



RETURNING MIGRANTS' ECONOMIC REINTEGRATION: MAPPING OF STAKEHOLDERS, PROGRAMMES, AND POTENTIAL PARTNERSHIPS

NIGERIA

ALTAI CONSULTING FOR THE EUTF – 2022



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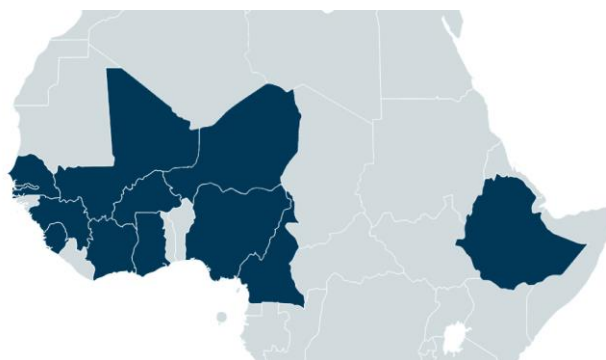
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This report is part of a regional study covering 12 countries: Burkina Faso, Cameroon, Côte d'Ivoire, Ethiopia, Ghana, Guinea, Mali, Niger, Nigeria, Senegal, Sierra Leone, and The Gambia. For each country of the study a report has been elaborated, based on a document review and interviews conducted in the field. The country reports are accompanied by a regional synthesis, identifying key trends, good practices, and recommendations at the regional level.



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ABBREVIATIONS

AECID: Agencia Española de Cooperación Internacional para el Desarrollo (Spanish cooperation agency)
AFD: Agence française de développement (French cooperation agency)
AfDB: African Development Bank
CMET: Case management expert team
CSO: Civil society organisation
DS-JWCB (or Delta Job): Delta State Job and Wealth Creation Bureau
ECOWAS: Economic Community of West African States
ERRIN: European Return and Reintegration Network
EU: European Union
EUTF: European Union Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa
FCDO: Foreign, Commonwealth and Development Office (UK)
FMLE: Federal Ministry of Labour and Employment
FMYSO: Federal Ministry of Youth & Sports Development
GEEP: Government Enterprise Empowerment Program
GIZ: Gesellschaft für Internationale Zusammenarbeit (German cooperation agency)
ICMPD : International Centre for Migration Policy Development
ICT: Information and communications technologies
ILO: International Labour Organisation
IOM: International Organization for Migration
IP: Implementing partner
JI: EU-IOM Joint Initiative for Migrant Protection and Reintegration
LGA: Local government area
LSETF: Lagos State Employment Trust Fund
MDAs: Ministries, departments, and agencies
MLS: Monitoring and Learning System (for the EUTF)
MRC: Migrant resource centre
MSMEs: Micro, small, and medium enterprises
NAPTIP: National Agency for the Prohibition of Trafficking in Persons
NCFRMI: National Commission for Refugees, Migrants, and Internally Displaced Persons
NDE: National Directorate of Employment
NDP: National Development Plan
NELEX: National Electronic Labour Exchange
NGC: Nigerian-German Centre for Jobs, Migration and Reintegration
NGO: Non-governmental organisation
RC: Reintegration committee
RRR: Return Readmission & Reintegration
SEDEC: Sustainable Economic Development Cluster (GIZ programme cluster)
SMEDAN: Small and Medium Enterprises Development Agency of Nigeria
SOPs: Standard operating procedures
TPML: Third-Party Monitoring and Learning mechanism (for the EUTF)
TVET: Technical and vocational education and training
TWG: Technical working group
UNDP: United Nations Development Programme
UNICEF: United Nations Children's Fund
USAID: United States' Agency for International Development

EXECUTIVE SUMMARY

This study commissioned by the European Union (EU) aims to make recommendations for future EU-funded returnee reintegration programming in Nigeria. More specifically, it explores how current economic reintegration assistance could be strengthened and which institutions and service providers should be involved in addition to the ones already involved. The study focusses on main areas of irregular migration and return in Nigeria since 2017, namely Lagos, Edo, and Delta states.

The International Organization for Migration (IOM) has been the only reintegration implementing partner of the EU in Nigeria through the EUTF-funded EU-IOM Joint Initiative. While several other government and development partners work in the migration and reintegration sphere and many more in the youth employment sector, coordination and synergies between their respective actions remained limited. Moreover, the diversity, quality, and effectiveness of economic reintegration support offered to returnees needs enhancing. There is no one-size-fits-all solution when it comes to helping returnees reintegrate the local labour market, but many opportunities, approaches, and lessons can be learnt from the JI and other experiences and incorporated into future programming.

The main study recommendations are as follows:

1. Lessons from the JI and other programmes need to be reviewed, formalised, and fed back into future programming through an update of the current national standard operating procedures (SOPs) for return and reintegration in Nigeria. The revised SOPs should be expanded beyond the scope of voluntary returns from North Africa assisted by the EU and IOM, and place government institutions gradually, but more intentionally, at the centre of the economic reintegration process. The EU, the Nigerian government and IOM should agree on a transition and institutional strengthening strategy.
2. IOM should maintain fewer and more strategic, long-term partnerships, and make better use of existing labour market intermediation mechanisms. At the operational level, IOM should avoid creating parallel systems for returnees, primarily work through state employment agencies, and more actively collaborate with GIZ. Together, they could work to create an adapted path for returnees into state employment agencies' on-going programmes and strengthen their processes and absorption capacity. This approach presents numerous political, financial, and operational advantages – including for returnees themselves.
3. New collaborations and services should be launched or made available to returnees for skills development, entrepreneurship support, and financial services (non-exhaustive list in section 4), either by incorporating them into state employment agencies' service offer or through increased synergies with other government and donor agencies. This would ensure a more diverse, holistic, tailored, and relevant economic assistance to returnees.
4. Economic assistance needs to be better timed and sequenced, and prolonged with longer-term follow-up support and mentoring.

1. OBJECTIVES AND METHODOLOGY

1.1 OBJECTIVES OF THE STUDY AND OF THIS REPORT

The study objectives are as follows:

- Capitalise on key lessons on migrant economic reintegration programming learned through Altai Consulting's work for EUTF in Nigeria since 2018 as part of the Monitoring and Learning System (MLS) and the Third-Party Monitoring and Learning mechanism (TPML)
- Identify key skills development, employment and entrepreneurship programmes and actors, assess their positioning, capacity and interest/ability to partner with the EU and its implementing partners (IPs) in returnee reintegration programming, and identify the most suitable and promising opportunities for partnerships and referrals for future EU-funded reintegration programmes
- Identify and assess other national and local actors and services (public, private and civil society) that could be integrated into future programming in order to build sustainable reintegration systems over the medium and long term
- Make strategy recommendations for future reintegration programming of the EU and its current and future IPs

1.2 SCOPE AND METHODOLOGY

The mapping study was carried out from June to August 2022. It was led by Jérémie Toubkiss, country lead for Nigeria and main author of this report, who conducted a 3-week mission to Nigeria from 4 to 27 July, in Abuja and Lagos. Habeeb Subair, national consultant, conducted key informant interviews and collected additional data through the end of August.

The study focuses on the states that have been the main areas of irregular migration and return in Nigeria since 2017, namely Lagos, Edo, and Delta states. It also includes a few actors located in Enugu state because of the relevance of its services and its explicit targeting of migrants and returnees in Nigeria's southern states.

Potential partners and services recommended for future programming were shortlisted based on the relevance, accessibility, and quality of their services (selection criteria detailed in section 4). Given the high number of skills development, employment and entrepreneurship programmes and actors in Nigeria, the proposed shortlist is necessarily non-exhaustive. Since the study purpose is to explore and suggest *new* partners and service providers, past and current ones were only included in the study if their involvement in returnee reintegration is to be prolonged and sustained as opposed to short-term or one-off, or if the collaboration should be further strengthened in future or extended to new areas/services for returnees.

Stakeholder were mapped, assessed, and selected based on a review of documents and data they provided and others available online, semi-structured interviews with their management and field staff, reports from their clients and partners, and direct field observations. More specifically, data were collected, triangulated, and analysed from the following sources:

- 174 programme implementation documents and reports.
- 83 key informants from government ministries, departments, and agencies (MDAs), development partners, employment agencies, training institutions, innovation hubs, financial institutions, and non-governmental and civil society organisations (NGOs and CSOs) listed in annex E; testimonies were collected with verbal consent and in accordance with the principles of confidentiality and anonymity.

- Field visits to, and direct observation of 14 employment agencies, training centres, innovation hubs, NGOs, and CSOs.
- 181 policy documents and studies on migrant reintegration, technical and vocational education and training (TVET), youth employment entrepreneurship, and financial services for youth and microentrepreneurs in Nigeria and West Africa.

Details on the shortlisted actors are found in section 4 at the end of the report and in the “stakeholder information sheet” in the annex A.

2. MIGRATION CONTEXT AND LESSONS LEARNT FROM EUTF

2.1. COUNTRY CONTEXT, AND DYNAMICS OF MIGRATION, RETURN AND REINTEGRATION

Nigeria experiences a fast-growing demography and economy – the largest ones in Africa – and persisting socio-economic inequalities and poverty. With an estimated 217 million inhabitants in 2022, the country makes up one-fifth of the entire African population. It is nearly twice as populated as Ethiopia, second ranked country on the continent, and is projected to exceed 400 million inhabitants by 2050ⁱ. Nigeria became the largest economy on the continent since at least 2019. Yet, 40% of its population live below the country's poverty line of USD 382 per yearⁱⁱ. The expanding working-age population combined with scarce domestic employment opportunities creates unemployment, particularly among the youth. Between 2010 and 2020, the unemployment rate rose five-fold, from 6.4% in 2010 to 33.3% in 2020ⁱⁱⁱ. Economic growth, poverty, and unemployment are unevenly distributed within Nigeria, among and within states. Interestingly, while the GDP is considerably lower and socio-economic poverty considerably higher in the northern part of the country, unemployment and *perceived* economic well-being are worse in the southern states (see maps in annex D)^{iv}.

This situation makes Nigeria a country of both destination and origin of (mainly labour) migration. An estimated 1.2 million foreigners live in Nigeria, mostly from neighbouring ECOWAS countries (75%), and high-skilled^v. Nigerians abroad form a relatively large diaspora, mainly in neighbouring countries, in the United States, and the United Kingdom¹. Regular emigration channels to Europe are limited, with less than 3 000 residence permits for work reasons delivered annually to Nigeria in the EU^{vi}. By contrast, irregular migration to the EU, via the Central Mediterranean route, continuously increased in the years leading up to the so-called “migration crisis”, reaching nearly 38 000 arrivals to the EU in 2016 (first African country of origin, about a third of all irregular arrivals from West Africa), before decreasing sharply to less than 1 000 arrivals in 2019 and 2020 (fifth African country of origin)^{vii}. This decrease has been attributed to the bilateral agreements negotiated by the EU, notably with Morocco and Libya, to other measures aiming to tighten border controls and reduce irregular migration, and to the COVID-19 crisis. In 2021, Frontex reported a new, slight increase with 2 300 arrivals of irregular migrants from Nigeria, a figure that is not expected to rise further in 2022. Additionally, an estimated 32 000 Nigerians are still stranded in Libya^{viii}; past surveys suggest that 60% intend to cross to Europe; those whose plans fail could be expected to return to Nigeria.

The situation on the Central Mediterranean route led to a high and unexpected number of migrants returning to their country of origin since 2016, either with support from IOM, state actors, and NGOs, or without support. IOM helped over 20 000 Nigerians return to their country between April 2017 and June 2022 through the EUTF-funded JI, and over 26 000 across all projects^{ix}. Over 15 000 of them had received or started receiving reintegration assistance from the JI, which typically involves a business skills training, job counselling and orientation, and in-kind support for an entrepreneurship project². Between January and June 2022, 2 600 returnees were assisted by the JI to return and start their reintegration process.

¹ IOM Nigeria reports receiving over 30,000 applications per month since early 2022 for study and work visa for Canada and the UK, since these countries have opened new regular migration pathways. This reflects the very high demand of young Nigerians for (legal) emigration.

² Supporting the reintegration of returnees into their home countries and communities is a shared commitment made in 2006 by European and West, Central, and North African governments as well as the European Commission and ECOWAS as part of the Euro-African Dialogue on Migration and Development (Rabat Process). The commitment was renewed at the 2015 Valletta

In Nigeria, the phenomenon of irregular emigration is very localised, but the profile of migrants is relatively diverse. Edo state, widely known as a hub for irregular migration and human trafficking, accounts for an estimated 60% of Nigerian migrants arriving to Europe¹. Delta and Lagos states follow with 13% and 3% respectively^x. Among migrants who were stranded along the migration route and returned to Nigeria with assistance from IOM between 2017 and 2021, 35% originally came from Edo, 17% from Lagos, and 10% from Delta^{xi}. These average percentages remain relatively stable over time, although the share of Lagos (and Kano state) has grown in recent years². Regardless of where they originally come from, a significant percentage of returnees resettle in Lagos.

85% of Nigerian migrants and returnees are between 18 and 35 years old, and 42% are women, one of the highest percentages in Africa. Half indicated Italy as country of intended destination in Europe^{xii}. 70% of returnees surveyed by Altai Consulting in 2019-2021 had reached secondary education, the remainder being equally split between primary and higher education. Half were employed full time before migrating, while the other half either had a part-time job or multiple jobs (30%), were studying/in training (13%), or were looking for a job (7%). One in four returnees reported that they were not able to cover their basic needs before migrating.

The root causes of irregular migration from Nigeria are complex and multidimensional, with socioeconomic, historical, cultural, and institutional factors. In most cases, migrants' decision to leave is unrelated to the ongoing problem of overall poverty and insecurity in the north of the country since over three in four migrants (and returnees) are from southern states. Edo, Delta, and Lagos benefit from higher-than-average access to infrastructure and basic services, and low socio-economic poverty and inequality rates^{xiii}. Similarly, migrants tend to be moderately better-off than the average Nigerian youth. Push and pull factors include: historical migration of seasonal workers from Edo to tomato farms in Italy dating back to the 1980s; smuggling and trafficking networks, which proliferated particularly in this state since then; relatively higher youth unemployment, underemployment, and *perceived* poverty in southern states; strong aspirations for better living conditions and social status for themselves and their families (and the visible gap in this regard between migrant households and non-migrant households); perception of European countries as providing great and accessible employment and income opportunities; high influence of personal networks and social media; and real barriers to migrate legally^{xiv}. A 2018 OECD study found that the low level of confidence of the Nigerian youth in the country's institutions and democratic governance was also an important motivation for migrating^{xv}.

