

# NIGERIAN BUSINESS DEVELOPMENT SERVICES (BDS) ECOSYSTEM DIAGNOSTIC SURVEY

## Submitted to:

Kaduna Business School

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## Project

Systems Strengthening for BDS  
Provision and Access to Finance  
for Agri-SMEs

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## Acronyms

AGRA	Alliance for a Green Revolution in Africa
BDS	Business Development Services
BDSP	Business Development Service Provider
BERAP	Business Enabling Reforms Action Plan
BMO	Business Membership Organization
BOI	Bank of Industry
FCDO	Foreign, Commonwealth & Development Office
FINCLUDE	Financial Inclusion Project
FMARD	Federal Ministry of Agriculture and Rural Development
FPO	Farmer Producer Organization
IT	Information Technology
KADEDA	Kaduna Enterprise Development Agency
KADSAPZ	Kaduna State Special Agro-Industrial Processing Zones
KD-CARES	Kaduna COVID-19 Action Recovery and Economic Stimulus Programme
KII	Key Informant Interview
M&E	Monitoring and Evaluation
MDA	Ministry, Department, and Agency
MFI	Microfinance Institutions
MSME	Micro, Small, and Medium Enterprise
NATIP	National Agricultural Technology and Innovation Policy
NBCAF	National Business Development Service Providers Certification and Accreditation Framework
NBDSP	National Business Development Service Providers Portal
NGO	Non-Governmental Organization
NSIPA	National Social Investment Programme Agency
SABER	State Action on Business Enabling Reforms
SAPZ	Special Agro-Industrial Processing Zones
SME	Small and Medium Enterprise
SMEDAN	Small and Medium Enterprises Development Agency of Nigeria
TAF	Technical Assistance Facility
TWG	Technical Working Group

# Executive Summary

## Introduction

Kaduna Business School (KBS), with support from AGRA and in collaboration with the Enterprise Development Centre (EDC) and the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), is implementing a project to strengthen Business Development Services (BDS) delivery to agri-SMEs and Farmer Producer Organizations in the rice, maize, and soybean value chains in Kaduna, Niger, and Nasarawa States. Despite the presence of multiple public, private, and donor-supported providers, BDS delivery to agri-SMEs remains fragmented, with uneven service quality, weak coordination, limited use of accreditation systems, and insufficient integration with enterprise financing.

To address these challenges, this study conducted a diagnostic of the BDS ecosystem serving agri-SMEs in the three states. The analysis combined desk review with stakeholder consultations to examine ecosystem actors, service delivery models, policy and regulatory frameworks, financing arrangements, and coordination mechanisms shaping BDS provision. The findings provide evidence to inform practical actions for improving BDS delivery, strengthening enterprise competitiveness, and enhancing inclusion and access to finance for agri-SMEs.

## Key Findings

### BDS Ecosystem Structure and Key Actors

The diagnostic shows that the BDS ecosystem supporting agri-SMEs in Kaduna, Niger, and Nasarawa operates through a multi-layered institutional structure involving public agencies, private and non-state Business Development Service Providers (BDSPs), development partners, financial institutions, and enterprise-level actors such as agri-SMEs, cooperatives, and aggregators. Public institutions, particularly SMEDAN and state-level MDAs, play an important role in policy coordination, program implementation, and awareness creation, while development partners finance and implement a large share of BDS activities. In practice, service delivery occurs through a broader network of institutional and commercial partnerships in which BDSPs often function as intermediaries connecting enterprises with programs, markets, and regulatory systems. Key ecosystem actor groups include:

- Public institutions responsible for policy coordination and program implementation
- Private and non-state BDSPs delivering advisory, mentoring, and training services
- Development partners and financial institutions supporting program financing and enterprise investment

### BDS Supply, Demand, and Utilization

The supply of BDS to agri-SMEs commonly includes training, mentoring, business advisory services, market linkage support, and financial management assistance. These services are frequently delivered through donor-funded programs, government initiatives, and value chain platforms rather than through purely market-based arrangements. Demand for BDS is shaped by awareness, perceived relevance, and affordability, with many SMEs accessing services through development programs, producer associations, extension systems, or corporate partnerships. However, several factors constrain broader utilization:

- Limited willingness or ability of SMEs to pay for services
- Logistical barriers affecting rural enterprises
- Persistent participation barriers for women and youth, including financial constraints and mobility limitations

## Policy, Regulatory, and Accreditation Environment

The policy and regulatory environment provide a formal framework supporting BDS provision, including national SME development policies and mechanisms such as SMEDAN's BDSP accreditation framework and the NBDSP digital portal designed to improve service quality and provider matching. State-level reform platforms such as SABER and BERAP also provide institutional channels for strengthening enterprise support systems. In practice, however:

- Awareness and use of accreditation systems remain limited among SMEs and BDSPs
- Policy frameworks do not consistently translate into operational support for enterprises
- Institutional roles within the ecosystem remain unevenly implemented

## BDS Financing and Linkages to Access to Finance

BDS financing in the focal states is dominated by subsidy-based models funded through donor programs, government initiatives, and development projects. Programs such as NG-CARES grants, Kaduna's SMEDAN matching fund, and technical assistance facilities embedded in investment programs combine financial support with advisory services intended to strengthen enterprise capabilities. Although BDS participation often improves:

- Record keeping
- Business planning
- Enterprise management practices,

these improvements do not consistently translate into actual access to finance, as financial institutions continue to apply cautious lending practices due to collateral requirements, risk perceptions, and limited coordination between BDS providers and lenders.

## Ecosystem Gaps and Systemic Constraints

The study identifies several ecosystem gaps affecting the effectiveness of BDS support for agri-SMEs. Key constraints include weak coordination among ecosystem actors, limited operational recognition of BDSPs within financial and regulatory systems, heavy dependence on donor-funded programs, and affordability challenges for agri-SMEs. Operational barriers such as geographic distance, rural infrastructure limitations, and mobility constraints further restrict service coverage for many enterprises. Additional systemic challenges include:

- Limited follow-up support after training
- Weak linkages between BDS and enterprise financing
- Information gaps that make it difficult for SMEs to identify credible service providers

## Strategic Pathways for Strengthening the BDS Ecosystem

Evidence from documentary sources and stakeholder consultations highlights several pathways for strengthening the BDS ecosystem. These approaches focus on improving service quality, strengthening institutional coordination, and supporting more sustainable BDS markets. Key priority actions include:

- Strengthening accreditation and professional recognition of BDSPs
- Linking advisory services more directly with enterprise financing mechanisms
- Expanding cluster-based and value chain–embedded BDS delivery models
- Improving coordination through structured platforms such as BERAP

Stakeholders also emphasized the importance of locally grounded service delivery, stronger provider networks, and transparent information systems that enable enterprises to identify credible service providers and access relevant support.

## Key Recommendations

### **i. Strengthen Accreditation and Recognition of BDS Providers**

Government should strengthen the NBCAF accreditation framework, promote the use of accredited providers within public programs and financial institutions, and maintain accessible state-level directories of verified BDSPs.

### **ii. Strengthen Linkages Between BDS and Access to Finance**

Financial institutions and enterprise support programs should integrate advisory services more directly into SME financing processes and establish structured partnerships with BDSPs to improve enterprise loan readiness and bankability.

### **iii. Improve the Practical Relevance of BDS Delivery**

Programs should expand mentoring, hands-on advisory services, and enterprise clinics delivered by locally grounded providers to help SMEs apply business skills directly to their operations.

### **iv. Strengthen Coordination Across the BDS Ecosystem**

Government agencies and development partners should strengthen coordination through state-level platforms, improved information-sharing systems, and better alignment of BDS initiatives.

### **v. Expand Inclusive and Sustainable Access to BDS Services**

Expanding mobile advisory services, strengthening delivery through cooperatives and enterprise networks, and promoting more sustainable financing mechanisms such as cost-sharing and voucher systems can improve access and long-term sustainability.

