at quarterly interval.

(2) The Project Co-ordinating Team shall hold such number of meetings as is necessary for the fulfilment of its functions.

(3) The Team may at any time request the Commissioner to call such other meetings to discuss any matter relating to the Project.

(4) The Local Government Implementation Committee shall hold at least one meeting in every two months.

(5) The Clan or District Implementation Committee shall hold at least two meetings every year.

31. (1) At any meeting of the Project Implementation Committee, **Quorum.** six members inclusive of the person presiding, shall form a quorum.

(2) At any meeting of the Project or any committee thereof, the Project or such committee may co-opt any person it so desires.

(3) Such co-opted member shall not take part in voting at such meeting.

32. The Project shall have power to make rules and Standing Orders **Standing orders.** for the regulation of its meetings or the meetings of any of its Committees.

33. The Project may with the approval of the Governor and subject **Regulations.** to the provisions of this Law, make regulations with respect to appointment, promotion, transfer, dismissal or otherwise exercise disciplinary control over the officers and staff of the Project.

34. (1) The Project may with the consent of the Commissioner **Delegation of** delegate to the Chairman or any of its officers any of its functions under **powers.** this Law.

(2) Nothing in this section shall be construed as authorising the Project to delegate the power to:-

(a) authorise expenditure exceeding such amount as may be fixed by the Project; or

(b) take major decision of policy in connection with the Project.

35. The Commissioner may with the approval of the Governor, give **Power to give** to the Project specific directions for the purposes of discharging its **directives.** functions under this Law and the Project shall give effect to such directives.

36. Any contract or instrument which when entered into or executed **Seal.** by a person not being a body corporate, may not require to be under seal, may be entered into or executed by the Chairman or any officer of the Project specially or generally authorised in that behalf by the Project.

37. Service upon the Project of any notice, order or other document **Service.** may be effected by:

(a) delivery at the offices of the Project; or

(b) post, addressed to the Project Co-ordinator.