2.2. MAIN RESULTS OF AND LESSONS LEARNT FROM EUTF REINTEGRATION PROGRAMMING

The EU-IOM Joint Initiative is the only programme funded by EUTF in Nigeria specifically aiming to assist returnees in their reintegration. While it is also the main reintegration programme currently on-going in Nigeria, a few other organisations and programmes also support returnees' reintegration. Beyond the JI, IOM, ILO, GIZ, ICMPD, the Swiss cooperation, and the NGO ActionAid manage projects funded by various donors and aiming to operationally support the reintegration of returnees (from Europe and/or North Africa, mainly, but also from other areas such as the Gulf states), strengthen the Nigerian institutions in charge, and/or promote youth employment more generally but intentionally including returnees among their target beneficiaries (see infosheets in annex

Summit on Migration and, at the global level, with the adoption by the United Nations (UN) Member States of the Global Compact for Safe, Orderly and Regular Migration ('Global Compact') in December 2018.

¹ In Edo State, according to the National Bureau of Statistics' Poverty and Inequality survey 2019, at least 25% of households received remittances from abroad. This is twice higher than in the next ranked states of Imo, Oyo, Lagos, Ogun, and Delta, and six times higher than the national average (4.2%). According to the 2018 Afro Barometer, around 60% of Edo residents were considering emigration in the previous year compared to 35% nationally.

² The growing importance of Lagos explains the particular attention given to this state in this mapping study and the number of potential partners recommended in section 4. While this mapping study covers the main areas of return, a similar exercise would be needed in other states, prioritising notably Kano.

A). Several hundreds of returnees are estimated to have benefitted from such direct or indirect support, compared to over 20 000 for the JI.

Under the JI, there is no standard economic reintegration package for all returnees, only a typical process and various forms of possible assistance detailed in focus box 1.

Focus box 1: Economic reintegration assistance under the EU-IOM Joint Initiative

- About 250 returnees have benefitted from temporary cash-for-work while waiting for the economic reintegration process to start. Those identified as particularly vulnerable/affected during the COVID-19 crisis have received a cash transfer (pilot, 406 beneficiaries).
- A four- (previously five-) day business skills training is delivered by IOM-contracted and trained partners to all interested returnees: this is the first step in the economic reintegration process for most returnees.
- At the end of the training, returnees identified as particularly vulnerable could request individual support while the other ones (5,578 beneficiaries) were invited to form small groups of 3 to 6, find a common microbusiness idea (a “collective project”), and jointly develop a business plan. In 2021, the collective project approach has been discontinued and individual support generalised. 124 returnees from Edo state joined a “community-based project” instead – a pineapple juice factory, a cassava processing unit, or fish farms – which involved a private operator and other, non-migrant community members.
- In the follow-up phase, case management expert teams (CMETs) and IOM’s partner CSOs in the main areas of return provide technical advice, coaching, and in-kind support to returnees establishing their microbusinesses.
- 203 returnees have benefitted from technical and vocational education and training (TVET) so far, mainly due to a low demand, according to IOM. During the business skills training, the counselling and orientation session now includes information about TVET opportunities, which helps identify and stimulate the demand. Those expressing interest are referred to GIZ who works with several trainers and training centres and can enrol returnees among its own project beneficiaries.
- Only nine direct job placements have been achieved so far because of the lack of adequate opportunities/offers from employers and employment agencies, according to IOM.

Overall, the JI assistance was appreciated by Nigerian returnees and yielded positive reintegration outcomes. Two in three returnees surveyed by Altai Consulting in 2019-2021 expressed overall satisfaction. Among those who set up a collective or individual microbusiness, two thirds were able to cover at least “most” of their needs at the time of the survey (3 to 24 months after the end of the JI support), as opposed to less than 20% of survey respondents not yet having done so. Three quarters of surveyed returnees said that the economic assistance helped improve their employment and financial situation.

Based on IOM and Altai Consulting respective assessments and beneficiary surveys, the main lessons from the JI’s economic reintegration assistance and from EUTF programming in Nigeria, and areas for improvement, are as follows:

- **In the first months of their return in Nigeria, returnees need individual, in-cash support. Other forms of economic assistance, including longer-lasting ones, should come after.** Interest in TVET and establishing a microbusiness only grows once returnees meet their immediate needs. Post-arrival monetary assistance should be sufficient and swift. The pilot cash transfer provided to particularly vulnerable returnees during the COVID-19 crisis was appreciated by

targeted returnees (406 beneficiaries) and considered overall a success by IOM. Combining short-term and longer lasting forms of economic support maximises reintegration outcomes.

- **Increased consideration for returnees' individual profiles and aspirations and to local labour market needs is key to ensure sustainable reintegration.** Job counselling and orientation are critical steps for a successful professional reintegration, but resources and methods used by IOM and its partners to analyse the demand and needs of returnees and of the local labour market have been inadequate. In one-on-one counselling sessions, returnees need complete information and diverse options, and more job placement opportunities must be found for those who are not entrepreneurs. Striking the right balance between a demand- and supply-driven approach to economic reintegration requires a good command of the (complex) Nigerian employment and entrepreneurship ecosystem, and IOM has not been well positioned and equipped to meet those needs. Returnees felt directed to collective projects and reported they were not given enough alternatives.
- **Not every entrepreneurship project can succeed and become viable, but they could be better designed and supported.** The business skills training is often packed, short and rushed, and post-training follow-up support too limited to maximise returnees' chances of becoming successful microentrepreneurs. Collective projects faced management, group dynamics, and sustainability issues, and the requirement to formalise micro-businesses created an additional burden for returnees. Most ended up splitting and discontinuing their business within the first year and a half. Community-based projects, notwithstanding numerous intended advantages, require considerable time and resources to materialise. IOM has not managed to ensure that returnees can access additional, external, longer-term technical and financial support after the end of its assistance process.
- **There are several barriers to accessing TVET opportunities, but they can be overcome.** Training costs are deducted from returnees' overall reintegration grants and waiting times can reach several months, thus reducing and delaying economic gains. Most TVET centres are in urban areas and require full-time commitment, making it difficult for returnees to maintain a parallel income-generating activity. Returnees reported feeling unsure about subsequent job/income opportunities after training completion. On its end, IOM faced challenges finding training centres with diversified and affordable courses, qualified trainers, modern teaching methods, and adequate equipment. Finally, TVET providers mentioned IOM's returnee data protection policy as an obstacle to or cause of delays for referrals.
- **The lack of referrals to government institutions and youth employment programmes singled out returnees from other young job seekers, creating a parallel system, and limited national ownership.** IOM's strategy focused on contracting reintegration implementing partners and service providers directly. While this approach reduced risks by keeping a higher level of control over processes and results, it also affected IOM's management costs and absorption capacity, limited government leadership and programme sustainability, and reduced reintegration pathways for returnees.
- **Nigeria is one of the few countries where EUTF has not funded any youth skills development and employment programme¹.** This was another obstacle to diversifying reintegration pathways for returnees and capturing government interest in the reintegration agenda.

¹ The GIZ-managed SKYE project was to receive co-funding from EUTF, but this did not happen for political reasons between the EU and the Nigerian government.

3. GOVERNANCE OF REINTEGRATION AND YOUTH EMPLOYMENT

3.1. POLICY AND NORMATIVE FRAMEWORK

Economic growth and employment are at the core of the Nigeria National Development Plan 2021-2025, a bridge for the country's long-term plan, Nigeria Agenda 2050, currently being developed. Equipping the workforce with the competencies needed on the job market, and youth employment and entrepreneurship, are clearly presented as top government priorities and cutting across all six NDP's broad objectives. The document identifies the most promising sectors for investment and youth skill development (see below). The topic of migration is addressed in the 'Foreign policy and international economic relationships' chapter and the emphasis is on how both the Nigerian diaspora and foreign workers in Nigeria can contribute to the country's economic development. While the National Migration Policy and the Nigerian-German Centres for Jobs, Migration and Reintegration are mentioned in the document, there is no further reference and no commitment or target related to irregular migration and returnee reintegration.

Nigeria has a comprehensive migration policy framework compared to most West African countries, built on a decade-long engagement of the EU and IOM with the Nigerian government on migration governance. Migration, return, and reintegration are federal competencies. There are no binding migration laws but two policy documents: the National Labour Migration Policy 2014 and the National Migration Policy 2015. The two policies were initiated by IOM with EU funding. They define priorities for the government and its international partners, outline institutional mandates, and establish coordination and monitoring arrangements¹. The two policies, which are partly overlapping when it comes to the topic of return and reintegration, advocate for the *voluntary* return of Nigerian migrants, focus on their *economic* reintegration, and mandate MDAs to manage returnees' reintegration process, with civil society and international organisations in support. They list three economic reintegration options – education, business, and technical skills training; self-employment (entrepreneurship); and job placements – and six key strategies for economic reintegration programmes (Focus box 2):

Focus box 2: Key strategies for economic reintegration programmes set out in the migration policies

1. Conducting a skill gaps and domestic and foreign labour market needs analysis
2. Strengthening the skills development system by assessing and upgrading professional and technical qualifications structures and standards to national and international expectations
3. Entering into agreements with local industries, employers, trade union organisations, training centres, and other international and local non-state actors to develop quality education and decent work opportunities for youth, with involvement of the government
4. Reducing bottlenecks associated with registration of companies to attract increased investments from returnees
5. Promoting financial support schemes for skills and business development
6. Developing and using job centres and youth bureaus to act as contact points for jobseekers and employers and orient them

¹ They are aligned with global migration frameworks such as the African Charter on Human and Peoples' Rights (Ratification and Enforcement) Act (2004), the African Union's Migration Policy Framework (2018), and the Global Compact for Migration (2018); it is also aligned with the national framework formed by the National Commission for Refugees Act (1989) and the Nigerian Constitutions of 1999. A revised National Policy on Labour Migration is expected for 2022 and the Action plan of the National Migration Policy is also to be updated.

The other key and more operational component of the normative framework related to returnees' economic reintegration is the SOPs on Return Readmission & Reintegration (RRR), which were finalised under the JI in 2019, thanks to IOM leadership. It focuses on voluntary migrants stranded on the Central Mediterranean route, the main targets of the JI¹. It sets out their reintegration process in Nigeria and the distribution of roles and responsibilities between federal, state, local and international actors, reaffirming MDAs' central position. The drafting process and implementation of the SOPs brought together actors that were not previously involved or dialoguing. A revision of the SOPs is currently being envisaged.

The Nigeria-EU collaboration framework on migration and reintegration is defined by their Common Agenda on Migration and Mobility, which sets out to “develop programmes of voluntary return and reintegration” and “optimise the benefits deriving from return migration”.

While this migration governance framework spelled out and officialised a set of commitments from the Nigerian government resulting from the political dialogue with its migration partners (mainly IOM, the EU, and EU Member States), implementation has been slow and patchy, notably because of a low political prioritisation. Migration in general is not among government priorities, and within the migration agenda, the government and its partners' respective interests rarely converge. For example, irregular migration and return and reintegration are a priority of the EU and IOM, not of the government. The federal government is not eager to make the necessary budget allocations and has limited institutional capacity in these programming areas. Policy implementation relied on external funding, mainly from the EU, EU member states, and IOM. Other areas of differing prioritisation or disagreement between the Nigerian government and its international partners include forced returns and readmission, human trafficking and smuggling, border management, and legal migration pathways. An additional challenge is that migration and reintegration issues cut across several ministries. Related policies and their associated action plans lack a clear lead agency and overlap with the ones for youth employment, among others. The responsibility of implementing actions related to the economic side of reintegration and creating an enabling environment primarily lies with non-migration actors.

The youth employment sector has a more fragmented policy framework although – and partly because – it is a top government priority. It is governed by several policies, strategies and actions plans, at both federal and state levels, with different timeframes (some documents are outdated and have not been revised), published by different ministries, and supported by different donors². This reflects the high level of priority given to youth employment by federal and state governments and their numerous external support agencies, the cross-sectoral nature of youth and employment issues (the ministries of Employment, Economic, Industry, Agriculture, Youth, Women, and Social Development all engage in one way or another), and the coordination deficit between all these stakeholders.

Because of the weight of the informal sector in the country's economy and of the current labour market dynamics, policy and strategy documents emphasise the need to develop youth's technical and business skills for them to become micro-entrepreneurs rather than trying to place them in wage employment. This particularly applies to youth with lower level of formal education and other vulnerable youth groups including returnees, although the latter are explicitly mentioned in only one document: the Youth Employment Action Plan published in 2021 by the Federal Ministry of Youth. Policy documents

¹ Return provisions do not apply to diaspora returns, forced returns, and to individual returnees who would choose to return without assistance to Nigeria. Reintegration provisions entail financial support that is provided under the JI but that the Nigerian government is not able or willing to disburse from its own budget.

² A National Strategy for Job Creation and Youth Employment published in 2016 by the Office of the Vice-President and funded by DFID, a National Employment Policy published in 2017 by the Federal Ministry of Labour and Employment and supported by ILO, a Youth Policy published in 2019 by the Federal Ministry of Youth and Sports Development and supported by UNFPA, a National Digital Economy Policy and Strategy published in 2020 by the Federal Ministry of Communications and Digital Economy, and a Youth Employment Action Plan published in 2021 by the Federal Ministry of Youth and supported by ECOWAS, AECID and ILO. There are also policies and strategies for education, TVET, micro, small and medium enterprises, and social protection – and a Labour Migration Policy which was already mentioned above. All of them describe the youth employment context and challenges and spell out government commitments and implementation modalities, which are sometimes misaligned or inconsistent.

also stress the need for setting up a labour market information and job matching system, and to facilitate access to credit for micro, small and medium enterprises (MSMEs). Priority sectors for job creation and youth employment are agriculture/agroindustry, construction, and ICT/digital economy. Other promising sectors include arts and entertainment, hospitality, and tourism. Details and state-specific priority sectors for Lagos, Edo, Delta, and Enugu states are presented in Focus Box 3.

Focus Box 3: Promising economic sectors and skills development strategy in the NDP and in Nigeria's Job Creation and Youth Employment Strategy 2016

The NDP calls for targeted investments and developing training and employment opportunities in the following sectors: agriculture/agribusiness (incl. livestock, fisheries, and forestry activities), manufacturing, construction, ICT, media / communications / entertainment, tourism, hospitality, education, health, sports, mining, and the gig economy. This requires developing or updating educational and training curricula in collaboration with private sector companies/employers, strengthening training capacities, and invest in youth skill development, including TVET and soft skills, and especially in rural areas. Facilitating access to finance, with support from the Development Bank of Nigeria among others, is also needed to boost business development and sustainability. In Nigeria, over 85% of the economy and workforce is in the informal sector, which is an additional constraint for promoting investment and youth employment.

The National Strategy for Job Creation and Youth Employment published in 2016 by the Office of the Vice-President lists, for each state, priority economic sectors for investment and youth employment.