## Conclusion

The diagnostic shows that although a range of public institutions, private BDSPs, development partners, and financial institutions support BDS delivery to agri-SMEs in Kaduna, Niger, and Nasarawa States, the ecosystem remains fragmented and largely dependent on externally funded programs. Weak coordination among ecosystem actors, limited operational recognition of BDSPs within financial and regulatory systems, and uneven linkages between advisory services and enterprise financing continue to constrain the effectiveness and sustainability of BDS delivery. Strengthening the ecosystem will therefore depend on improving accreditation and professional recognition of BDSPs, reinforcing the connection between advisory services and enterprise financing, enhancing coordination across ecosystem actors, and expanding practical and inclusive access to BDS for rural enterprises, women, and youth. Addressing these priorities can help build a more coherent and sustainable BDS ecosystem capable of supporting enterprise growth, competitiveness, and resilience in the agricultural sector.

## **I.0 Introduction**

### **I.1 Background**

Kaduna Business School (KBS), with support from AGRA and in collaboration with the Enterprise Development Centre (EDC) and the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), is implementing a project to strengthen Business Development Services (BDS) delivery to agri-SMEs and Farmer Producer Organizations operating within the rice, maize, and soybean value chains in Kaduna, Niger, and Nasarawa States. The project seeks to improve the quality, accessibility, and effectiveness of BDS in order to enhance enterprise competitiveness, inclusion of women and youth, and linkages to agri-finance.

Micro, Small, and Medium Enterprises play a central role in Nigeria's economy, yet agri-SMEs continue to face significant constraints arising from limited access to quality, affordable, and demand-driven BDS. Despite the presence of multiple public, private, and non-state BDS providers, service delivery remains fragmented, with uneven quality, weak coordination, limited accreditation mechanisms, and poor integration with financial services.

In this context, KBS commissioned a Nigerian BDS Ecosystem Diagnostic Survey to assess the structure, performance, and gaps within the BDS ecosystem, with a particular focus on agri-SMEs. The diagnostic generated evidence on BDS supply and demand, policy and regulatory frameworks, financing and subsidy models, and ecosystem coordination challenges in order to inform actionable recommendations for strengthening BDS delivery and sustainability in support of inclusive agricultural enterprise development.

### **I.2 Objectives of the Diagnostic Study**

The primary objective of this assignment was to conduct a comprehensive diagnostic of Nigeria's Business Development Services (BDS) ecosystem, with a particular focus on agri-SMEs and Farmer Producer Organizations operating within the rice, maize, and soybean value chains in Kaduna, Niger, and Nasarawa States. The study aimed to generate evidence to inform policy reform, improve BDS delivery, and strengthen the contribution of BDS to enterprise competitiveness, inclusion, and access to finance.

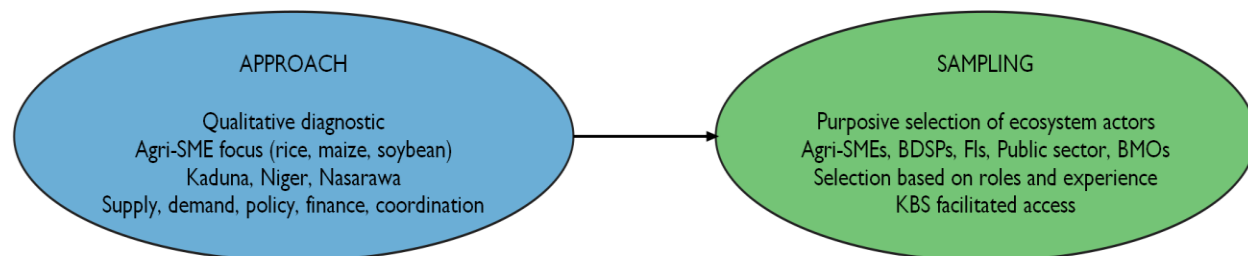
Specifically, the diagnostic:

1. Mapped key public, private, donor, and non-state actors involved in BDS provision to agri-SMEs.
2. Assessed the supply, demand, quality, affordability, and utilization of BDS, including gender and youth inclusion dimensions.
3. Reviewed relevant national and sub-national policies, regulatory frameworks, and accreditation mechanisms governing BDS provision.
4. Analyzed existing BDS financing and subsidy models and examine linkages between BDS provision, enterprise bankability, and access to finance.
5. Identified ecosystem gaps, coordination challenges, and systemic constraints affecting effective BDS delivery.
6. Proposed practical, scalable, and sustainable interventions to strengthen the performance and impact of the BDS ecosystem.

The next section describes the methodology adopted to conduct the diagnostic and generate the evidence presented in this report.

## 2.0 Methodology

This section outlines the methodological approach used to conduct the BDS ecosystem diagnostic for agri-SMEs in Kaduna, Niger, and Nasarawa States. The study applied a qualitative diagnostic to assess BDS supply, demand, policy, finance, and coordination within the rice, maize, and soybean value chains. Purposive sampling ensured relevance across key ecosystem actors, while diverse stakeholder engagement strengthened the validity of the findings (Figure 1).



**Figure 1: Methodological Approach and Sampling Strategy**

### 2.1 Sampling Approach

The study adopted a purposive sampling approach to select respondents with direct knowledge and experience of the Business Development Services (BDS) ecosystem supporting agri-SMEs in Kaduna, Niger, and Nasarawa States. Respondents were drawn from key ecosystem actor groups, including agri-SMEs, private and non-state BDS providers, financial institutions, public sector institutions, and business membership organizations involved in the rice, maize, and soybean value chains. KBS team supported the sampling process by facilitating introductions between the data collection team and relevant stakeholders in the focal states, enabling the study to engage respondents with institutional roles and operational experience in BDS provision and utilization.

### 2.2 Data Collection

Data collection combined desk review and semi-structured Key Informant Interviews to generate both contextual and institutional evidence on the BDS ecosystem. The desk review examined relevant national and state policies, institutional reports, program documentation, and empirical studies related to BDS provision, MSME development, and agricultural enterprise support. A total of 40 Key Informant Interviews across Kaduna, Niger, and Kano states served as the main source of primary data and explored issues such as service delivery models, financing arrangements, institutional roles, policy frameworks, and coordination challenges affecting BDS provision to agri-SMEs (Table 1). Interviews were conducted using semi-structured interview guides tailored to respondent categories and were documented using structured digital notes following informed consent procedures.

**Table 1. Summary of Stakeholder Consultations by Category and State**

Stakeholder Category	Kaduna	Niger	Nasarawa	Total
Agri-SMEs – Aggregators	1	1	1	3
Agri-SMEs – Agro-dealers	5	1	3	9
Agri-SMEs – Cooperatives	0	2	0	2
Agri-SMEs – Processors	1	2	2	5
BDS Providers	2	1	2	5
BDS Responses	0	1	0	1
Business Membership Organizations (BMOs)	0	1	0	1
Financial Institutions	2	0	2	4

Stakeholder Category	Kaduna	Niger	Nasarawa	Total
Microfinance Institutions (MFIs)	0	1	0	1
Public Sector Institutions	1	1	1	3
KII – Agri-SMEs	0	2	1	3
KII – Private/Non-State BDS	0	1	2	3
Total	12	14	15	40

Source: Author's compilation from stakeholder interviews (2026).

Note: Figures in the table represent the number of stakeholder interviews and consultations conducted during the qualitative data collections.

## 2.3 Data Analysis

Qualitative data analysis followed a systematic thematic approach in which interview records and documentary evidence were organized and coded according to the main diagnostic dimensions, including ecosystem actors, BDS supply and demand dynamics, policy and regulatory frameworks, financing mechanisms, and coordination structures. Evidence from Key Informant Interviews was triangulated with findings from desk review and targeted literature to identify recurring patterns, institutional incentives, and systemic constraints shaping the BDS ecosystem across the three states.