- Nationwide: infrastructure, construction and housing, and wholesale and retail/trade
- Lagos state: tech content and business process outsourcing, e-commerce, services, ICT; retail (incl. alaba retail); agroindustry (poultry and fish farming; cassava, cocoa, bush, and mango)
- Edo state: tech; agroindustry (banana, plantain, rice, fish, oil palm, spice, and snails)
- Delta state: agroindustry (banana, plantain, rice, fish, oil palm, spice, and snails)
- Enugu state: tech and business process outsourcing; agroindustry (oil palm, cashew, fish, rice, cassava)

The capacity of national and state level MDAs and their partners to monitor and evaluate the implementation and outcomes of the national migration and employment policies is nearly non-existent. Most activities are broadly phrased. Common progress indicators for the government and its partners are lacking in the migration and reintegration governance framework. When indicators exist (for youth TVET and employment only), they are not associated with clear definitions and calculation methods. They have not been validated and used by all relevant stakeholders including development partners and non-state actors. There are multiple initiatives but neither a centralised reporting nor an annual multistakeholder review meeting to consolidate data, measure progress, identify challenges and good practices, and agree on the way forward. The organisations that report data focus on outputs only (e.g., number of people/returnees trained and of jobs created). Information is lacking on the quality and sustainability of outcomes (e.g., training graduates gaining a decent and possibly long-term job after training completion, adequacy with their desires, number of indirect jobs generated, etc.).

Similarly, there is not yet a centralised information system to regularly analyse the labour market and identify skill development needs nationally and locally. Studies conducted by various stakeholders (federal and state MDAs, development partners, private companies etc.) are ad-hoc, one-off, and are not consolidated nor widely shared and used – even those conducted as part of policy and strategy development initiatives. Each institution keeps carrying out their own initiatives in silo.

3.2. OPERATIONAL ENVIRONMENT: STAKEHOLDERS & COORDINATION

3.2.1. MAIN STAKEHOLDERS

Numerous MDAs and other state, civil society and international organisations are involved in returnees' economic reintegration and youth employability and employment initiatives. Leadership and capacities are uneven between the federal and state MDAs and across states, and constantly evolving due to shifting political priorities, turnover of key staff, un-institutionalised management procedures, and unpredictable and generally low budget allocations.

At the federal level, the **National Commission for Refugees, Migrants, and Internally Displaced Persons (NCFRMI)** is the lead agency on migration and reintegration matters, currently placed under the supervision of the Federal Ministry of Humanitarian Affairs and Social Development. Its role in RRR is to coordinate and oversee the various federal and state MDAs and international and civil society partners involved in securing identity documents for migrants and returnees and arranging basic necessities such as shelter, health, and economic support, as per the RRR SOPs. It is insufficiently decentralised: it has only six offices in the country, including in Abuja and Lagos, but none in Edo and Delta states, the main areas of departure and return where it needs to work through other states agencies such as the National Agency for the Prohibition of Trafficking in Persons (NAPTIP) and, in Edo, the Edo State Task Force Against Human Trafficking.

NAPTIP is a federal agency created in 2003 with a mandate focused on people victims or at risk of trafficking. It has its HQ in Abuja and nine offices in the country including in Lagos, Benin City (covering Edo and Delta states), and Enugu. Its Counselling and Rehabilitation Department provides protection, counselling, and health, social and economic support to trafficked persons, including to returnees who were trafficked. The **Edo State Task Force Against Human Trafficking** was established by the state government to manage and coordinate interventions against irregular migration and human trafficking and for the rehabilitation and reintegration of returnees in the state. It is composed of a Board and a Secretariat of about 12 full-time professionals. Its leadership and capacity are often praised by its partners.

The **Federal Ministry of Labour and Employment (FMLE)** is mainly concerned with relations between workers and employers in the public and private sectors and as such is involved in both youth employment and returnees' economic reintegration. It notably oversees the National Directorate of Employment (NDE), whose leadership and capacity have reportedly decreased. It also manages several job centres, public skills acquisition centres, and migrant resource centres (MRCs) throughout the country (see section 3.3).

The **Federal Ministry of Youth and Sports Development (FMYS)** coordinates the implementation of the National Youth Policy and runs local youth development centres. Its Education and Youth Development Department and Enterprise Promotion Department are tasked to support youth and young entrepreneurs¹. Their mandate and action overlap with those of the FMLE, NDE and other MDAs presented below. Their leadership and capacities are weak and, none of the other MDAs, development partners, or CSOs mentioned FMYS as a partner or key stakeholder.

Other main federal MDAs focus on youth skills development and employment:

- The **Office of the Vice-President** and the **Federal Ministry of Humanitarian Affairs and Social Development** manage social investment and youth empowerment programmes.
- The **Federal Ministry of Education** is responsible for formal education mainly.

¹ Through TVET, business and financial literacy training, job creation initiatives, apprenticeship promotion, enterprise and cooperative development, insertion of youth in agricultural value chain, technical support, and business mentoring, and facilitating access of young entrepreneurs to microcredit.

- The **Small and Medium Enterprises Development Agency of Nigeria (SMEDAN)**, which positions itself as the one-stop shop for all MSMEs in the country, offers entrepreneurship training among other services to young job seekers, entrepreneurs, self-employed, and established business owners.
- The **Industrial Training Fund (ITF)**, under the Ministry of Industry and Trade, develops and directly delivers technical and management training programmes to employees, self-employed, graduates and non-graduates working in industry and commerce, provides internship and apprenticeship opportunities, and offer technical support to MSMEs¹.
- **Other sectoral ministries** (Agriculture, Energy, Oil and Gas, etc.) have their own specialised programmes and skills acquisition centres.
- The **National Youth Service Corps (NYSC)**, under the leadership of the President, runs the national service programme, a one-year professional assignment combined with part-time civil/community service in which nearly all university and polytechnic graduates under 31 years must enrol. ITF, SMEDAN, sectoral ministries and NYSC have offices in nearly all states and several training centres. They are sustainably funded by the government, yet their institutional and operational capacities are generally described as limited.

At the state level, several governments have also established their own skills development and employment programmes or agencies in the past five to ten years. In Lagos, Edo, Delta, and Enugu states, they benefit from strong political backing from state governors, are recruiting staff and partners and improving their management capacities and start drawing attention and technical and financial support from international donors (see section 3.3).

While many NGOs and CSOs work on youth employment promotion, the ones that have a specific mandate or focus on returnees are less numerous and mostly located in Edo and Lagos. Two umbrella organisations, the CSO Migration Network (focusing on migration and development) and the NACTAL Network (focusing on child protection) engage in networking, coordination, and capacity building of their members, and in policy advocacy and public awareness-raising. Both networks claim a high number of CSO members nationwide. Among them, the Centre for Youths Integrated Development, COSUDOW, Genius Hub, IDIA Renaissance, Patriotic Citizen Initiative, Society for the Empowerment of Young Persons, and Web of Hearts are the most mentioned and active ones in returnees' reintegration. On the international NGO side, Action Aid, Caritas, and Global Initiative Against Illegal Migration are the most prominent ones in the focus states of this study. Outside of training institutions and incubators, **private sector involvement in returnees' reintegration is weak**².

The main international development partners financially supporting returnees' reintegration and/or youth skills development, employment and entrepreneurship programmes are listed below and in section 4 – with the EU and GIZ being the two major organisations involved in both sectors. Development partners' support is aligned with the strategic priorities defined in the migration and youth employment related policies and summarised in Focus box 2 above.

¹ ITF reimburses up to 50% of the training costs paid by employers registered with it. It is sustainably funded by a 1% levy on the payroll of Nigerian companies employing more than five people.

² As stressed above, very few internship, apprenticeship and job placements were achieved with the private sector. IOM (and OECD) reports that, while some small businesses or larger companies are open to offering such opportunities to returnees, they most often view this as a charity initiative rather than a mutually beneficial partnership and strategic business decision, recruiters rarely see returnees as committed and reliable, and returnees rarely meet their selection criteria. In the past few years, IOM, GIZ and ICMPD have been more active in seeking win-win partnerships with private entities. Introducing/labeling returnees as returnees rather than young job seekers might be counterproductive.

3.2.2. STAKEHOLDER COORDINATION

There are still some coordination gaps among reintegration stakeholders, and even more among youth employment actors and between the two sectors. Bridges need to be built so that future returnees can benefit from all available employment initiatives and opportunities.

At the national level, stakeholder coordination in the migration and reintegration field has improved over the years, mainly thanks to EU and IOM support. The 2015 Migration Policy defined the coordination structure for the migration sector at the federal level. The National Consultative Committee is the main policy-making organ and the highest level of interministerial coordination in all migration matters¹. The **Technical working group (TWG) on migration** consists of high-level representatives of state and non-state actors involved in operational activities. It makes policy recommendations to the government and programming recommendations to its members. It also monitors and coordinates the work of five **thematic groups** including one on 'Forced Migration and Return, Readmission and Reintegration'. Both the migration TWG and the thematic group on reintegration are to meet quarterly. Meetings were held regularly in the first years of the JI and before the COVID-19 crisis, less so since then. They are chaired by NCFRMI, gather the main MDAs and representatives of the non-state actors introduced above. IOM has been the most present and active participant on the development partner side.

The RRR SOPs complemented this governance framework for reintegration specifically, decentralising it further in the main regions/states of return and increasing the level of involvement and coordination of state and non-state actors in local reintegration activities and case management. The SOPs created subnational **Reintegration Committees (RCs)** and, under their oversight, **Case Management Expert Teams (CMETs)**. They are located in Abuja, Lagos, Edo, and Delta states but cover wider geographic zones². They gather, respectively, senior and operational representatives of the MDAs and non-state actors mandated to provide returnees with medical, psycho-social, and economic reintegration assistance, including TVET, entrepreneurship support, and job placement opportunities³. They meet monthly or more/less often depending on the caseload.

Although this multi-level structure fostered dialogue and cooperation among migration state and non-state actors, it continues to require further strengthening and increased government leadership. Effective linkages with the youth employment sector are also needed to ensure that future returnees can benefit from all available employment initiatives and opportunities.

- **At the subnational level, RCs and CMETs do not include representatives of some important reintegration and youth employment actors:** state employment agencies (except in Edo), local government areas (LGAs), and returnees themselves. The absence of state employment agencies reduces referral and support opportunities for returnees. The absence of LGA and returnee representatives makes it difficult for them, as stakeholders and beneficiaries, to express their needs, feedback, and suggestions. Moreover, RC and CMET involvement in reintegration becomes very limited or inexistent after the business skills training ends.
- **At the national level too, some important migration and youth employment actors are not represented in TWG and thematic group meetings, or do not systematically attend.** These include MDAs (FMYSO, ITF, state governments and employment agencies), LGAs, returnees, and development partners (e.g., on the migration side: ICMPD, ERRIN, GIZ, ILO, Swiss embassy, AECID, Action Aid, Caritas)⁴. Meetings mostly relied on JI funding and have become less regular

¹ It is composed of the MDAs with migration-related mandates and co-chaired by the ministers of Justice and of Humanitarian Affairs. NCFRMI serves as the Secretariat.

² The RCs and CMETs located in the above listed states cover returnees in Northern Nigeria, the South-West, the South-South and the South-East, respectively

³ There is also a Monitoring and Evaluation Expert Team coordinating and analysing periodic surveys on return and reintegration effectiveness and sustainability.

⁴ Some key informants highlighted that invitations to meetings often come through paper mail and last minute.

since early 2020. NCFRMI's leadership has decreased due to staff changes. Externally funded reintegration and youth employment initiatives/actors all have their own, separate steering/coordination bodies that may or may not involve NCFRMI and other relevant MDAs. They do not convene to build strategic synergies, institutionalise referral mechanisms, and build upon each other's strengths and lessons learnt¹. This is the case even when there are actors working in or funding both sectors, such as FMLE, MRCs, SMEDAN, the EU, and GIZ. At the interministerial level, the National Consultative Committee has never met. Programming fragmentation, communication gaps, and tensions have recently increased as a result, both between development partners and with and among MDAs².

- **Overall, there is a lack of political leadership and ownership of migration and reintegration issues at both federal and state levels.** While development partners' funding and initiatives filled this gap and advanced migration governance and programming, they also perpetuated this gap and created a coordination and sustainability issue. IOM, particularly, is being both praised and criticised by state and non-state actors for leading the migration governance framework and having positioned itself at the centre of the reintegration process. Being directly funded by the EU and most other donors and bearing the responsibility for programme delivery and progress reporting, IOM was incentivised to take up leadership and responsibility. While state and non-state actors and coordination structures have been strengthened along the way, they still lack self-reliance³.
- **The deficit in stakeholder coordination and government leadership is even stronger within the youth employment sector⁴. It makes it even more difficult to build bridges with reintegration actors.** The Youth Employment action plan 2021 recognises the coordination and leadership deficit and points to the resulting inefficient use of resources. As part of its 'Team Europe Initiative - Green Economy', the EU has made jobs for youth a high priority for the coming years and is planning to set up a steering committee gathering the EU Delegation and Member States as well as MDAs and private sector representatives. With appropriate EU support, this platform could advance intersectoral coordination and expand opportunities for returnees.

3.3. LABOUR MARKET INTERMEDIATION MECHANISMS AND SERVICES

Several state and non-state actors have been created to help young people enter the labour market, with some structures dedicated to returnees and multiple levels of overlap. There is no nationwide and fully operational labour market information and intermediation system able to centralise and match the supply and demand for employment. While the migration policies and RRR SOPs designate the FMLE and FMYSO as contact point and orientation mechanism for returnees, very few IOM-assisted returnees have been referred to these structures so far.

¹ Except for GIZ and IOM who hold monthly coordination meetings. These meetings are only at the operational, case management level, however, i.e. to organise referrals of returnees in need of specific assistance, rather than at the strategic, senior management level. ERRIN through ICMPD funds IOM, GIZ, Caritas, IDIA Renaissance and works with NCFRMI, FMLE and possibly a few other youth employment actors, but its funding and caseload is too modest to gather more relevant stakeholders and institutionalise and sustain a cross-sectoral dynamic.

² Stakeholders all recognised this situation when convening in April 2022 for the voluntary review of the country's progress on the Global Compact for Migration implementation, and in interviews with Altai Consulting in July.

³ Edo is the only state where the state government allocated some budget in the past for return and reintegration and where most stakeholder coordination meetings now take place without IOM facilitation (i.e. funding and presence).

⁴ While various multi-stakeholder platforms were envisaged in national policies or formally established, they either met irregularly and vanished or only ever existed on paper. Notably the Job Creation Unit under the leadership of the Presidency, the National Employment Council under FMLE's leadership, and the National Inter-ministerial Steering Committee on Job Creation for Youth, under FMYSO's leadership. In fact, none of the MDA officials and development partners interviewed for this study were aware of these coordination platforms. Other ones have been created around specific government and donor-funded programmes (EU, GIZ, AFD...), but their membership and focus are limited, and they dissolve once funding ends.