## 2.4 Ethics and Data Quality Assurance

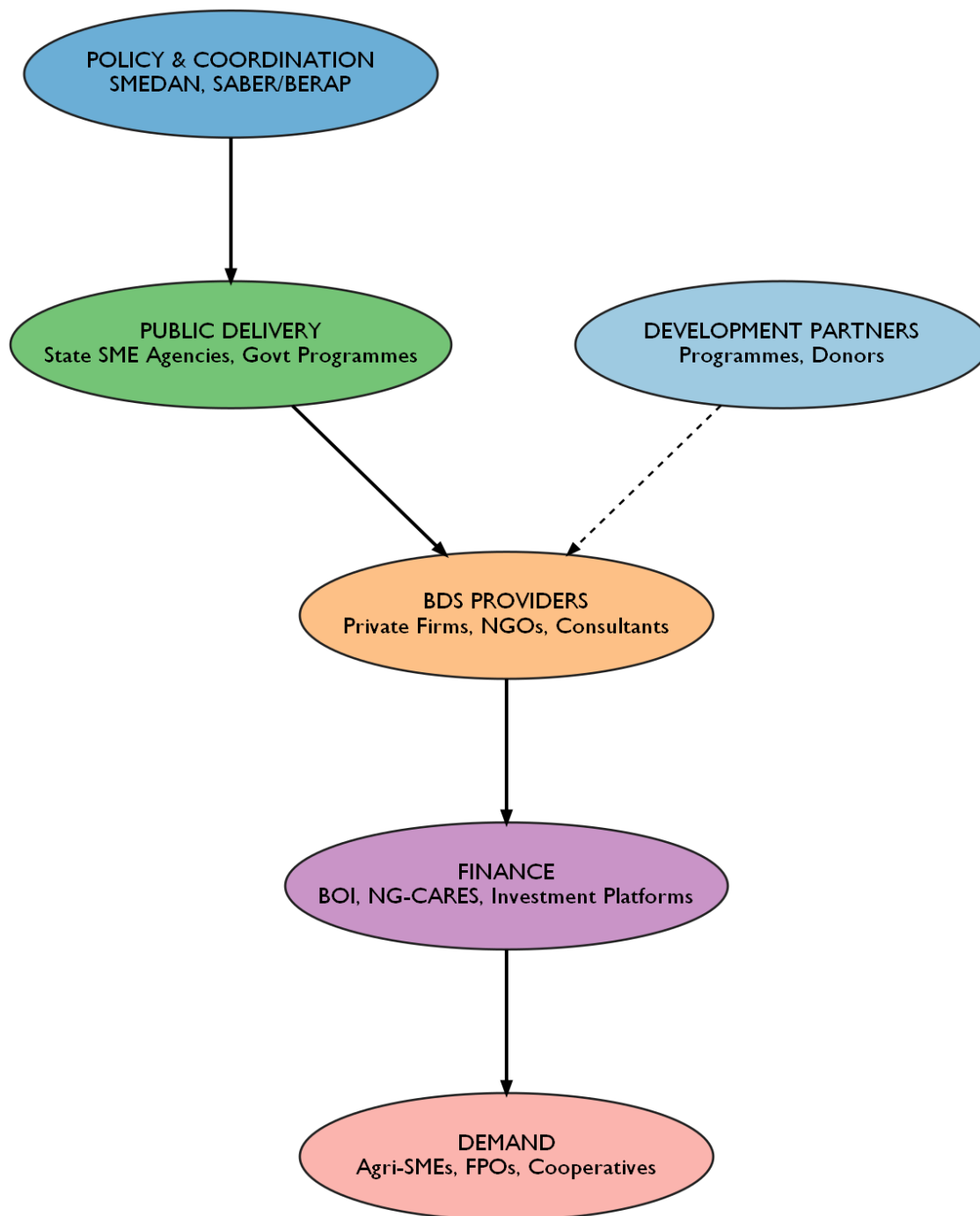
All study activities were conducted in accordance with recognized ethical research standards. Participation in interviews was voluntary, and respondents were informed about the purpose of the study and their right to decline or withdraw at any stage. Confidentiality and anonymity were maintained by reporting findings in non-attributable form. Data quality was strengthened through careful design of interview guides, supervision of the data collection process, systematic review of interview records for completeness and consistency, and triangulation of evidence across respondent categories and documentary sources.

## 3.0 Findings and Discussion

This section presents the findings of the BDS ecosystem diagnostic for agri-SMEs operating within the rice, maize, and soybean value chains in Kaduna, Niger, and Nasarawa States. The analysis examines the structure of the BDS ecosystem, service supply and utilization dynamics, the policy and regulatory environment, financing models, and key systemic constraints affecting BDS delivery. Findings are derived through triangulation of stakeholder perspectives with relevant institutional, programmatic, and policy documentation. Where state-specific evidence is limited or inaccessible, this is explicitly noted as a diagnostic gap rather than addressed through unsupported assumptions.

### 3.1 Structure of the BDS Ecosystem and Key Actors

This section presents the structure of the BDS ecosystem, highlighting the key actors and how the system is organized. The ecosystem operates as a multi-layered system in which actors perform distinct but complementary roles across different levels. Service delivery follows a sequential flow from policy and coordination, through public delivery and BDS providers, to financing mechanisms and ultimately to end users, including agri-SMEs and cooperatives (Figure 2).



**Figure 2: BDS Ecosystem Structure**

### 3.1.1 Architecture of the BDS Ecosystem

The observed architecture can be represented as five interacting layers: (1) policy & coordination bodies; (2) public delivery agencies (including extension and MSME support agencies); (3) private and non-state BDSPs; (4) financial institutions and investment platforms; and (5) demand-side actors (agri-SMEs, cooperatives/FPOs, lead firms/aggregators). Two national-level instruments - SMEDAN's BDSP accreditation framework and the NBDSP digital portal - signal an attempt to formalize and standardize

BDSP supply, improve matching between MSMEs and providers, and support service quality assurance (SMEDAN, 2026b).

Stakeholder consultations generally confirm the presence of the five core layers identified in the documentary evidence, including public institutions such as Agricultural Development Programmes, BDSPs, financial institutions, and agri-SMEs. However, respondents indicate that coordination between these layers remains weak in practice, particularly between government agencies, BDSPs, and financial institutions, which often limits the delivery of integrated support services. Interviews also highlight the important role of additional actors operating alongside the formal architecture, including Chambers of Commerce, NGOs, private consultants, and development partners, which frequently fill operational gaps in areas such as market access, training, and financing support. Stakeholders further emphasized the growing influence of value-chain partnerships, cooperatives, and emerging digital platforms in shaping how services reach agri-SMEs. These insights suggest that while the five-layer model broadly reflects the institutional structure of the ecosystem, its practical functioning depends on a wider network of institutional, commercial, and community-based relationships.

### **3.1.2 Public institutions and MDAs**

At the national level, SMEDAN's published mandates explicitly cover: policy formulation/advocacy, capacity building, access to finance facilitation, market access facilitation, research and data generation, entrepreneurship promotion, ecosystem coordination, and monitoring and evaluation (SMEDAN, 2026a). These mandates place SMEDAN as both a "market enabler" (policy/coordination) and a partial "market actor" (program implementation), which has implications for the crowding-in/crowding-out balance in BDS markets.

At the subnational level, SABER/BERAP-related governance is a key formal coordination channel. World Bank documentation describes state-level council responsibilities such as approving annual business-enabling reforms action plans, monitoring implementation, and reviewing performance assessments (FRN & World Bank, 2022). Niger's BERAP progress report shows this architecture in practice through an itemized plan that names responsible and contributing MDAs (e.g., investment/commerce bodies, finance, planning commission/open government partnership structures, GIS/land-related agencies, and SME/microfinance agencies) and includes explicit "BDS providers" as a stakeholder category (Niger State Government, 2024).

Stakeholder consultations confirm that public institutions such as SMEDAN and state-level MDAs play a visible role in initiating BDS programs and providing advisory and training support to agri-SMEs. However, respondents consistently indicate that the effectiveness of these institutions in coordinating and delivering comprehensive services remains uneven. Several stakeholders noted that support provided by agencies such as Agricultural Development Programmes often focuses on general agricultural training and input-related services, while more specialized support for processing, packaging, digital marketing, and enterprise development remains limited. Interview evidence also highlights persistent coordination gaps between public agencies, BDSPs, and financial institutions, which frequently result in delays, duplication of initiatives, and fragmented service delivery. In addition, stakeholders pointed to operational constraints such as limited technical capacity within institutions, weak data systems, and infrastructure challenges that restrict the reach of programs, particularly in rural areas. These findings suggest that while public institutions remain central actors in the BDS ecosystem, their ability to translate mandates into effective enterprise support remains constrained.

### **3.1.3 Private and Non-state BDS Providers**

Two national mechanisms provide the clearest evidence-base for defining who is counted as a BDSP in Nigeria. First, the NBDSP portal defines eligible BDSPs as consulting firms, training institutions, mentorship organizations, and individual business consultants; it positions MSMEs as clients and also

invites investors/government/industry stakeholders to engage for ecosystem partnerships (SMEDAN, 2026c). Second, SMEDAN's NBCAF description frames the accreditation 대상 as business management consultants, training institutions, consultancy firms, mentorship programs, and other entities offering entrepreneurial support services (SMEDAN, 2026b).

For Kaduna, additional non-state and hybrid providers emerge through large programs and platforms. SAPZ documentation emphasizes clustering producers, processors, aggregators, and distributors to share business development services and reduce transaction costs - implicitly relying on a mix of public facilitation and private/market actors within zones (KADSAPZ, 2026).

Stakeholder interviews suggest that private and non-state BDSPs play an active role in delivering services to agri-SMEs across the focal value chains, including training, advisory support, financial literacy, and market linkage facilitation. However, respondents consistently reported that the reach of these services remains uneven, with many providers operating primarily from urban centers such as Kaduna, Lafia, and Minna and engaging rural enterprises mainly through periodic outreach. Several stakeholders also highlighted a mismatch between the generic nature of many BDS offerings and the more specialized needs of actors such as agro-dealers, processors, and aggregators, which reduces the practical relevance of available services. In addition, both providers and SMEs emphasized affordability constraints, noting that many smaller enterprises cannot pay for advisory services, which contributes to the continued reliance of BDSPs on donor-funded programs. Interview evidence further points to operational challenges, including high outreach costs and weak coordination with public institutions and financial actors, which together limit the scalability and sustainability of private BDS provision.

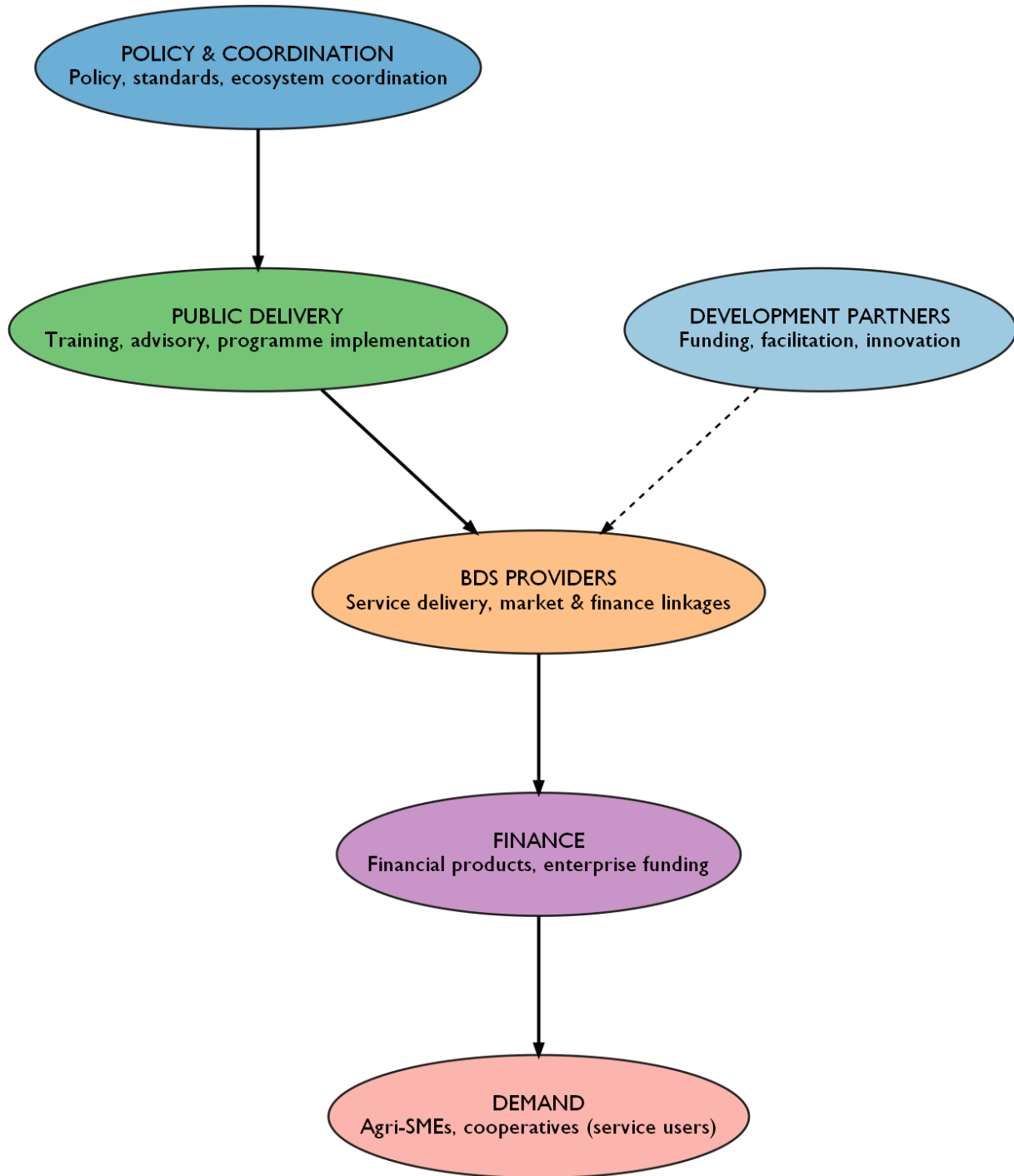
### **3.1.4 Development Partners and Implementing Organizations**

Three development-partner “channels” are especially visible in the available evidence:

- a. A market-systems facilitation channel (e.g., the UK-funded Propcom+ program) describes itself as working through strategic market actors, using a market-facilitator model and targeting large-scale adoption with explicit inclusion aims (50% women among those supported) (FCDO, 2023).
- b. A value chain–industrial zone channel (SAPZ) involving multilateral partners and designed to mobilize private investment into agro-industrial zones, emphasizing shared BDS, technology transfer, and improved finance access within Kaduna's zones (KADSAPZ, 2026).
- c. A reforms-and-delivery-platform channel tied to World Bank state programs (e.g., SABER, NG-CARES), which uses performance frameworks, action plans, and delivery platforms to implement grants and capability-enhancing activities (FRN & World Bank, 2022).

Interviews with ecosystem stakeholders indicate that development partner programs play a central role in shaping the delivery of BDS to agri-SMEs, primarily by financing and implementing targeted support activities such as training, input provision, processing support, infrastructure development, and market linkage facilitation within specific value chains (Figure 3). Respondents noted that many enterprises first access structured BDS through donor-supported programs implemented via government agencies, NGOs, financial institutions, or cooperatives, making development partners key drivers of service availability in the ecosystem. However, several stakeholders raised concerns about the sustainability of these interventions, emphasizing that many BDS services remain dependent on project-based funding and often decline once programs end. Some respondents also observed that certain training activities can be overly theoretical and insufficiently connected to practical enterprise challenges such as access to finance. In addition, stakeholders highlighted that broader constraints such as insecurity, politicization, and limited local capacity can further affect the long-term continuity of donor-supported BDS initiatives.

Overall, the BDS ecosystem functions through a set of interdependent layers, where distinct actors contribute complementary roles to deliver services. Public and private actors jointly drive implementation, while development partners play a facilitative role, reinforcing coordination and system effectiveness (Figure 3).



**Figure 3: Roles within the BDS Ecosystem**

### 3.1.5 Financial Institutions and Investment Platforms

Two financing-related “ecosystem anchors” recur in the evidence. First, the NG-CARES program is described as a World Bank–backed \$750m state-driven initiative with broad state collaboration with the Bank of Industry’s infrastructure for execution (Bank of Industry, 2026). Second, the World Bank’s FINCLUDE project design includes technical assistance and performance indicators explicitly tracking outreach to women MSMEs and agribusinesses, implying an institutional push to integrate capacity-building with inclusive finance expansion (World Bank, 2025a). In Kaduna, the state-level MSME financing ecosystem includes the Kaduna–SMEDAN matching fund arrangement, which explicitly links access to finance with strengthened business development support and identifies KADEDA as the implementation agency (Anyanwu, 2025).