3.3.1. FOR RETURNEES

The labour market intermediation/referral mechanisms mandated to provide employment opportunities to returnees specifically are the following.

- The FMLE's **Migrant Resource Centres (MRCs)**, located in Lagos, Benin City and Abuja, are meant as "one-stop shop" for aspiring, regular, and irregular migrants, post-return, and pre-departure. They have been technically supported by ILO, GIZ, and IOM. In practice, MRCs provide visitors with information, career path counselling, training, internship, and self and wage employment opportunities¹. Before the COVID-19 crisis, the Lagos MRC was receiving 3 000–3 500 visitors per year, i.e. less than 5% of Nigerians emigrating and returning. Over 90% were tertiary education graduates envisaging emigration or just looking for work^{xvi}. Among the few returnee visitors, almost none were referred by IOM. One tool managed by MRCs is the National Electronic Labour Exchange (**NELEX**), an online job portal meant to publish vacancies for job seekers including returnees. 10 years after its creation, the website is still not functional and would not help capture job opportunities for people with lower education backgrounds.
- The three **Nigerian-German Centres for Jobs, Migration and Reintegration (NGCs)**, set up by GIZ and located in the same cities and right next to the MRCs, provide the same services as MRCs, and more: enrolment in other (mainly GIZ) projects for TVET, entrepreneurship support and job placement; information on regular emigration pathways to Germany; and referrals to IOM, NAPTIP and CSOs offering psychosocial support and shelter. NGCs currently have a network of over 50 partners providing training, internship, and employment opportunities. They also build MRCs' capacities and implement joint activities. From 2017 to July 2022, IOM referred 203 returnees to the NGCs (less than 1.5% of the JI caseload) which in turn offered them services implemented by NGC and its partners, or referred them to the GIZ SKYE and SEDIN projects for technical, entrepreneurship, and employability training (see infosheets 1 and 2 in annex). Since 2020, the NGC in Lagos directly supported over 800 returnees from Germany and 2 000 returnees from third countries. Because MRCs' and NGCs' mandate and action partly overlap, they are now in the process of merging.
- The **NAPTIP**-managed national referral mechanism for victims of human trafficking is in place. However, among the 17 200 all-profile victims referred to the department as of December 2021, only 560 had been supported to establish their own businesses through the donation of trade equipment and provision of resettlement allowance, and 190 had been empowered to return to school or acquire vocational training. Few of them were referred by IOM.

IOM created the multi-stakeholder CMETs and a pool of implementing partners as an addition to the existing intermediation mechanisms presented above, and for the specific purpose of the JI-assisted returnees. This enabled IOM to keep control over their reintegration while associating as many relevant stakeholders as possible. Besides referring identified victims of trafficking to NAPTIP and few returnees to GIZ for TVET, CMETs direct most returnees to these ad-hoc implementing partners, which are mainly among the above-listed CSOs plus SMEDAN. Their role is to deliver the business skills training on behalf of IOM and help returnees set up their microbusiness projects after CMET approval. Since 2017, they have supported about 2 700 returnees annually.

Although it enabled IOM to reduce risks, this approach limited government ownership, programme sustainability, and reintegration options for returnees. CMETs are project-bound, and do not act as returnees' primary contact point, orientation, and longer-term support mechanism. Members have little leeway to refer returnees to other, non-IOM partners including existing labour

¹ Job placement, internship, sponsorship (locally and abroad), and skills trainings have been the services in highest demand. But MRCs also deal with labour complaints (incl. from returnees) and carry out workplace inspections on behalf of FMLE.

market intermediation mechanisms and government programmes, despite most CMET members being MDA representatives¹.

3.3.2. FOR JOB SEEKERS AND THE GENERAL YOUTH POPULATION

The landscape is increasingly fragmented, with a growing number of public and private structures set out to support job seekers. Very few of them are involved in returnee reintegration, with the same consequence of creating parallel systems and duplicating/dispersing efforts.

- In addition to the three MRCs and NELEX, which are open to but not widely known among youth employment actors and job seekers, **FMLE runs six job centres whose functionality is uneven.** They are located in Lagos, Delta (Asaba), Abuja, Kaduna, Bauchi, Anambra states. Their role is to promote employment by informing, registering, orienting, and matching young job seekers and employers, and offer or orient visitors to other employment services similar to those of the MRCs and NGCs². In the 2017 National Employment Policy, the government committed to establish a minimum of two community employment centres in all 744 LGAs in the country. This has not yet been initiated.
- **FMYSD runs youth bureaus/centres but only a few are active.** Their mandate is to inform, counsel, orient and empower youth in general, including for economic, employment and entrepreneurship support. In theory they are spread throughout the country, but few are currently functional and active due to weak FMYSD leadership, uneven state/local government support, low budget allocations and management capacities, and political interference.

This suboptimal situation explains the emergence of parallel/alternative state government, private sector, and project-based initiatives that start having strong track records. EU reintegration partners have not yet taken advantage of them.

- **State employment agencies:** The Lagos State Employment Trust Fund (LSETF), EdoJobs, Delta State Job and Wealth Creation Bureau, and Enugu-Jobs were created around the same time (2015-2016) following the state governors' election and as part of their political agenda for tackling youth unemployment, and evolved into institutionalised state MDAs. They now all run professional skills training programmes for the youth aged 18-35, organise internships and job placements, offer coaching and funding for start-up entrepreneurs, and facilitate access to finance, infrastructure, and networks through diversified funding sources and a network of over 60 partners each. The average annual number of beneficiaries they report ranges from about 1 000 (in Enugu and Delta) to over 3 000 (in Lagos) for technical training and business start-up support only. LSETF and EdoJobs are

¹ The Policy recommends "Developing and using (FMLE) job centres and (FMYSD) youth bureaus to act as contact points for job seekers and employers and orient them" while, according to the SOPs, "SMEDAN, NCFRMI, NDE and ITF shall conduct profiling of returnees' skills and training needs assessment, and arrange for returnees to be referred to existing technical, vocational and entrepreneurial skills training, opportunity fairs, and other formal education, economic and employment assistance programme that NCFRMI, or its partner(s) implements. Returnees interested in paid employment are referred to FMLE for possible job placements. Migrants that are interested in technical and vocational education and training should be referred to skill acquisition centres. NCFRMI or its partner(s) informs the returnees of the reintegration packages and processes accordingly and, if interested, registers them." While SMEDAN is one of IOM's implementing partners, IOM does not give SMEDAN returnees' contact information nor asks (and funds) SMEDAN to continue accompany returnees' microbusinesses and help them access available loans from the Central Bank of Nigeria, although this is precisely its mandate (see section 4 below). As for EdoJobs, its role is very limited in view of the range of training, employment, and entrepreneurship services it offers to other job seekers (non-IOM returnees). More information on SMEDAN in section 3.3.2 below and in the infosheet 4 in annex.

² Before that, FMLE had labour offices in all states, and labour exchange centres seeking to connect applicants and employers (which evolved into NELEX). They have long been supported by ILO before the agency focussed its advocacy and support to FMLE on the federal level.

the most dynamic and ambitious of these four state employment agencies¹. See details on the agencies' institutional and operational capacities in the annex – infosheets 3 to 6.

Apart from its collaboration with EdoJobs on community-based projects, IOM has not worked with or through any of these four agencies, despite significant potential advantages (Focus box 4). GIZ has briefly worked with LSETF in the past to provide training to about 40 returnees. This was a one-off initiative. However, GIZ works closely with EdoJobs, referring young people and returnees for training and entrepreneurship support; it also provides institutional support (e.g. establishing local job centres).

- **Private employment agencies have flourished**, including online and for people seeking employment abroad. **Jobberman** is known as the largest one in Nigeria. It also helps set up a few state employment and MSME development agencies such as Enugu Jobs and the Enugu State SME Centre. About 15 others private agencies have a good online visibility, maintain a functional website, and claim a high number of job postings and daily visitors². In addition to job and internship vacancies, some offer other training and employment services.
- In Edo and Lagos states, the main examples of project-based employment intermediation and support services for young job seekers are the **GIZ NGCs, SKYE and SEDIN projects** (see GIZ infosheet in annex A).

Focus box 4: Advantages of working with and through state employment agencies for returnees' economic reintegration

Working with and through state employment agencies for returnees' economic reintegration would have numerous advantages:

- It would help better integrate returnees with other unemployed youths.
- It would minimise the dependency of reintegration assistance on the multiple bilateral, time-bound service provision contracts managed and constantly renewed by IOM, hence make reintegration programming and assistance more continuous and sustainable³.
- Besides increasing programme stability and continuity for the EU and its implementing partners, it would also reduce the financial and human cost of managing these partnership contracts, and ease monitoring.
- State employment agencies are becoming better known and more easily accessible through a network of local branches and partners. They are now able to identify, vet, establish, manage, and maintain/update a large network of training partners, incubators, employers, business parks, business associations, and other service providers on an on-going basis. They can therefore help increase the returnee absorption capacity.
- Because state employment agencies' staff and programmes are funded by state governments (and other external funding partners), they are able to offer a wide range of trainings and

¹ LSETF and EdoJobs are recruiting staff, multiplying partnerships with local training service providers, employers, banking institutions and international donors, developing more services, and setting up local branches for increased outreach such as LSETF's liaison offices and EdoJobs' job centres now in all state's LGAs. They streamlined their process for selecting beneficiaries and vetting training partners, adapt their processes and training programmes to various clients and target beneficiaries, mentor and monitor their beneficiaries after training completion, and create incubators and business parks for entrepreneurs in various sectors (ICT, manufacturing, agriculture, etc.). Their strategic partners say of them that "they have strong ambitions, and they deliver".

² These are: HotNigerianJobs, Joblist Nigeria, Snaphunt, MyJobMag, Indeed, Jooble, Glassdoor, JobGurus, Delon Jobs, Careers24, OList, SmartRecruiters, NGRJobsGrabJobs, NigeriaJob, and LatestJobsInNigeria

³ The Lagos, Edo, Delta state employment agencies and Enugu SME Centre (which created Enugu-Jobs) have been established by a state assembly law or state government bill to ensure legal anchoring and institutional sustainability. The governor elections in 2023 may jeopardise the political and financial support they received if current governors or their parties are not re-elected. Yet it is unlikely that any new governors would deprioritise youth employment (it is on their electoral platforms and a national development priority as well) or discontinue on-going, successful programmes. They are more likely to capitalise on them while rebranding them and changing current managing directors.

employment services for free or at a subsidised cost, including entrepreneurship training longer than what IOM is able to provide, as well as employability and soft skills training, which should be introduced or systematised in returnees' economic reintegration process.

- They are well placed to provide more professional career counselling and orientation based on their knowledge of local economic opportunities and local labour market needs.
- They are used to manage both in-kind and monetary assistance to microentrepreneurs (funded by their state government) and would therefore be able to handle and complement the increased cash component that should be provided to returnees as part of their immediate, post-arrival assistance package, building on IOM's experience during the COVID-19 crisis.
- They remain available for follow-up mentoring and can provide or direct beneficiaries to additional support services as needed, including grants, loans, and other financial and non-financial services offered by the state and federal governments, international donors, and local NGOs/CSOs.
- Because state employment agencies benefit from strong political and financial back-up from state governments, working with and through them would help the federal government, the EU, and IOM raise state government interest in and support for returnees' reintegration.

To sum up, while there is no one-size-fits-all solution when it comes to helping Nigerian returnees reintegrate the labour market, many opportunities, approaches, and lessons learnt can be drawn from the JI and incorporated into future programming. Nigeria, as opposed to many other West African countries, hosts numerous state and non-state actors and programmes that know, create and promote local economic and labour market opportunities and, together, offer options for various profiles of youths, including returnees. Reintegrating returnees into the labour market independently from them is not the most efficient and sustainable approach. The EU and its implementing partners need to work more with and through national institutions and coordinate better with youth employment stakeholders at the national and subnational levels.

Now that the rush of the initial caseload of returnees has decreased, governance frameworks are in place, federal and state MDAs have gained experience and capacity, and ensuring programme continuity has become a priority, the EU and IOM have a unique opportunity: that of **evolving from the current direct implementation model, realigning with the provisions of the national policies and the RRR SOPs, and setting Nigeria as an example of a more nationally owned and sustainable reintegration programming** in West Africa. Focus Box 5 below breaks down this overarching recommendation into more specific ones for the EU (directly and through its reintegration partners).

The EU should support the revision and update of the SOPs on RRR in Nigeria based on the experience and lessons learnt from the JI. The role of the EUD in this process is particularly important as the main funder of Nigeria's migration governance framework and reintegration programming, and with migration and reintegration as a priority area under its Multi-Annual Indicative Programme 2021-2027. The revision process will also revive the multi-stakeholder dialogue and momentum created by the 2019 SOPs. The process should be fully led by NCFRMI. It should include youth employment MDAs that are currently not involved in returnees' reintegration such as FMYSD, state employment agencies, and others. It will provide the opportunity for all stakeholders to update each other on what they do, identify their comparative advantages, and agree on how to better work together. Key changes/outcomes should be incorporated into the National Migration and Labour Migration Policy when they will be revised.

In the revision process, the EU should push for the following arrangements to be made:

- *The revised SOPs should be expanded beyond the scope of voluntary returns from North Africa assisted by the EU and IOM.* It should encompass all types of returnees from all regions of the world, assisted by all development partners including ICMPD, ERRIN, GIZ, the Swiss and Italian embassies, Caritas, and Action Aid. The revision process should therefore involve these actors, which would revitalise inter-agency coordination and bring more coherence in their respective approaches.
- *The revised SOPs should reaffirm the need for government institutions, at both federal and state levels, to be placed at the centre of the economic reintegration process* and re-emphasise the key principle of avoiding singling returnees out from the rest of the Nigerian youth after initial post-arrival assistance. The SOPs should contain specific provisions for this to happen, and redefine everyone else's roles, responsibilities, and contribution, based on their mandates and comparative advantages.
- In practical terms, this means that *the EU should request IOM to maintain fewer and more strategic, long-term partnerships, and that SOPs should explicitly make referrals to external, existing government actors independent from IOM funding the 'default approach'.* This is critical for moving away from project-based reintegration assistance and partnerships and gaining political traction and government ownership on the reintegration agenda.
- At the operational level, *IOM should primarily work through state employment agencies and refer returnees to them for economic reintegration support,* making best use of their capacities and services. State employment agencies, in turn, can expand their network of partners and services providers (see suggestions in section 4 below) and make specific arrangements to enrol returnees and adapt their process and service to their specific profile and needs. CSOs should only be used where agencies' capacity and services are insufficient, and to provide other, complementary types of reintegration assistance (shelter, psycho-social support, etc.).
- *The SOPs could be adapted at the state level.* The presence, leadership, and capacities of MDAs (including NCFRMI, state employment agencies FMLE, MRCs, SMEDAN, ITF...) differ across states, with Edo and Lagos being the most advanced ones. Operational and coordination arrangements should be differentiated accordingly.
- *The SOPs could emphasise the need to offer a more diversified range of economic support to returnees (among other young people), adapted to their individual situation and evolving needs, and better timed, combined, and sequenced.* The post-arrival cash assistance, for example, should be increased and delivered preferably in instalments, possibly with some level of conditionality and monitoring, and in combination with in-kind and other, longer-term

forms of support, including TVET, other types of training, and access to finance, which should be generalised (see section 4).