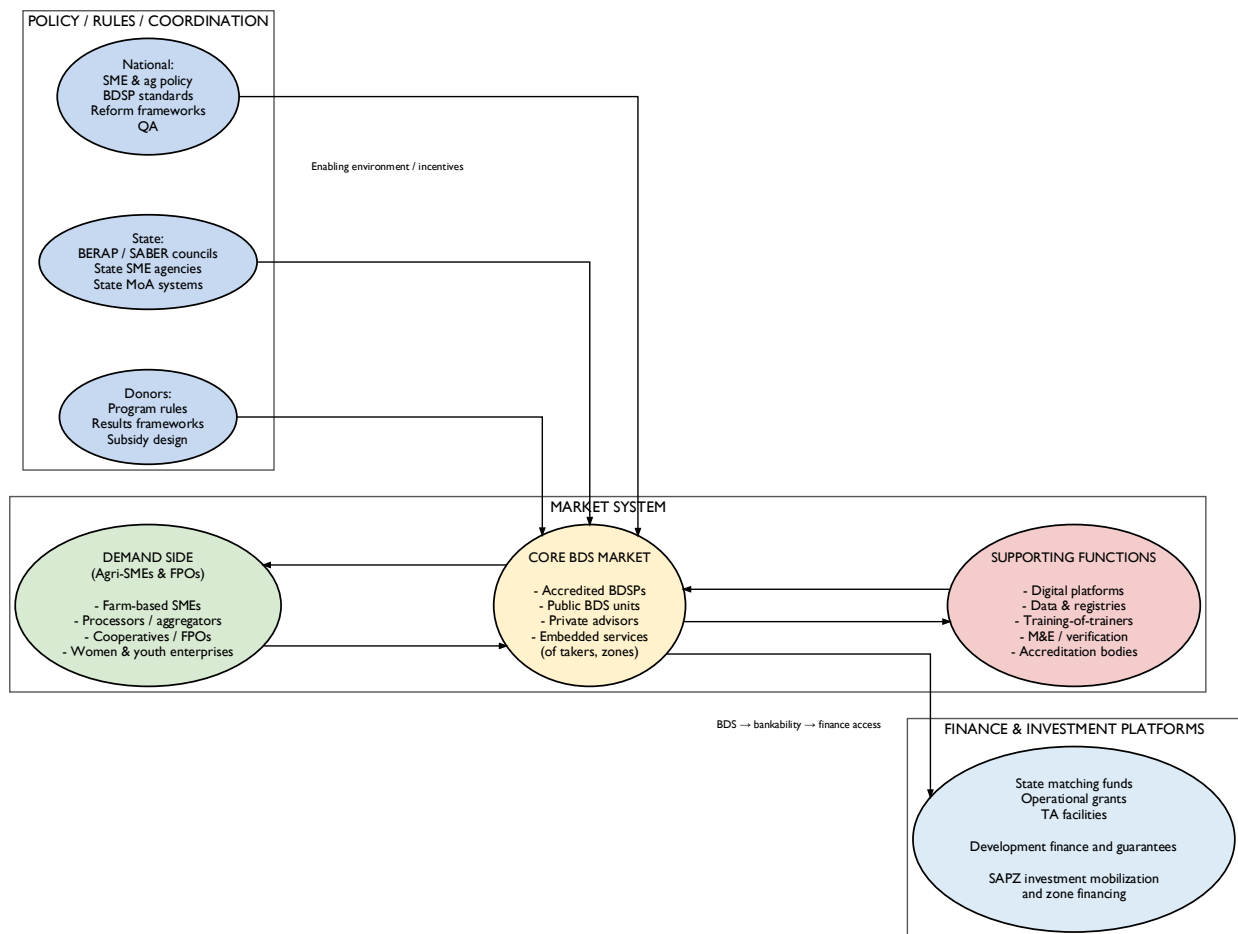
Interview evidence suggests that BDS plays an important preparatory role in strengthening the financial readiness of agri-SMEs, particularly by helping enterprises improve record-keeping, financial literacy, and business planning practices required by lenders. Respondents across stakeholder groups confirmed that many BDS programs explicitly aim to prepare enterprises for financing, and in some cases participation in advisory programs is directly linked to loan preparation or financing schemes. However, respondents also reported that the translation of these improvements into actual access to finance remains uneven. Several SMEs noted that despite receiving training and advisory support, securing loans remains difficult due to lender risk perceptions, high collateral requirements, and weak coordination between BDS providers and financial institutions. A few stakeholders also pointed to cases where BDS training was perceived as overly theoretical and not sufficiently connected to practical financing outcomes. These insights suggest that while BDS contributes to improving enterprise bankability, institutional coordination gaps and financial system constraints continue to limit the effectiveness of the BDS–finance linkage in practice.

### 3.1.6 Coordination Mechanisms and Institutional Interfaces

Evidence indicates three partially overlapping coordination “interfaces” (Fig. 4 & Table 2):

1. *National MSME coordination (in which SMEDAN’s mandate includes coordination and collaboration) (SMEDAN, 2026a).*
2. *State-level business environment reform coordination under SABER/BERAP with structured councils/action plans (illustrated with Niger’s BERAP progress reporting) (Niger State Government, 2024).*
3. *Program-specific coordination platforms (e.g., SAPZ zone governance and stakeholder clustering; Propcom+ market facilitation relationships) (KADSAPZ, 2026).*

While multiple coordination platforms exist across national programs, state reform frameworks, and donor initiatives, stakeholder interviews suggest that their operational effectiveness in aligning ecosystem actors remains uneven. Respondents across stakeholder groups reported that coordination between public institutions, BDSPs, financial institutions, and development partners is often weak, resulting in delays in service delivery, duplication of initiatives, and fragmented support for agri-SMEs. Several participants attributed these challenges to the absence of centralized information systems, limited data sharing between agencies, and the largely ad hoc nature of collaboration among ecosystem actors. In particular, stakeholders emphasized that coordination between financial institutions and other BDS actors remains especially limited, which constrains the ability to deliver integrated advisory and financing services. However, a few respondents noted that more structured coordination arrangements, such as formal service agreements between BDSPs and financial institutions, can improve alignment and accountability. Overall, interview evidence suggests that coordination mechanisms exist but are inconsistently applied and remain insufficient to ensure coherent, system-wide service delivery.



**Figure 4: Conceptual BDS ecosystem - Market-Systems Lens**

**Source:** Synthesized from ecosystem design features described in national accreditation and digital platform mechanisms, and major program architectures (SMEDAN, 2026b).

**Table 2: BDS Actor Typology and Institutional Roles Matrix**

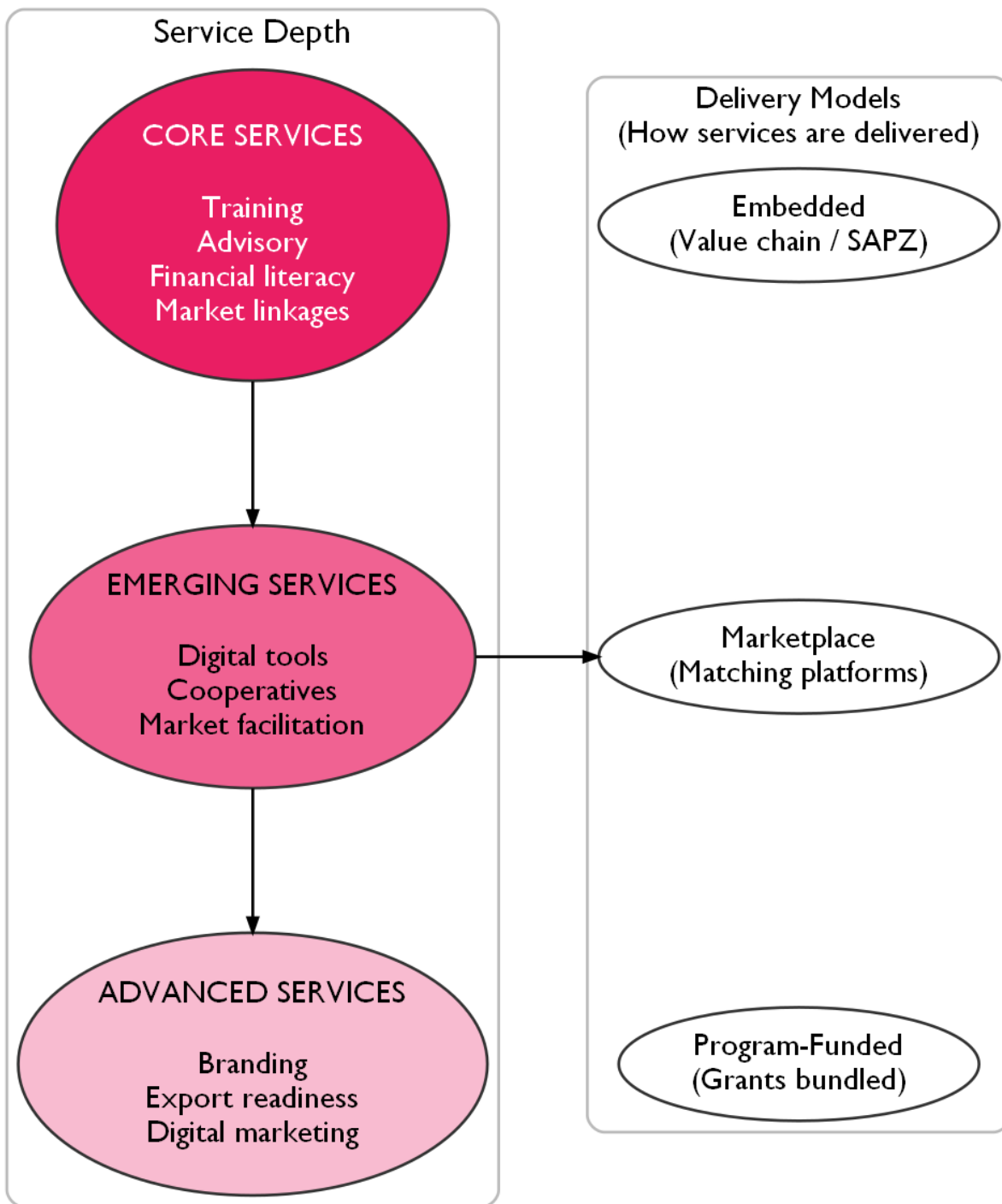
Actor category	Actors evidenced in sources	Primary roles in the BDS ecosystem	Notes on relevance to agri-SMEs/FPOs
National MSME ecosystem agency	Small and Medium Enterprises Development Agency of Nigeria (SMEDAN)	Policy advocacy; capacity building; access-to-finance facilitation; market access; coordination	Mandates span both <b>enabling</b> and <b>delivery</b> functions, shaping incentives and structure of BDSP markets (SMEDAN, 2026a).
BDSP quality assurance / certification	National BDSP Certification and Accreditation Framework	Sets standardized criteria to assess and accredit BDSPs; signals quality and professionalism	Intended to improve trust and service quality, which are critical for bankability and finance linkages (SMEDAN, 2026b).
BDSP-MSME matchmaking platform	Nigeria BDSP Portal	Connector between certified BDSPs and MSMEs; service	Defines BDSP categories and operationalizes a <b>marketplace-based</b>

Actor category	Actors evidenced in sources	Primary roles in the BDS ecosystem	Notes on relevance to agri-SMEs/FPOs
		marketplace; billing and visibility	approach to BDS provision (SMEDAN, 2026c).
State business enabling reform governance	State Action on Business Enabling Reforms Program (SABER)	State action plans (BERAPs); councils; monitoring; performance assessment	Provides a formal interface for business-climate reforms and indirectly influences state-level BDS ecosystem functioning (FRN & World Bank, 2022).
State SME / microfinance agency	Niger State SME Agency (as described in public government agency profiles)	Training and capacity building; access-to-finance facilitation; market linkages	Explicitly positions agriculture among priority sectors and can act as a direct BDS provider or convener (Niger State SME Agency 2026).
Social protection / recovery delivery platforms with MSME components	Nigeria COVID-19 Action Recovery and Economic Stimulus Program (NG-CARES), implemented using Bank of Industry infrastructure	Grants and recovery support; state delivery platforms; implementation support	Documented as a state-driven recovery program executed using BOI infrastructure; can bundle grants with training and advisory services (Bank of Industry, 2026).
Agro-industrial zone platforms	Special Agro-Industrial Processing Zones Program (SAPZ)	Cluster-based agro-processing development; shared BDS; improved finance access	Kaduna SAPZ documentation emphasizes value-chain co-location, shared BDS, and commodity-specific focus (KADSAPZ, 2026).
Donor market-systems facilitation	Propcom Plus	Market facilitation; scaling of climate-smart agriculture interventions; explicit inclusion targets	Kaduna identified among initial focal states; program logic emphasizes working through market actors rather than direct delivery (FCDO, 2023).

Source: Small and Medium Enterprises Development Agency of Nigeria (2026a; 2026b; 2026c); Federal Republic of Nigeria & World Bank (2022); Niger State SME Agency (2026); Bank of Industry (2026); Kaduna State Government (2026); Foreign, Commonwealth & Development Office (2023)

### 3.2 BDS Supply, Demand, and Utilization Dynamics

This section examines the supply, access, and utilization of business development services (BDS) for agri-SMEs in the focal states. It outlines the types of services offered, the delivery models through which they are provided, and the factors influencing uptake (Figure 5). The section also highlights key constraints affecting both providers and enterprises within the BDS ecosystem.



**Figure 5: BDS Supply Landscape**

### 3.2.1 Types of BDS services offered to agri-SMEs

Documented evidence suggests that the “BDS offer” to agri-SMEs in these states commonly includes combinations of: training/capacity building; mentoring and advisory support; market access facilitation; financial planning and bankability support; and (in some cases) digital enablement tools or IT enhancement. These are visible in (i) the NBDSP portal’s described service spectrum (strategic

consulting, financial planning, training, mentorship, market access) (SMEDAN, 2026c), (ii) Kaduna’s reported business development and grant utilization training for thousands of small business owners (News Agency of Nigeria, 2025), and (iii) Niger’s BERAP, which explicitly frames enterprise clinics as a means to increase formal registration, access to credit, financial literacy, capacity building, and business development services (Niger State Government, 2024).

Interview evidence broadly confirms that the types of BDS accessed by agri-SMEs correspond with the service categories identified in documentary sources, although the emphasis of services varies across actors within the value chains. Respondents frequently highlighted input support, technical training on production and processing practices, and financial literacy as the most commonly accessed forms of support, particularly among agro-dealers, cooperatives, and processors. Stakeholders also reported receiving advisory services related to business management, record keeping, and market linkage facilitation, including connections to off-takers and buyers through cooperatives, chambers of commerce, or development programs. However, interviews suggest that the BDS accessed in practice often focuses on foundational services such as training, input provision, and basic advisory support. More advanced services such as branding, export readiness, digital marketing, and specialized processing support were less frequently reported and are often cited by SMEs as unmet needs within the ecosystem.

**Table 3: BDS Service Categories and Delivery Models**

BDS category	Documented delivery signals	Typical delivery model indicated by evidence	Relevance for agri-SMEs/FPOs
Business advisory & strategy	NBDSP portal describes strategic consulting and tailored support	Marketplace matching: certified BDSP ↔ MSME	Supports governance, scaling decisions, market strategy (SMEDAN, 2026c).
Financial planning & bankability	NBDSP portal lists financial planning; Niger enterprise clinic aims include access to credit and financial literacy	Advisory + clinics + program-linked finance readiness	Core for “BDS → bankability → finance” pathway (SMEDAN, 2026c).
Training / capacity building	Kaduna reports capacity building on business development and grant utilization; Niger BERAP includes capacity building and training needs	Group training, sensitization, agent-led outreach	Suitable for scaling basic competencies and compliance literacy (News Agency of Nigeria, 2025).
Market access and linkages	SMEDAN mandate includes market access; Niger SME agency objectives include market access/linkages	Facilitation, trade fairs/market linkages, embedded models	Important for aggregation, off-taker readiness, and cooperative marketing (SMEDAN, 2026a).
Digital enablement / IT tools	Kaduna reporting highlights digital ecosystem/compliance infrastructure and portals; NG-CARES includes “IT enhancement grants” in its DLI menu	Grants + digital platforms + registries	Can reduce transaction costs and improve formalization/customer access (News Agency of Nigeria, 2025).
Cooperative/FPO strengthening	World Bank value-chain project design includes strengthening farmer	Project-facilitated group strengthening	Direct applicability to FPO governance, aggregation, and bargaining power (World

BDS category	Documented delivery signals	Typical delivery model indicated by evidence	Relevance for agri-SMEs/FPOs
	cooperatives		Bank, 2025b).

Source: Small and Medium Enterprises Development Agency of Nigeria (2026a; 2026c); News Agency of Nigeria (2025); World Bank (2025b).