- *The SOPs should describe the reintegration governance structure. Its membership, chairmanship, and functioning should be revised to incorporate all relevant migration/reintegration actors, build linkages with the youth employment sector, enhance interministerial coordination, and improve overall effectiveness.*
 - All national MDAs and development partners working on reintegration and youth employment and not yet member of national and sub-national coordination bodies (i.e. TWG, RRR thematic group, RCs, CMETs) should be integrated at the appropriate levels.
 - State governments and employment agencies, LGAs, and reintegration beneficiaries (or returnee associations) should also be represented.
 - The SOPs should set out a system of designated focal points and interim persons so that all members systematically attend at the appropriate representation level.
 - A co-chair or rotating chair arrangement should be envisaged. FMLE and, on the development partner side, the EU or GIZ, have a strong footing in both the reintegration and youth employment sectors. They are well placed to build bridges between them and to foster more linkages and coherence in the actions they support.
 - The TWG and thematic groups could be elevated at the Presidency or Vice-Presidency level to improve interministerial coordination, government leadership, and political visibility. Alternatively, the interministerial National Consultative Committee could be reactivated.
 - Coordination bodies should not only serve as a platform for exchanging information, strategic or operational decision-making, and troubleshooting. They should also organise periodic, formal multi-stakeholder review meetings to step up reintegration monitoring, evaluation, learning exchange, transparency, and accountability.

The EU should agree with the government and its reintegration partners IOM on a gradual transition and institutional strengthening strategy that will allow MDAs to progressively take over more responsibilities in reintegration management and gain autonomy while limiting associated risks. This strategy should have two components: a change in implementation modalities, and a capacity building plan. It would constitute a more intentional, continuous, and dynamic approach to institutional strengthening, and enable stronger national leadership, ownership, and sustainability in reintegration programming/management.

- *Several possible implementation models exist:* IOM, as EU implementing partner, could have staff embedded as technical assistant in their federal and/or state offices; or the other way around: NCFRMI, FMLE, and other MDA personnel embedded in IOM's offices. Alternatively, the EU IP could make short-term advance payments to the relevant MDAs for them to implement activities with IP support and monitoring; or MDAs could implement activities while the EU IP supports costs through direct payments to service providers (without funds transiting through MDAs). Such arrangements have been used in the past by IOM in Nigeria (direct payment to service providers with Swiss funding), in other countries (secondments in Guinea Bissau), or by other donors in Nigeria (World Bank and AfDB's dedicated project team or technical assistants embedded within state governments and SMEDAN).
- *In parallel, the capacity building plan should include regular formal capacity building and learning activities of different types and for all involved MDAs (e.g. training workshops on the revised SOPs and on technical and management skills, office equipment, joint field supervision missions, study visits).* The plan should be updated based on a periodic analysis of remaining capacity gaps. Repeated trainings are needed since workshops can only accommodate a few

staff members from each participating institution and management staff constantly change, which hinders the sustainability of training outcomes. Young personnel should be trained too, not only senior officials. Capacity building and learning outcomes should be monitored.

- *For state employment agencies specifically*, future EU support should help further enhance their management, outreach, and absorption capacities, as well as their internal information, monitoring, and quality assurance systems. It could help them facilitate access to finance for microentrepreneurs/returnees of the informal sector. Lastly, the EU could join forces with other donors and FMLE to advocate for sustained political and financial support to state employment agencies from both state and federal governments.

The EU and its reintegration implementing partners should (continue to) advocate for increased, earmarked, and predictable government budgeting at federal and state levels, in exchange for the change in approach and for the additional/new support to the youth employment sector as recommended above. Increased staffing or funding to relevant MDAs and adequate budgeting of coordination meetings at national and subnational levels should be prioritised. The EU and its implementing partners should also negotiate MDA assurance of and provision for enrolling and monitoring returnees in their on-going programmes. The TWG and the planned 'Team Europe Initiative' steering committee could be appropriate venues for such advocacy efforts.

4. DIVERSIFYING FORMS OF ECONOMIC REINTEGRATION SUPPORT AND PARTNERSHIPS

4.1. FOR TVET AND OTHER TYPES OF SKILLS DEVELOPMENT

4.1.1. SECTOR OVERVIEW

The Nigerian professional skills development landscape is the largest and most diverse in West Africa. It offers numerous opportunities for returnees. TVET is delivered in three different ways: in the formal education system, in the non-formal system, and in the informal apprenticeship system.

- 500 formal TVET institutions¹ are registered with the National Board for Technical Education at secondary and tertiary education levels, teaching 500 000 students every year, mostly from middle- and higher-class backgrounds due to the conditions, cost, and length of studies (1-3 years²). They train professionals and technicians for the public sector and private industries. More emphasis is given to practice in labs/workshops and internships in the workplace. Part-time, evening, and online classes are increasingly available.
- Non-formal education institutions are public, private or CSO-run. They usually offer shorter training, from a few days or weeks up to 8 months. They tend to be more affordable and focus on developing skills for microbusinesses and self-employed individuals rather than formal, wage jobs, which are scarce. The practical component often has prominence. While they used to target low-skilled trades, they are evolving to incorporate new sectors and job profiles such as ICT, marketing, green energy, and the creative industry, and classes on entrepreneurship and/or soft skills.
- The system of informal, on-the-job apprenticeships provides accessible skills development for the many youths working in the informal sector, often from poor households. There is no accreditation nor certification for this form of training.

Fewer than 10% of Nigerian returnees would be eligible to formal, tertiary education programmes. The remainder could either qualify for formal and non-formal secondary education programmes, or apprenticeships directly offered by employers. The introduction of classes on new sectors/jobs, and on employability, entrepreneurship, and soft skills, is particularly relevant to returnees.

The skills development sector needs upgrading, however, and most employers, regardless of sector, agree that the skills gap in Nigeria is a critical bottleneck for job creation. The main challenges are the following^{xvii}:

- Institutional complexity due to a multi-level, segmented, and uncoordinated governance model (for formal vs. non-formal education; public vs. private, and federal vs. state institutions; education ministry vs. sector-specific curricula, accreditation, certification, and oversight; etc.).
- Fragmentation even in the national, public TVET sector, with currently at least ten MDAs coordinating or delivering training services at the federal level alone, with no common strategy, standards, certification system, and collaboration platform.
- Under-investment in government skills acquisition centres; overcrowded classrooms, unattractive working conditions for teachers, poor teacher quality, outdated teaching methods and equipment (which partly explains the bad reputation of TVET institutions and their low attractiveness to young

¹ Technical colleges and vocational enterprise institutions teach at secondary level while universities, polytechnics, monotechnic/specialised institutions, colleges of agriculture, colleges of health, and innovation enterprise institutions teach at tertiary level. Registration and enrolment statistics are provided by the National Board for Technical Education (April 2022).

² Depending on the degree targeted/obtained and the entry level.

people, especially among those with secondary and tertiary education; this led to the growth of alternative options run by private sector and CSOs).

- Short supply of training institutions in rural and remote areas (employment programmes struggle to find good training partners for youth in these locations).
- TVET centres often offering the same type of training (format, contents, duration...) in the same type of industry/trade and job profiles: agriculture and livestock farming, construction trades, catering, hairdressing, tailoring/fashion design, cosmetology, and now also ICT/digital/coding (this also applies to training options offered to returnees by IOM, MRCs, GIZ, and others).
- Lack of a segmented and evidence-based approach to youth skills development and employment policies and programmes¹; lack of consensus among stakeholders on the need for more short (non-formal education) vs. long-term (formal education) training, for which skills, in which sectors, for which types of jobs, etc. – for young job seekers in general and for returnees especially.
- Weak knowledge of and linkages with labour market needs and partnerships with private sector employers for post-training internship, apprenticeship and employment opportunities, and other forms of support for training graduates willing to establish themselves as start-up entrepreneurs (this represents a major obstacle to improving and maintaining market relevance, and for training graduates to gain employment after training completion²).
- Online courses, on the rise for some types of training, not effective for longer training and missing the population groups most in need (accessibility issue).
- Lack of monitoring of post-training outcomes: the focus is often geared towards counting outputs, i.e. number of people trained, rather than assessing the quality of training and outcomes.

There have been many successive federal and state government programmes implementing sector policies³ and promoting youth skills development and transition into employment, with weak management, no continuity, and little effectiveness overall⁴. The only exception is the N-Power programme, on-going since 2016⁵. The reach of most programmes is also insufficient both in terms of scale and geography. They offer far fewer seats than candidates.

Several donors supported government efforts or launched their own initiatives in Lagos, Edo, Delta, and Enugu. Some MDAs and development partners have supported or are supporting training institutions directly or through the state technical education boards. These can be particularly interesting to include for future EU, IOM and GIZ programming.

¹ I.e. an approach based on a detailed analysis of their target groups: profiles, current experience, skills and needs, desires in terms of job/sector (if any), root cause analysis (constraining factors/bottlenecks faced so far in getting a job or starting up or financially sustaining a business) etc.

² JI returnees surveyed by Altai Consulting in 2019-2021 reported being satisfied with the TVET they received but only 20% ended up working in the field they were trained in.

³ The main related priorities cutting across all youth employment and migration policies and strategies are listed in section 3.1, box 2. are the following: 1. Conducting a skill gaps and domestic and foreign labour market needs analysis. As highlighted earlier, government and donor programmes have focussed on strengthening the skills development system in collaboration with public, private and civil society organisations.

⁴ Online testimonies and interviewed stakeholders described some of them as “scam”. A national diagnostic describes: “Despite all efforts, Nigeria’s employment generation programmes have not created jobs at scale and reduced youth unemployment because of various challenges: weak institutional and programme management capacity and poor governance; absence of a robust, nationally coordinated and cross-sectoral framework to support job creation; population growth outpacing GDP growth and job created, resulting in a youth bulge the economy cannot absorb into the labour force; MSMEs vulnerable to lack of infrastructure (roads, power supply, etc.), safety and security, price stability, etc.; a slowing oil sector-driven economic engine vulnerable to shocks and offering limited job opportunities, particularly to low-income Nigerians.”

⁵ N-Power, a programme under the Federal Ministry of Humanitarian Affairs, Disaster Management and Social Development, targets unemployed, graduate and non-graduate Nigerians between the ages of 18 and 35 to develop/upgrade their skills and enter – and boost – the technology, creative industry, agriculture, power, construction, utilities, automotive, environment, aluminium, and gas sectors. See table 2 below and the corresponding infosheet 14 for more information.

- Relevant training institutions recommended to be integrated into future EU, IOM and GIZ programming in the study areas are presented in the next section (4.1.2).
- List of LSETF's training partners: <https://lsetf.ng/about-us/vtc/>; of DS-JWCB's training partners: <https://deltastatejobcreation.net/centres.php>; the list of EdoJobs' partners is not available online;
- Presentation of the Edo and Delta states' Technical Education Boards and of their training institutions located in and outside the state capitals, including training institutions in Edo state pre-identified for World Bank support as part of the IDEAS project, in annex B; the Agidingbi technical college in Ikeja is also being supported by the World Bank, among other ones located in Lagos.
- List of other training institutions on IOM's Waka Well website: <https://wakawell.info/en/nigeria/local-opportunities/>
- ILO, with GIZ funding, recently launched a study to list and assess training partners of GIZ, MRCs and other programmes in several states. UNICEF GenU is planning to launch a similar study.

4.1.2. TRAINING PROVIDERS RELEVANT FOR FUTURE REINTEGRATION PROGRAMMING

Due to the high number of public and private training institutions in the target states providing various types of training, and the diversity of profiles, desires and needs of local youths (including returnees), we recommend that future EU IPs, instead of partnering with individual training institutions directly, go through the state employment agencies which, in turn, could incorporate the structures listed below in their larger network of vetted partners.

The non-exhaustive list of training institutions proposed in table 1 below is based upon the following criteria:

- Relevance of services for returnee reintegration, and willingness or strategic intent to assist vulnerable groups in general, and returnees in particular
- Quality and effectiveness of training offered¹, and overall management and absorption capacity
- Support offered to training graduates to transition into employment (employability training, job placement, support to set up a business) and linkages with the private sector
- Accessibility of services for returnees (e.g. admission requirements in terms of age and education background, selection process, intent to reach vulnerable groups) and ability to adapt to the specific and varied profiles and needs of returnees
- Mix of different types of training: TVET, entrepreneurship, employability, and soft skills
- Mix of public, private, and CSO training institutions, covering all target states (including rural areas), offering formal and non-formal education/ training opportunities, short and long-term, to people from lower to higher education backgrounds, for various in-demand sectors and job profiles, and for microbusiness and placement in wage employment
- No yet partnering with IOM and/or with GIZ, MRCs/NGCs and state employment agencies – except for short-term or limited collaborations in the past

Because state employment agencies should be the primary, 'default' programme partners of EU IPs in future, they are not included in the list below. More information can be found in infosheets 3–6 in annex.

¹ Based on the following: their training curriculum; the availability of post-training mentoring and follow-up support; the vetting process that was followed by their funding partners to select them (or that they follow when selecting their own training service providers, when they do not deliver training themselves directly); technical and financial support received from donors, and feedback from them; and percentage of training graduates gaining employment or starting-up their own business, when such statistics are available.