### 3.2.2 Service delivery models, pricing, and quality

The available evidence supports three dominant delivery models:

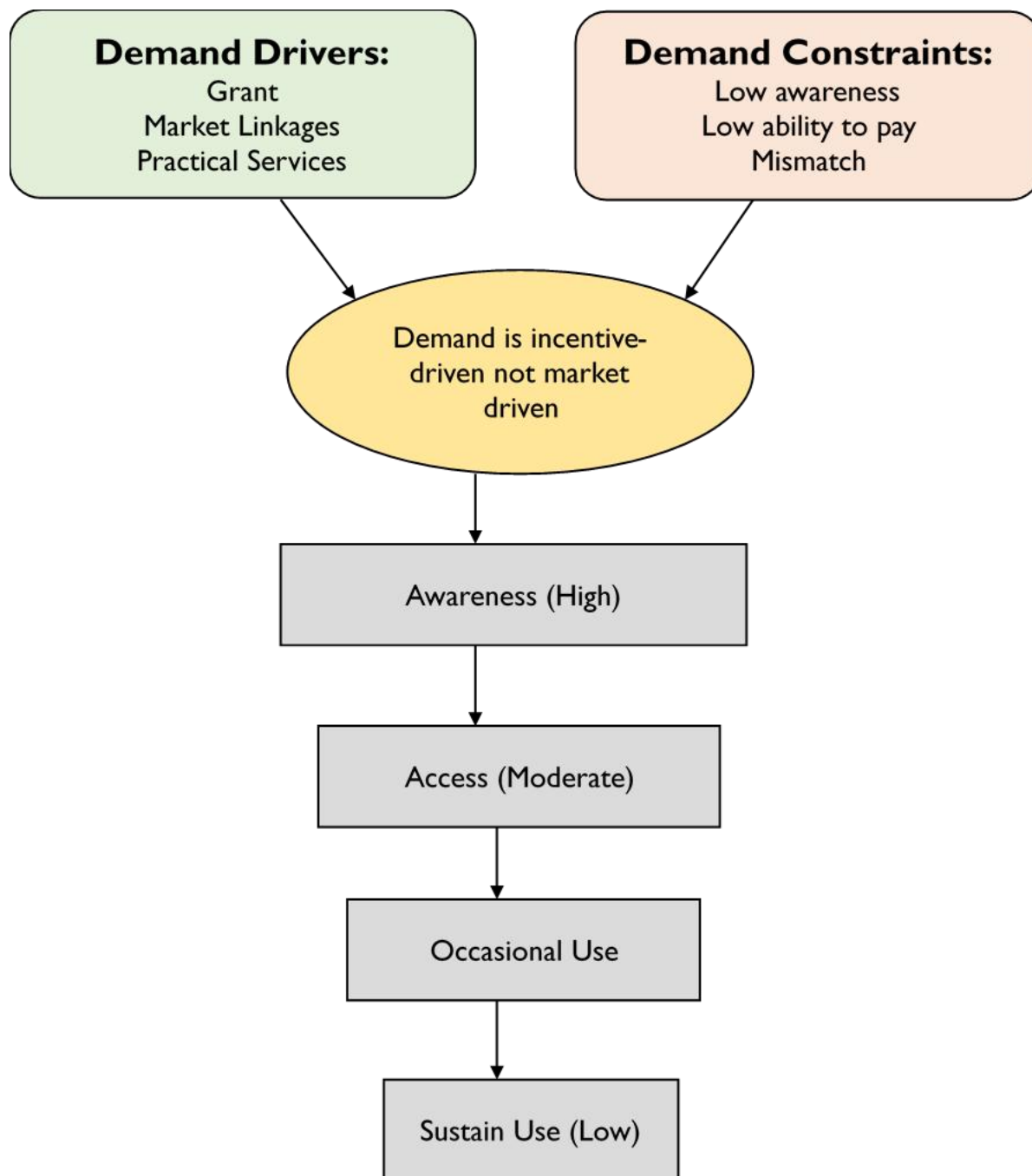
1. **Program-funded group capacity building** bundled with grants or recovery support (e.g., NG-CARES-related trainings and grant utilization literacy in Kaduna; MSME support linked to NG-CARES in Niger) (News Agency of Nigeria, 2025).
2. **Marketplace / matchmaking models** that aim to professionalize the BDS sector through certification and platform-based client-provider matching (NBDS portal; SMEDAN accreditation framework) (SMEDAN, 2026c).
3. **Cluster / zone and value chain–anchored embedded services**, in which BDS is shared or delivered through coordinated value chain infrastructure (SAPZ concept) (KADSAPZ, 2026).

Pricing and affordability are not consistently documented in state-level public sources for the three focal states. The clearest “affordability signal” in available evidence is that substantial shares of BDS reach are financed through subsidies (public programs, grants, donor programs) rather than pure fee-for-service (Bank of Industry, 2026). Quality assurance is explicitly addressed through BDSP accreditation mechanisms (NBCAF) and “certified BDSP” positioning in the NBDS portal (SMEDAN, 2026b).

BDS delivery to agri-SMEs commonly occurs through structured programs implemented by NGOs, development partners, and institutional partnerships, often in the form of group trainings, seminars, digital engagement, and periodic field-based advisory visits, according to stakeholder interviews. Respondents consistently reported that most services are heavily subsidized through donor-funded initiatives, grants, or public programs, which often make training and advisory support free or low-cost for participating enterprises. However, service delivery is frequently concentrated in urban centers, with rural enterprises accessing support mainly through occasional outreach activities or seasonal visits. Providers also noted that while basic services are commonly subsidized, larger agri-SMEs are sometimes willing to co-pay for specialized advisory services, particularly when these are linked to financing opportunities or improved market access. At the same time, several SMEs reported that service costs remain a barrier in some cases, suggesting that affordability and access to subsidized programs vary across enterprise types and locations.

### 3.2.3 Access, Uptake, And Utilization Patterns

This subsection examines patterns of access, uptake, and utilization of BDS among agri-SMEs, highlighting the key drivers and constraints shaping demand (Figure 6). It assesses how incentives, affordability, and service relevance influence engagement, and the extent to which awareness translates into sustained use of BDS services.



**Figure 6: BDS Demand and Utilization Dynamics**

Recent state-specific uptake metrics for agri-SMEs are limited in publicly accessible sources. However, three evidence points are relevant:

- Kaduna reporting indicates high-volume outreach mechanisms: grants to thousands of enterprises and “business literacy” sensitization/onboarding of tens of thousands, alongside large-scale field agent deployment (News Agency of Nigeria, 2025).

- Niger’s BERAP explicitly frames MSME “enterprise clinics” as platforms to improve formalization and BDS access, implying a strategy to increase uptake by reducing information and procedural barriers (Niger State Government, 2024).
- Historically, a national MSME survey (covering activity in 2010; published 2012) reported very low microenterprise awareness and uptake of SMEDAN services (with microenterprise awareness around 5% and beneficiary rates around 2.9% for microenterprises in the period reviewed). While outdated, it provides a baseline suggesting that low awareness/limited reach has been a structural challenge (NBS & SMEDAN, 2012).

Awareness and utilization of BDS services among agri-SMEs are strongly influenced by institutional linkages, affordability, and the perceived relevance of available support, as reflected in stakeholder interviews. Respondents noted that many enterprises first learn about BDS opportunities through community-based channels such as cooperatives, farmer associations, extension agents, agricultural fairs, and peer networks, which often serve as the most trusted entry points into the ecosystem. However, actual access and sustained utilization are frequently constrained by geographic distance to service providers, poor rural infrastructure, and the indirect costs of travel or participation. Several stakeholders also emphasized that utilization depends heavily on how well services address the specific needs of different value chain actors, with generic programs often attracting lower engagement. In addition, limited financial capacity, management skills, and trust in service providers were cited as factors that can discourage sustained participation in BDS programs.

### 3.2.4 Gender and Youth Inclusion in BDS Access

Inclusion is visible mainly through program design commitments and enabling-environment analysis:

1. The ILO’s national assessment highlights the need for an enabling environment that responds to women entrepreneurs’ needs and uses indicator-based frameworks to identify strengths/weaknesses (ILO, 2022).
2. Propcom+ commits to reaching millions with a stated 50% women target and describes a scaling approach through market actors and climate-smart practices (FCDO, 2023).
3. SAPZ public descriptions emphasize job creation in rural communities “especially for youths and women” and co-location of actors to share BDS and reduce transaction costs (KADSAPZ, 2026).
4. Kaduna’s reported programming includes targeted support to women (e.g., “SheCoopreneurship”) and youth/women-oriented initiatives alongside broader MSME grants and training - though agri-specific targeting within those components is not disaggregated in the cited public reporting (News Agency of Nigeria, 2025).