Table 1: Training institutions that could be involved in returnees' reintegration

	TVET	Entrepreneurship	Soft skills	Employability	Lagos	Edo	Delta		
Organisation	Type of training				Geographic location			Info-sheet #	Short description / reasons for shortlisting
Industrial Training Fund	X	X	X		X	X	X	7	<ul style="list-style-type: none"> National, government institutions Multiple offices and training locations nationwide Offer both short and long-term training on technical (ITF mainly), business (SMEDAN mainly) and management and soft skills (both) for nearly all sectors, job profiles, and education levels As governmental, permanent, and sustainably funded institutions, able to continue coaching and monitoring beneficiaries after training completion
SMEDAN	X	X	X		X	X	X	- *	<ul style="list-style-type: none"> ITF: no active partnership with IOM, GIZ, MRC/NGCs or the state employment agencies SMEDAN: small-scale collaboration with IOM (for the business skills training in some states), GIZ, and EdoJobs Not a very strong reputation; management capacity needs strengthening: should be used and strengthened; training could then be replicated elsewhere in the country for scale-up and lower partnership management costs.
Yaba College of Technology ('Yaba Tech')	X	X	X	X	X			-	<ul style="list-style-type: none"> Private, accredited education and technical training institution Ranked best polytechnic in Nigeria multiple times; vetted by, and preferred training partner of Field Ready; also worked with LSETF, GIZ, and others Offers long and short-term formal education and technical and entrepreneurship training for multiple sectors and job profiles, and both full- and part-time Admission requirement: from secondary education certificate Partnership with the University of Nigeria, Nsukka, who offers more education & training options and benefits from a strong reputation

Genius Hub	X	X	X	X		X		8	<ul style="list-style-type: none"> ▪ One of the few organisations in Edo providing a wide range of relevant services, incl. short trainings for all education levels, support to microentrepreneurs, job placement, shelter, and psychosocial support (has two parts: one for profit, one not-for-profit) ▪ Focus on vulnerable groups, irregular migration, and human trafficking ▪ Emphasis on ‘self-discovery & life management skills’, particularly relevant for returnees ▪ Has received referrals from IOM and GIZ on a short-term basis ▪ Also works with NAPTIP, Edo State Task Force Against Human Trafficking, EdoJobs, ActionAid, ITF and many other partners or clients incl. from the private sector ▪ Has also an office in Kano (state recently affected by irregular migration and returns) and looking to expand to other states
Field Ready	X		X	X	X	X	X	9	<ul style="list-style-type: none"> ▪ Small size, private sector organisation that can work almost anywhere in Nigeria through local training partners ▪ Works for and with both government programmes and private sector clients, for placement in wage employment primarily ▪ Focus on women and vulnerable youths but no collaboration with IOM, GIZ, MRCs/NGCs, or state employment agencies so far ▪ Is used to tailor training programmes/curricula to client’s needs and trainees’ profile to ensure direct employability and placement ▪ Competitive beneficiary selection process and high training quality, resulting in high post-training placement/employment rate
Sustainable Hospitality Alliance	X	X	X	X	X			10	<ul style="list-style-type: none"> ▪ Charity based in the UK but working in Lagos with luxury hotel companies and through local NGO partners ▪ Focus on vulnerable youth groups (women, refugees, victims of trafficking, people living with disabilities) with no prior literacy and education requirement ▪ Relevant industry of focus: creating jobs in urban areas, especially for people with little education; offering decent wage employment; and providing easily transferable skills (for other sectors/industries) ▪ Short training, curriculum designed with hotel companies, and focus on soft skills and on-the-job practice to ensure direct employability and placement ▪ Provide job placement support and achieve a high post-training employment rate

Jobberman			X	X	X	X	(X)	11	<ul style="list-style-type: none"> Private sector companies working with employers, public and international organisations and individuals, nationwide, to build skills and facilitate access to wage employment and entrepreneurship Jobberman: (very) short employability and soft skills training programme targeting young people and entirely free for both trainees and for the organisations referring/sponsoring them; trainees get free access to and support with Jobberman's online job and internship vacancy and recruitment portal, the largest one in Nigeria; one-off or regular donors or partners include GIZ, UNICEF GenU, Oxfam, LSETF, and EdoJobs
Poise Nigeria	(X)	X	X	X	X	X	(X)	12	<ul style="list-style-type: none"> Poise: short training in ICT, soft skills, employability, entrepreneurship, and management; multiple private sector clients and partners; focus on Lagos and Edo state, on-going partnership with EdoJobs, past partnerships with Oxfam, Microsoft and more Both developed their own training curricula based on international best practices; curricula can be extended and tailored to the specific needs of returnees Strong absorption and management capacity
ICMPD Centre of Practical Skills & Start-up Centre	X	X	X	X	Enugu			13	<ul style="list-style-type: none"> Project managed by ICMPD and hosted by the Godfrey Okoye private university, Enugu, with support from Nigerian, German, and other European private sector companies Provides TVET through the 'Centre of Practical Skills', starting late 2022 with a first batch of trainees in the construction sector; follow-up mentoring and support available incl. internship and wage job opportunities through the 'Industrial Park' (see table 3 further below) Open to skilled and unskilled youth including returnees (returnee quota under discussion, no referral mechanism in place yet with IOM and other reintegration actors) Intends to become self-sustaining and expand to more states in the future

* There are no infosheets for some actors and programmes because more detailed information was not available at the time of the study or could not be disclosed/shared externally. For the specific case of SMEDAN, it is already well known from the EU and IOM but its role in returnees' reintegration is limited in scope and scale (delivering the business skills training and participating in coordination bodies).

4.1.3. OTHER KEY PROGRAMMES AND ACTORS INVOLVED IN SKILLS DEVELOPMENT

There are numerous MDAs and donors promoting skills development for youth in Lagos, Edo, and Delta states. They do not directly provide skills training but manage programmes and support training institutions that do so in specific states or sectors, and sponsor target beneficiaries. The ones listed below confirmed that they can enrol returnees sponsored or just referred by IOM, MRCs/NGCs, and GIZ. The N-Power programme, for example, can enrol returnees referred by IOM, MRCs/NGCs, and other organisations either as a sub-group within the set number of people in their annual batch of beneficiaries (with space reserved for them) or as additional beneficiaries, and with an adapted screening process. In any case, it is recommended that the EU facilitates or incentivises such collaborations and referrals. There are also experiences to be shared (e.g. on the best training institutions in certain regions or sectors, and best practices to boost post-training employment rates) and synergies and complementarities to be created in policy and institutional support.

Table 2: Other key actors involved in TVET/skills development for youth with whom increased coordination is recommended

Structure	Project	Geographic location	Projects' status	Infosheet #
Government				
FMHASD / NSIO, Bank of Industry	N-Power programme: Provides unemployed graduate and non-graduate youth (18-35) with technical and soft skills training and internship/apprenticeship in the IT/technology, creative industry, agriculture, power, construction, utilities, automotive, environment, aluminium, and gas sectors (webpage).	Nationwide	On-going (no set end date)	14
Development partners				
GIZ	PME project: Provides info & counselling, training, internship, and job opportunities, and shelter and psycho-social support to returnees and potential irregular migrants in partnership with the Migrant Resource Centres and partners.	Lagos and Edo states, and FCT/Abuja	On-going until late 2023, new phase under discussion	2
	SKYE project: Offers technical, entrepreneurial, soft, and employability skill trainings, career counselling and internships for young people including returnees; also works to strengthen the regulatory and institutional environment.	Lagos, Edo, Ogun, Enugu, Abuja, Plateau, Adamawa	On-going until late 2023, new phase under discussion	2
	Stable, Trained and Empowered Migrant (STEM) project implemented by Caritas: Aims to enable the socio-economic reintegration of returnees through the provision of economic opportunities (TVET, business start-up kit, cash for training stipend and shop rent), psychosocial counselling, and shelter. Also benefits internally displaced people and potential irregular migrants.	Abuja and Edo state	On-going	-
EU, GIZ, UNDP	Innovation and Jobs for Youth in Nigeria - INN-JOBS project: Will provide youth with digital and entrepreneurial skills, incubation, and employment opportunities,	Nationwide, with focus on Edo, Delta, Lagos, Enugu, Kano,	UNDP & GIZ projects on-going, with new/	-

	with a particular focus on under-30 university graduates (through UNDP's Nigeria Jubilee Fellowship programme) and other youth and women incl. returnees and potential migrants (through the GIZ's Digital Solutions for Sustainable Development in Nigeria project). Will also strengthen the regulatory framework and capacity of the Office of the Vice President in coordinating job creation initiatives.	Kaduna, Ogun, and Abia states	upcoming EU contribution	
EU, AFD and GIZ	NAPTIN project: Develops training centres and programmes in the energy sector throughout the country. Short and long training programmes are intended for professionals/employees in the formal sector and start-up microentrepreneurs/self-employers in the informal sector.	Nationwide reach. Training centres are in Lagos, Abuja, Enugu, Kaduna, Kanu, Kainji, Jos and Afam	On-going. Planned project completion date: end of 2024	15
EU & World Bank	State Expenditure and Employment for Results (SEEFOR) project: Involves TVET, creation of short and longer-term employment opportunities for youth, public works, and institutional strengthening activities.	Edo, Delta, Rivers, and Bayelsa states	On-going	-
World Bank	IDEAS project: Focuses on upgrading formal and non-formal TVET institutions and incentivising public-private partnerships in skills development; also strengthens the TVET policy, regulatory and institutional frameworks.	<i>Phase 1:</i> Edo, Abia, Ekiti, Kano, Gombe, Benue <i>Phase 2:</i> Lagos and Ogun, Katsina, Kaduna	On-going until 2025 (at least)	16
	EdoBEST project: Improves the teaching and learning processes in basic education and expands access to quality digital and entrepreneurship skills development for the Edo state youth.	Edo state	On-going. Planned end date: late 2024	16
AfDB	Jobs for Youth programme: (3 components) Provides youth with 1) skills training, mentorship and capital to help them launch and scale up agriculture-based micro enterprises in rural and urban areas; 2) training and job placement within industrial clusters; 3) coding courses and job matching directly with ICT employers (webpage).	Nationwide	On-going (planned end date: 2025)	-
UNICEF	Generation Unlimited (GenU): Public-Private-Youth partnership platform aiming to skill and connect young people (aged 10-24 or older) to education, employment, entrepreneurship, and social engagement opportunities.	16 states incl. Edo, Lagos, Enugu, Kano, Kaduna	On-going until 2030	17
AECID & ActionAid	Dare to Hope project: Provides vocational and soft skills training to returnees and potential irregular migrants, financial support to help them start-up a business, and psycho-social assistance, and conducts media and community- and school-based awareness raising campaigns on migration. Funded by AECID and implemented by ActionAid.	Edo	Phase 2 on-going. Planned end date: late 2022	18

The EU should request that its future partners (such as IOM, GIZ, and/or others):

- **Work with state employment agencies to create an adapted path for returnees into their on-going skills development programmes** (all state employment agencies confirmed that their selection/enrolment process and the monthly stipend, for example, can be adapted to their specific situation) and further enhance their absorption and management capacity.
- **Request and enable state employment agencies to generalise job counselling and orientation sessions as well as employability, entrepreneurship, financial literacy, and soft skills trainings for returnees.** Together, they should work to review the duration, methods, and contents of such trainings/sessions, and adapt them to returnees' specific profile and needs. Some trainings could be offered online and through mobile trainers to improve accessibility and reduce costs. Several are already available online and for free. Online courses also allow for a tailored, self-determined timing, sequencing, and pace.
- **Ensure that counselling, orientation, and training are well timed and sequenced throughout returnees' reintegration process:** not all these steps should come at the start of the process, nor at the same time.
- **Pursue efforts for a more diverse TVET offering** in terms of formal/non-formal training, sectors/job profiles, education entry level, duration, etc. based on periodic labour market needs assessments¹ and on the desires and needs of unemployed youth and returnees.
- **Join forces with state employment agencies to identify, include, and support more training providers located in rural and remote areas** where they are scarce and less entrenched, but skills development needs are great. Training institutions with active private sector collaboration should be prioritised, including the ones that are targeted for World Bank support (see infosheet 16 and annex B). Existing institutions with excellent track records may be incentivised/supported to set up new branches/locations.
- Similarly, **increase collaborations and synergies with active government and donor programmes** beyond those shortlisted above: sectoral programmes from the ministries of Youth empowerment, Women affaires, Industry and trade, Agriculture, NYSC, etc.
- **Help state employment agencies review their quality assurance processes:** vetting criteria and process for training institutions and instructors, training curricula, and collection of feedback from beneficiaries in- and post-training.
- **Assist state employment agencies in upgrading their internal information and reporting systems** to meet with their and EU's reporting requirements, and request that post-training, outcome monitoring and evaluation is systematised (e.g. training graduates being still active in the sector X months after training completion, earning a decent income, adequacy with their desires, number of indirect jobs generated through newly established businesses, % having registered their business, etc.). Organise exchange visits, experience sharing and secondments among state employment and MSME development agencies.
- **Offer and sponsor more options for returnees who would like to complete their secondary and tertiary education in the formal system.** There are numerous universities, polytechnics, technical colleges, and enterprise institutions in every state. A few are included in this mapping, and other agencies can help identify the most relevant ones (UNDP, UNESCO, British Council).

¹ Many national and international institutions claim they conduct such assessment, but Altai Consulting has not been able to get copies of them and if such studies are indeed carried out, they are not shared. The best and most detailed study found online was carried out by Dalberg for the Vice President office and [published](#) in 2016.

4.2. FOR ENTREPRENEURSHIP SUPPORT

4.2.1. SECTOR OVERVIEW

The youth employment and migration policies call for MDAs and their partners to promote self-employment and entrepreneurship by entering into agreements with local industries and business unions, adopting a value chain approach, providing the enabling environment needed for business development, and facilitating access to finance.

Such initiatives and services have not or insufficiently been used for the benefit of returnees so far, although they have developed rapidly in the past decade outside of reintegration programming. IOM has not yet been successful in entering into bilateral agreements and collaborating with Chambers of Commerce and private sector associations, nor in creating or consolidating value chains. Returnees' individual, collective, and community-based projects have struggled to start-up, grow, and sustain. The business skills training and post-training coaching have been too short and not well timed and sequenced to adapt to the successive stages of business development. Access to affordable workspace, equipment, and finance have also been constraining factors. Yet, the rapidly evolving Nigerian context provides great opportunities for future programming:

- Business associations have multiplied in all sectors and areas in the country, including in the informal sector. GIZ, ILO, and other actors have helped them through networking, policy advocacy, and promoting an enabling environment, including through a streamlined business registration process and a legal and tax system more conducive to MSME development.
- The federal government and donors have programmes providing micro-lending and technical assistance to MSMEs with a particular focus on youth and women and developing value chains in selected sectors such as agriculture, livestock, poultry and fish farming, energy, and manufacturing.
- All state governments and employment agencies also have such programmes: LSTEF and EdoJobs (several MSME promotion and support programmes)¹, the Delta State MSME Development [Agency](#), the Enugu SME [Centre](#), etc. (see infosheets 3 to 6)
- Business/start-up centres, innovations hubs, employment agencies, and MSME development funds have boomed under multiple federal, state, private and CSO initiatives, offering an increasingly wide range of services such as entrepreneurship training and mentoring, access to infrastructure, business services, and finance for microentrepreneurs, including in the informal sector. Free, online courses are also available, e.g. ILO's Start and Improve Your Business e-course.

Large cities host a high number of business/start-up centres and innovations hubs. Lagos, in particular, presents itself as the innovation capital of West Africa. Options exist and are developing in Edo and Delta too but remain more limited. The terms of “business/start-up centres” and “innovations hubs”, largely used in Nigeria, encompass different types of facilities and services from simple coworking spaces for young people who want to start a new economic and need access to a shared office, electricity and internet; to incubators offering more facilities and services such as meeting rooms, training on how to start and manage a business and access seed funding, legal advice, and networking events; to accelerators for already established small companies. They are not only targeting tech companies: most also host or are specifically targeting other businesses, e.g. in the creative and manufacturing industries and in the agribusiness. Lagos alone host over 80 such facilities^{xviii}. State employment agencies in Lagos, Edo and Delta have directly created some of them and/or partner with existing ones ([list](#) of LSETF's main partners).

¹ LSETF's partnerships with and voucher programmes for numerous Lagos-based entrepreneurship hubs; LSETF's Idea hub and Talent development programmes. EdoJobs Innovation Hub, Edo Tech Park, Edo Creative Hub, Edo Production Centre, Edo Food and Agriculture Cluster, Future500 Fellowship programme, and Edo Enterprise Development programme.

4.2.2. RELEVANT ACTORS AND SERVICES FOR FUTURE RETURNEES

Potential partners and services recommended for future programming were shortlisted in table 3 below based on several criteria:

- Relevance of services for returnee reintegration, with options for all returnee profiles from the 15% with primary/no education to the 15% with tertiary or higher education
- Geographic relevance and accessibility for returnees
- Mix of different types of entrepreneurship support services: training and follow-up mentoring for micro-entrepreneurs, access to workspace and infrastructure, legal support, facilitation of access to financial services, etc.
- Accessibility of services for returnees (e.g. eligibility criteria), or willingness/strategic intent to assist vulnerable groups in general, including returnees, and ability to adapt to the specific profiles and needs of returnees
- Overall management and absorption capacity¹
- Mix of public (national and state level), private, non-governmental, and civil society organisations
- Not yet partnering with IOM and/or with GIZ, MRC/NGCs and state employment agencies, or short-term / limited collaborations in the past.

Again, these actors should be proposed to the relevant state MSME and employment agencies and other relevant stakeholders for inclusion in their network of partners – rather than approached by EU implementing partners directly. Their involvement may not necessarily involve the signature of a partnership agreement or memorandum of understanding. In some case, returnees could simply be informed of their existence and their service offer and be encouraged to make use of it.

¹ Based on the organisational size, number of locations/branches, number of funding and implementing partners, and feedback from these partners or reputation (whenever this information was available)

Table 3: Structures with which EU's implementing partners could refer returnees to or step up their collaboration with

	Training	Coaching, mentoring	Workspace, infrastructure	Access to financial services	Lagos	Edo	Delta		
Organisation	Type of services				Geographic location			Info-sheet #	Comment
SMEDAN	X	X		X	X	X	X	-	<ul style="list-style-type: none"> One-stop-shop federal agency for all MSMEs funded by government and donors, with offices throughout the country Registers MSMEs, provides free and paid in-person and online training & coaching (business & financial management etc.), manages targeted entrepreneurship programmes, facilitates access to markets (fairs, networking...), offers loans & grants Small-scale collaboration with IOM (delivering business skills training in some locations), GIZ (online entrepreneurship, financial literacy, ICT training) and EdoJobs; larger-scale collaboration with other donors such as the World Bank Confirmed they can enrol returnees in their own programmes and provide them with more support than they currently do, including follow-up coaching and access to finance
ICMPD Start-up Centre and Business Park	X	X	X	X	Enugu			13	<ul style="list-style-type: none"> In addition to offering TVET through the 'Centre of Practical Skills' (see table 1 above), the ICMPD-managed complex will provide graduates (incl. returnees) with follow-up mentoring, entrepreneurship training and legal support at the 'Start-Up Centre', further internship and venture opportunities through the 'Industrial Park', and access to finance thanks to a partnership with a local microfinance bank.

FIWON	X	X		X	X		X	19	<ul style="list-style-type: none"> ▪ Non-for-profit, civil society organisation ▪ Presence in 27 states, incl. some high emigration and return areas (Lagos, Delta, Kano, Ogun, Imo...), and community outreach through its numerous members and local agents ▪ Focus on poor, informal workers ▪ Can facilitate linkages with business/trade associations, networking with other informal workers/microentrepreneurs, education & training on financial literacy, entrepreneurship, business registration and legal rights, and access to financial services ▪ Not yet partnering with IOM but worked with GIZ/NGC and ILO on a limited, short-term basis; needs more continuous institutional and funding support
Co-Creation Hub	X	X	X	X	X			-	<ul style="list-style-type: none"> ▪ Private innovation centre founded in Lagos in 2010 supporting social and tech innovations by entrepreneurs from the pre-incubation to the acceleration phases through workspace, training, business and IT support, mentorship and networking, research, and funding (from USD 5 000 to 250 000) ▪ Would only be relevant for innovation and tech-oriented returnees in Lagos ▪ Strong reputation; high number of private and public partners (but not IOM, GIZ, or LSETF); interested in setting up new partnerships ▪ Websites: https://cchubnigeria.com/focus/, https://cchubnigeria.com/startups/ and https://relearn.ng/ (also has offices in Kenya and Rwanda)

4.2.3. OTHER KEY ACTORS INVOLVED IN EMPLOYMENT AND ENTREPRENEURSHIP

The following government and donor programmes tackle youth unemployment through entrepreneurship promotion. They help job seekers start up a small business and/or support existing businesses in selected sectors and states, including Lagos, Edo, Delta, and Enugu (age of target group: 18–35, typically). They can benefit returnees as long as their intervention sectors/areas qualify. Most of these programmes also have a policy and capacity development component similar or complementary to what the EU and its reintegration partners do. Coordinating actions and sharing lessons would be mutually beneficial.

Table 4: Other key actors involved in the field with whom increased coordination is recommended

Structure	Project	Geographic location	Projects' status	Infosheet #
Government				
FMLE, FMYSD, Bank of Industry	Various on-going programmes for start-up entrepreneurs and MSMEs	Nationwide	On-going	-
Development partners				
GIZ	SEDIN project: Offers counselling, business skills training, and financial and value chain support to unemployed youth and entrepreneurs, incl. returnees; also supports the policy and institutional environment.	'Migration and reintegration' activities focus on Lagos, Edo, and Abuja; also include Ogun & Ondo. Other states benefit from SEDIN.	Phase 3 on-going until late 2023. Phase 4 (until 2026?) under discussion.	2
EU & GIZ	Agriculture Value Chain Facility (EU-VACE): Will support the development of agricultural value chains from the "production belt" in the (rural) North-West/North Central to the "consumption belt" in the South-West/South-South, with emphasis on climate-sensitive agri-businesses. Will provide skills development, job creation, technical and financial support to existing and new businesses.	All states from North-West/North Central to South-West/South-South	Upcoming	-
World Bank	Nigeria for Women project: Supports women affinity groups and livelihoods and entrepreneurship projects for women.	Edo, Ogun, and other states	On-going. Planned end date: late 2023	16
EU, AfDB & AFD	Investment in Digital and Creative Enterprises (I-DICE) programme: Promotes entrepreneurship and innovation in digital technology and creative industries through youth skills and enterprise development, facilitating access to finance, networking, and policy, institutional and capacity building support. Targets youth and women aged 15-35, MSMEs, enterprise support organisations (incl. hubs, accelerators) and training institutions.	Nationwide	Starting (planned to end late 2027)	21

ILO	Employment and Reintegration Programme: Enhances the capacity of national stakeholders to support occupational prospects of returning and potential migrants in Nigeria, and funds the provision of training and entrepreneurship opportunities to these target groups.	Nationwide with a focus on Edo, Lagos, and FCT/Abuja	On-going. Planned end date: April 2023	22
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Focus box 7: Opportunities for action to improve entrepreneurship support to returnees

The EU should request that its future partners (such as IOM, GIZ, and/or others):

- **Increase complementarities, synergies and referrals with active federal and state MDAs and donor programmes.** The EU could set up incentives for its IPs to achieve tangible results in this area through specific monitoring indicators and reporting requirements, and by putting special emphasis on this aspect in reintegration coordination meetings.
- **Create paths for returnees into existing entrepreneurship programmes.** By working primarily with and through state employment agencies and creating synergies with other on-going programmes, returnees would not be grouped among themselves for so-called collective projects and will blend with other job seekers, but programme adaptations should be made for them. For example, the EU through its implementing partners could sponsor extra in-kind and monetary start-up support for returnees (in addition to state government allocations) due to their particularly disadvantaged economic situation.
- **Support state employment agencies in further enhancing some aspects of their programmes,** notably: expand their network of partners to the organisations suggested above, to business associations, and more; increase the level of post-training mentoring for their beneficiaries starting a business (incl. returnees); systematise networking and cross-learning platforms and events among them (pre- and post-graduation); help those not willing to set up their own business connect with and integrate businesses established by past graduates; and pursue the value chain approach, building on IOM and GIZ's own experience and initiatives.

4.3. FOR FINANCIAL SERVICES

4.3.1. SECTOR OVERVIEW

Financial services are what returnees lack the most and what EU implementing partners have found most challenging to mobilise, to date. They comprise loans, grants, and other financial instruments, as well as financial information, training, facilitation, and intermediation services.

Regarding loans – the most common type of financial support available to MSMEs – the Nigerian market is relatively mature but is reportedly poorly accessible to microentrepreneurs and returnees. There are a range of institutions and programmes offering loan schemes for different profiles of entrepreneurs: start-up and established business owners; women, youth, or unspecified; in the formal and informal sector; operating in agriculture and farming, in the manufacturing, tech, hospitality, or creative industry specifically, or in any sector, etc. National public banks provide funding and guidelines

for their loan schemes. The major ones are the Central Bank of Nigeria¹, the Development Bank of Nigeria², the Bank of Industry³, and the Bank of Agriculture. Sector-specific government MDAs (e.g. ministries of Agriculture, Energy, Youth, SMEDAN...), government entrepreneurship programmes (e.g. GEEP programme⁴) and state employment agencies also propose loans. Most of these institutions do not process, disburse, and manage loans directly: they usually work through the many existing commercial and microfinance banks, which themselves have established numerous branches throughout the country and also develop their own loan schemes. 916 licensed microfinance banks were operating in Nigeria as of June 2022⁵. Regarding returnees specifically, as part of a Swiss-funded project, IOM established a scheme targeting migrants returning from Switzerland and offering subsidised loans disbursed in several tranches, the first one of about EUR 500, and monthly follow-up from the lending institution. This is IOM Nigeria's only experience with a microfinance institution so far.

Accessing these loans remains a challenge, especially for young micro- and nano-entrepreneurs in the informal sector. Eligibility conditions are said to be often out of reach⁶, processing times are long (typically several months), and approval rates low⁷. Moreover, interest rates are perceived as too high, by both microentrepreneurs (incl. returnees) and organisations supporting them^{xix}.

However, there are also misperceptions and information gaps. Opportunities exist, including in Lagos, Edo, and Delta states. Most stakeholders interviewed by Altai Consulting for this study did not know available schemes in detail, and only three had approached financial institutions to explore partnership opportunities. In fact, **some schemes specifically target micro-entrepreneurs of the informal sector**, offer annual interest rates as low as 5%, and no collateral. Since the COVID-19 crisis, national banks have been requested by the government to lower interest rates and have launched bespoke, advantageous "post-COVID recovery loan schemes". The GEEP programme offers non-collateral, non-interest loans across the country through funding by Bank of Industry. Most Bank of Industry and Central Bank of Nigeria loan schemes for microenterprises can be accessed through state SME and employment agencies and NIRSAL Microfinance Bank. As for the IOM-Swiss scheme, around 60% of applying returnees obtained a loan, and 70% of them had reimbursed the first tranche after one year⁸.

Information about available schemes is not readily accessible⁹, and most microentrepreneurs are not familiar with the pre-conditions and eligibility criteria for accessing loans. To bridge this gap between supply and demand, public, private, CSO and donor organisations have now engaged in various

¹ The main on-going schemes of the Central Bank of Nigeria are the MSME Development Fund; the Agriculture SME Investment Scheme (not only accessible to people in agriculture and farming); the Creative Industry Financing Initiative; and the Tertiary Institutions Entrepreneurship Scheme (accessible to graduate students less than 7 years after graduation).

² In 2020 alone, the Development Bank of Nigeria lending programmes issued 191 billion naira to 34 144 MSMEs, with a particular focus on youth and women start-ups.

³ The Bank of Industry jointly manages an Intervention Fund with the Central Bank of Nigeria, as well as the Special Intervention Fund for MSMEs, and other sub-sector specific funds (e.g. for cement production, sugar, cassava, rice etc.). It also offers matching funds.

⁴ The Government Enterprise and Empowerment Program (GEEP), managed by the National Social Investment Office under the Office of the Vice-President and with oversight of the Ministry of Industry, Trade and Investment, is a micro-lending investment programme targeting entrepreneurs with a focus on young people and women. This program provides no-cost loans to its beneficiaries, helping reduce the start-up costs of business ventures in Nigeria. See table 5 below and the corresponding infosheet 22 for more information.

⁵ The main and most geographically spread/accessible commercial banks in Lagos, Edo and Delta are Access Bank, Zenith Bank, First Bank, GTBank, United Bank for Africa, First City Monument Bank, Stanbic Bank, Polaris Bank, SunTrust, EcoBank, Citibank. The major microfinance banks with large geographic presence are KUDA, LAPO, RenMoney, Grooming Centre, ACCION, Mutual Trust, Fina Trust, AB, VFD, and the Bank of Industry Microfinance Bank. NIRSAL is a USD 500 million non-bank financial institution wholly owned by the Central Bank of Nigeria created to facilitating access to finance and insurance for agri-businesses.

⁶ Requirements relate to business registration, cash flow, bank statements, basic bookkeeping/financial records, tax compliance, years in business, and collaterals or reputable guarantors.

⁷ For example, in 2020, the Development Bank of Nigeria utilised less than 40% of the 550 billion naira available for wholesale lending to MSMEs.

⁸ Preliminary data. Source: IOM and Swiss embassy

⁹ For example, the Central Bank of Nigeria website is outdated and many other national/public, commercial and microfinance banks' to not provide detailed information.

initiatives. **Financial literacy courses** (in-person and online, some entirely free such as the GIZ/[SMEsabi](#) and [Enugu SME Centre](#) courses), **specialised websites** such as [SukFin](#), and **mobile apps** such as [OZE](#) have been specifically designed to help microentrepreneurs – some entirely free. They provide transparent, up-to-date, and reader-friendly information on available financial instruments and conditions for accessing them; explain book-keeping basics; propose templates and digital platforms for recording revenues and payments, or digital invoicing and payment services to build credit worthiness; and/or directly facilitate loan applications through personalised advice and matching or even directly filling application forms. IOM (and GIZ) need to make better use of such **intermediation services** for returnees.

There are also **local, non-bank loan providers** that are widely known and used in Nigeria but have not been involved in any donor or national programme. These are business and community-based financial cooperatives, village savings and loan associations, and thrifts (locally known as ‘*Esusu*’ or ‘*Ajo*’) typically created among colleagues, friends, or neighbours and with no interest rate. These might be blind spots in current reintegration and entrepreneurship programmes.

Grants are also available from government programmes and state employment and MSME agencies (e.g. SMEDAN, FMYSO, the federal government’s MSME Survival [Fund](#), the COVID “Cares” recovery grants channelled through state agencies, and state subsidies targeted at MSMEs in tech, farming, or in the rice value chain), international donor programmes (e.g. World Bank ‘Nigeria for Women’ project, USAID WATIH/Trade Hub [project](#)), and private foundations (e.g. [Mastercard](#), for young ‘Agripreneurs’; SHELL [LiveWire](#) in Edo, Delta, and other states targeting young people aged 18-35; the [Tony Elumelu](#) Foundation and Entrepreneurship Programme which partnered with UNICEF GenU, and more).

4.3.2. RELEVANT ACTORS AND SERVICES TO BE INCLUDED IN FUTURE PROGRAMMING

In addition to the entrepreneurship institutions and programmes listed above that provide financial support, the present mapping study shortlisted several institutions and facilitation/intermediation services for future programming based on several criteria:

- Mix in terms of types of services: individual and group loans, grants, training, intermediation/facilitation services
- Mix of public (national and state MDAs), private/commercial, and civil society organisations
- Affordability: for example, offering finance at low or no interest rate (5–9% per annum for CNB-funded loans, and 2.5–5% per month for no-collateral loans from NGO- and privately-run microfinance banks), or facilitating access to it at a low cost or for free (for financial literacy training, intermediation services, and apps)
- Relevance and accessibility for returnees and microentrepreneurs of the informal sector, based on the targeted/covered geographic areas, economic sectors, population groups, and age range; eligibility conditions (e.g. requested documentation and no collaterals for loans); intent to reach vulnerable business owners, etc.
- Mix of offline (in-person) and online (web and mobile app based) services (for loan application process, banking services, training, etc.)
- Quality of the service offered, including absorption and management capacity (number of loans approved and growth in the past years, reputation), transparency (e.g. website), and training and follow-up monitoring and support available to beneficiaries
- Not yet partnering with IOM and/or with GIZ, MRC/NGCs, and state employment agencies, except for short-term collaborations or collaborations limited in scope and scale

GIZ commissioned a study mapping financial service providers in Lagos, Edo, Ogun, Niger, and Plateau states, which would usefully complement this non-exhaustive list.

Table 5: Structures with which EU's implementing partners could refer returnees to or step up their collaboration with

	Loans	Grants	Intermediation	Other services	Lagos	Edo	Delta		
Organisation	Type of services				Geographic location			Info-sheet #	Comment
Federal Ministry of Social Development & Bank of Industry: GEEP programme	X				X	X	X	23	<ul style="list-style-type: none"> Federal government programme providing microloans to microentrepreneurs – petty retailers and artisans, traders member of market associations/clusters, and small farmers nationwide – through the Bank of Industry (3 components: TraderMoni, MarketMoni and FarmerMoni – webpage). No collateral, no interest rate, only a fixed 5% administrative fee. Loan amount ranging from Naira 10 000 to N300 000+. Can enrol returnees. Trainings offered to returnees by IOM and its partners would help them be sustainable and complement GEEP's support. Challenges: lack of publicly available info on the beneficiary selection criteria, disbursements, and results.
SMEDAN	X	X	X	X	X	X	X	-	<ul style="list-style-type: none"> Free online financial literacy course with GIZ and the Financial Literacy Working Group Credit information portal aiming to bridge the information gap on available finance for MSMEs and individuals (about 800 loan schemes from 50 banks) Can provide conditional grants and microloans to all types of MSMEs as part of government and donor-funded programmes
NIRSAL Microfinance Bank	X			X	X	X	X	Annex C	<ul style="list-style-type: none"> All have a solid reputation and a transparent and informative website, are growing and expanding their customer base, offer no-collateral loans, accept unregistered business owners in many/any sectors, and offer additional services None have partnered with IOM or GIZ to date (except LAPO Institute with GIZ on financial literacy training), but some have established partnerships with or received support from other organisations/donors: Grooming Centre with UNDP and the World Bank/IFC; Baobab with IFC, the European Investment Bank and French banks and insurance companies; and Carbon with the Enugu SME Centre.
LAPO Microfinance Bank and Institute	X			X	X	X	X	Annex C	

RenMoney	X			X	X			Annex C	<ul style="list-style-type: none"> ▪ Legal status: mostly private, except Grooming Centre and LAPO founded as NGOs ▪ Geographic presence/accessibility: in Lagos, Edo, and Delta, and nationwide (NIRSAL, LAPO, Grooming Centre); Lagos only (RenMoney, Baobab); online only (Carbon) ▪ Loan application process currently offline/in-person only (Grooming Centre, and LAPO except for 1 loan scheme.), online only (Carbon, and NIRSAL except for 1 loan scheme), or both (RenMoney, Baobab) ▪ Interest rates range from 5-9% per annum for NIRSAL to 2.5-5% per month for LAPO and Baobab, and can be more depending on loan scheme and customer's risk profile for Grooming Centre, RenMoney and Carbon ▪ Loan tenor starts from 1 month (LAPO, Carbon), is 6-12 months for most banks and loan schemes, and goes up to 7 years (for NIRSAL) ▪ LAPO, RenMoney and Grooming Centre also offer group loans ▪ Additional services (besides savings accounts and plans): NIRSAL (pre-loan training, insurance for farmers), LAPO (wide range of free and paid training through the LAPO Institute); RenMoney (point-of-sale finance for consumer goods); Grooming Centre (insurance, various free and paid training, coaching and MSME advisory services through the CREM), Baobab (mobile money transfers, pay-as-you-go payment services, insurance), Carbon (online courses, wide range of mobile banking & payments services incl. financial dashboard/records & credit history/reports) ▪ See details on and comparison between these microfinance institutions in annex C
Grooming Centre	X			X	X	X	X	Annex C	
Baobab Microfinance Bank	X			X	X			Annex C	
Carbon	X			X	X	X	X	Annex C	
FIWON COOP (cooperative)	X			X	X	X	X	19	

OZE	X		X	X	X	X	X	20	<ul style="list-style-type: none"> ▪ Multifunction, paid, FinTech mobile app designed for micro and small businessowners ▪ Users can receive payments from mobile money and card, generates invoices and payment reminders, keep records of all transactions (bookkeeping), build their financial history and creditworthiness, directly apply within the app for loans from partner microfinance banks with subsidised interest rates and no collaterals, and manage loans ▪ Also provides online financial education and individual business coaching ▪ Partnership being set up with Edo state gov/EdoJobs; on-going partnership with GIZ in Ghana
SukFin			X	X	X	X	X	-	<ul style="list-style-type: none"> ▪ SukFin is a company and a free, simple website providing information on the main banks and their existing loan schemes for MMSEs in Nigeria. It can also directly facilitate loan applications (start-up loans, loans with and without collateral, invoice financing, equipment leases...) through personalised advice and matching or even directly filling application forms (paid service). As such, it acts as an intermediary to bridge the gap between the supply and the demand for finance and provides a very relevant service to small business owners incl. returnees. ▪ IOM, GIZ and other interviewed state, non-state and international development actors did not know about SukFin.
SMEsabi				X	X	X	X	-	<ul style="list-style-type: none"> ▪ SMEsabi is an e-learning platform developed by GIZ and the Federal University of Technology Minna offering a range of short, free, and interactive training courses intended for micro and small entrepreneurs. Not yet used by IOM. ▪ Courses: basic and advanced financial literacy; financial literacy trainer; entrepreneurship fundamentals (upcoming). ▪ Available on desktop, mobile devices, and from the Moodle app. Users can take a course on their own time and pace. An entire course can be completed within 24hrs. Training graduates receive a personalised certificate endorsed by FUT Minna and GIZ. Additional training resources and guidance available on the website.

4.3.3. OTHER KEY ACTORS INVOLVED IN FINANCIAL SERVICES FOR MICROENTREPRENEURS

The following actors and programmes do not directly provide funds and other financial services but aim to facilitate access to finance for microentrepreneurs in selected states, sectors or through selected financial institutions – and thus could benefit returnees directly or indirectly if the EU and its implementing partners establish a dialogue, partnership, or referral mechanism with them.

Table 6: Other key actors involved in the field with whom increased coordination is recommended

Structure	Project	Geographic location	Project status	Infosheet #
<i>Development partners</i>				
GIZ	SEDIN project: Has a component aiming to facilitate access to microfinance for MSMEs.	'Migration and reintegration' activities focus on Lagos, Edo & Abuja; also cover Ogun & Ondo. Other states benefit from SEDIN.	Phase 3 on-going until late 2023. Phase 4 under discussion.	2
EU, AFD and GIZ	NAPTIN project: In addition to the activities presented in table 2, the project has a component supporting private sector SMEs with access to affordable credit lines to develop green energy projects/services.	Training centres are in Lagos, Abuja, Enugu, Kaduna, Kanu, Kainji, Jos, and Afam, but national reach.	On-going. Planned completion date: end of 2024	15
World Bank	Nigeria for Women project: Under the 'Livelihoods and 'Innovations and Partnerships' components, offers grants to economically active women for individual and collective business and livelihoods initiatives.	Edo, Ogun, and other states	On-going. Planned end date: late 2023	16
AfDB	Various projects: Technical and financial support to banks and microfinance institutions (Access Bank, Sterling Bank, AB Microfinance Bank, etc.) to help them strengthen their systems and operations and open new and more advantageous credit lines for MSMEs and rural customers.	Nationwide	On-going	-

Focus box 8: Opportunities for action to facilitate access to finance for returnees

- **The EU and its partners should tap into existing funding opportunities for young job seekers and entrepreneurs to top up the small EU budget for reintegration grants.** They could take advantage of – and partner with – some of the many financing organisations and programmes available, including those listed above and those identified in the GIZ mapping study. The EU could provide funds to increase their lending capacity, subsidise loans through a guarantee fund, provide co-funding for approved loans, or match grant and insurance schemes.
- **The EU should encourage IOM and GIZ to assess the successes and challenges of their experience with microfinance institutions** and discuss conditions for adapting it to future EU-supported returnees – independently from or in collaboration with state employment agencies.

- At the decentralised level, **the EU through IOM, GIZ and state employment agencies could promote the creation of cooperatives, community saving and loans associations, and thrifts, and provide matching funds** to existing ones managed by returnee associations, FIWON, and other groups. This could be tested as a pilot initiative with close field monitoring. Other financing approaches could be experimented for supporting microentrepreneurs: revolving funds, leasing of equipment, and provision of free or subsidised inputs (for farmers).
- **The EU should also invite its implementing partners to review and systematise financial literacy training courses.**

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- ⁱ World Bank statistics, 2022, available at: <https://databank.worldbank.org/source/population-estimates-and-projections>
- ⁱⁱ 2019 Poverty and Inequality in Nigeria, National Bureau of Statistics, 2020
- ⁱⁱⁱ Based on the Nigeria definition – from 4% to 20% based on the ILO definition (four-fold increase). The increase is steady. The Covid-19 crisis did not have a multiplying effect. Of Roads Less Traveled: Assessing the potential of economic migration to provide overseas jobs for Nigeria’s youth, World Bank, 2021.
- ^{iv} 2019 Poverty and Inequality in Nigeria, National Bureau of Statistics, 2020; and Nigeria poverty assessment 2022: A Better Future for All Nigerians, World Bank, 2022
- ^v UNDESA Migrant stock by origin and destination database
- ^{vi} Eurostat: <https://ec.europa.eu/eurostat/databrowser/view/tps00170/default/table?lang=en>
- ^{vii} Illegal Border Crossing database, Frontex
- ^{viii} Libya Migrant Report, IOM, April 2022
- ^{ix} Data collected from IOM in July 2022.
- ^x Of Roads Less Traveled: Assessing the potential of economic migration to provide overseas jobs for Nigeria’s youth, World Bank, 2021; Enabling a better understanding of migration flows and (its root-causes) from Nigeria towards Europe: Desk review report / displacement tracking matrix, IOM, 2017
- ^{xi} Assistance to voluntary and humanitarian return to West and Central Africa: Profiles of migrants assisted to return to their country of origin between 2017 and June 2021, IOM, 2021.
- ^{xii} Assistance to voluntary and humanitarian return to West and Central Africa: Profiles of migrants assisted to return to their country of origin between 2017 and June 2021, IOM, 2021; Survey of Nigerian returnees conducted as part of the EUTF Third-party monitoring and learning mechanism, Altai Consulting, 2020.
- ^{xiii} Nigeria poverty assessment 2022: A Better Future for All Nigerians, World Bank, 2022; Of Roads Less Traveled: Assessing the potential of economic migration to provide overseas jobs for Nigeria’s youth, World Bank, 2021; 2019 Poverty and Inequality in Nigeria, National Bureau of Statistics (NBS), 2020; National Outcome routine mapping of WASH services levels in Nigeria, NBS, UNICEF and the World Bank, 2019.
- ^{xiv} Of Roads Less Traveled, World Bank, 2021; Nigerian migrants to Europe (DTM Comprehensive Migration Flow Survey), IOM, 2019; *Etat d’Edo, émigration et retour, Secrétariat d’Etat Suisse aux migrations*, 2019; Examining the root causes of human trafficking in Edo state: conference report, Edo State Task Force Against Human Trafficking, 2018; Enabling a better understanding of migration flows and (its root-causes) from Nigeria towards Europe: Desk review report, IOM, 2017; Trafficking in Women from Nigeria to Europe, Jørgen Carling, in: Migration Policy, 2005. On the influence of personal networks and social media, see last graph in annex D.
- ^{xv} Identifying the factors driving West African migration (Nigeria case study), OECD, 2018
- ^{xvi} Lagos MRC activity report 2019-2020.
- ^{xvii} Sources: Strategy for Job Creation and Youth Employment, Dalberg, 2016; Skills gap assessment, ITF and UNIDO, 2016; National Education Strategic Plan, Federal Ministry of Education, 2018; IDEAS project appraisal report, World Bank, 2020; Nigerian Youth Employment Action Plan, FMYSO, 2021; and interviews with key stakeholders.
- ^{xviii} Data from the Lagos State Employment Trust Fund and the Lagos Entrepreneurial Ecosystem Snapshot, ASPEN, 2021: https://www.andeglobal.org/wp-content/uploads/2021/02/Ecosystem-Snapshot_Lagos.pdf
- ^{xix} Sources: interviews conducted by Altai Consulting with key informants; document review.