Women and youth do participate in BDS programs, particularly where initiatives explicitly target these groups or operate through cooperatives, women’s networks, or youth-oriented training platforms, as indicated by stakeholder interviews. Respondents noted that participation tends to be higher when programs include targeted financial products, women-focused enterprise support initiatives, or locally trusted delivery channels. However, several barriers continue to limit broader participation, particularly for rural women and youth entrepreneurs. Stakeholders frequently cited constraints such as limited awareness of available services, financial barriers including the cost of participation and access to credit, and logistical challenges related to distance, transportation, and rural infrastructure. In addition, respondents pointed to structural factors such as lower literacy levels, limited managerial capacity, and competing livelihood responsibilities that can discourage sustained engagement. Some stakeholders also observed that while women and youth often participate in training activities, translating this participation

into practical outcomes such as access to finance or expanded market opportunities—remains more limited in practice.

### 3.2.5 Supply-Side and Demand-Side Constraints

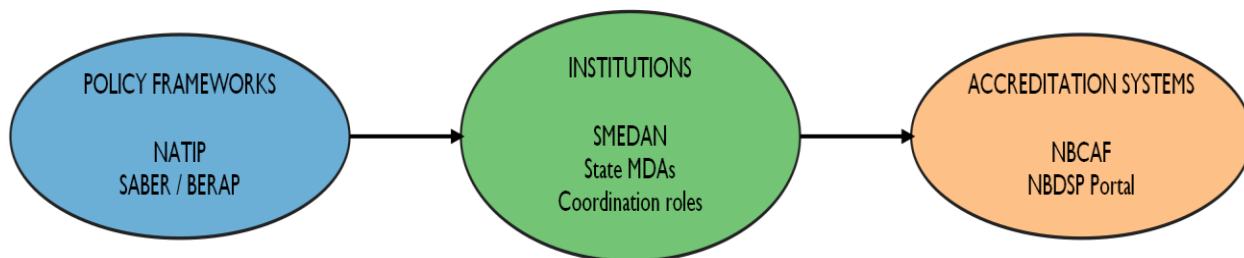
Evidence points to several recurring constraints:

1. Coordination and planning capacity constraints within state agriculture systems are explicitly documented in older but state-specific material on Kaduna and Niger, including weak planning/coordination and weak M&E systems (AGRA’s 2020 account) (AGRA, 2020).
2. Implementation constraints in Niger’s BERAP include “inadequate funding” across multiple action lines, suggesting that capability constraints and financing gaps affect the reliability of the BDS enabling environment (Niger State Government, 2024).
3. For Nasarawa, independent assessment points to technological and human capacity inadequacy within key economic institutions, which likely constrains rural reach and affects service delivery to enterprises and producer groups (Institute for Integrated Transitions, 2022).

Evidence from stakeholder interviews highlights significant constraints on both the supply and demand sides of the BDS ecosystem, which limit the reach and effectiveness of services for agri-SMEs. Respondents frequently pointed to geographic barriers as a major constraint, noting that many providers operate primarily from urban centers such as Kaduna, Lafia, and Minna, making services difficult for rural enterprises to access due to distance, poor road infrastructure, and transportation costs. Stakeholders also emphasized financial constraints affecting demand, explaining that many small-scale agri-SMEs lack the resources to pay for advisory services, while providers themselves often depend heavily on donor funding to sustain operations. In addition, interviewees noted that a mismatch sometimes exists between the services offered and the specific needs of different agri-SME segments, which reduces the perceived relevance of available support. Weak coordination across public agencies, financial institutions, and service providers was also cited as a recurring barrier that contributes to fragmented service delivery and delays in accessing complementary support such as finance.

### 3.3 Policy, Regulatory, and Accreditation Environment

This section examines the policy, regulatory, and accreditation environment shaping the BDS ecosystem (Figure 7). Policy frameworks provide strategic direction and an enabling environment, while public institutions translate these into action through coordination mandates and SME support functions. At the same time, accreditation systems play a critical role in strengthening the market by ensuring quality assurance and facilitating provider matching.



**Figure 7: Policy, Regulatory, and Accreditation Environment**

### 3.3.1 National and Sub-National Policy Frameworks

Two national policy anchors recur across sources: the National Agricultural Technology and Innovation Policy (NATIP) 2022–2027 (approved by the Federal Executive Council in May 2022) and national development/competitiveness programming that supports private sector development and agricultural transformation (FMARD, 2022). At subnational levels, Kaduna’s agriculture sector planning evidences an intent to align sector priorities with state development planning processes and to structure implementation through sector plans that include extension/cooperatives and women-in-agriculture functions as discrete operational areas (Kaduna State Government, 2016). Niger’s SABER-linked BERAP provides a formal state policy-action mechanism for improving the business climate and explicitly includes capacity-building and private sector engagement lines relevant to BDSP markets (Niger State Government, 2024).

Stakeholder interviews indicate that although national and state policy frameworks provide a formal structure for supporting SME development, their influence on the day-to-day delivery of BDS services remains limited. Respondents generally acknowledged that national and state policies are broadly aligned in promoting enterprise support and private sector development. However, several stakeholders observed that these policy frameworks often translate only partially into practical implementation, particularly at state and local levels where coordination and operational capacity can be weak. As a result, BDS delivery tends to be shaped more directly by specific programs, partnerships, and donor-funded initiatives than by policy directives alone. Some respondents also noted that limited formal recognition of BDSPs within financial and regulatory systems can weaken their ability to facilitate services such as access to finance. These perspectives suggest that while policy frameworks establish an enabling environment for BDS provision, their practical influence on service delivery remains mediated by implementation capacity, institutional coordination, and program-level initiatives.

### 3.3.2 Institutional Mandates and Regulatory Roles

SMEDAN’s published mandate set establishes its role as: policy advocate, capacity builder, finance and market access facilitator, data/research body, and ecosystem coordinator (SMEDAN, 2026a). At the program level, SABER documentation specifies state councils’ responsibilities in approving action plans and monitoring implementation, adding an institutional interface that can shape incentives for BDS providers and MSME formalization (FRN & World Bank, 2022).

Although agencies such as SMEDAN and state MDAs are widely recognized as key actors within the BDS ecosystem, stakeholder interviews suggest that their formal mandates do not always translate into clearly defined operational roles in practice. Respondents generally acknowledged that these institutions play visible roles in promoting enterprise development, raising awareness of support programs, and occasionally partnering with development initiatives or financial institutions to deliver training and advisory services. However, several stakeholders observed that coordination between different agencies and private BDSPs remains inconsistent, which can lead to overlapping initiatives, delayed service delivery, and uncertainty about institutional responsibilities. In addition, some respondents noted that the regulatory and accreditation roles intended for BDSP oversight are not always fully operationalized, limiting the ability of service providers to function as recognized intermediaries within financial and enterprise support systems. These perspectives suggest that while institutional mandates are formally defined, their practical implementation within the BDS ecosystem remains uneven.

### 3.3.3 Accreditation, Certification, and Quality Assurance Mechanisms

The review of policy instruments and institutional platforms reveals a small number of formal mechanisms designed to standardize, regulate, and improve the quality of BDS provision in Nigeria. Two mechanisms are explicitly documented:

1. SMEDAN NBCAF defines a standardized accreditation approach intended to enhance BDSP professionalism, quality, and credibility, and to facilitate access to partnerships and funding opportunities (SMEDAN, 2026b).
2. The NBDSP portal positions itself as a national connector between certified BDSPs and MSMEs and describes a marketplace model in which SMEs can browse, evaluate, and select providers (SMEDAN, 2026c).

These instruments directly address a common BDS market failure: businesses cannot easily assess service quality and returns to BDS investment; conversely, providers struggle to credibly signal quality and build demand beyond donor-funded projects.

While SMEDAN is widely recognized as an institution supporting SME development, interviews with ecosystem stakeholders indicate that awareness and practical use of its formal accreditation and marketplace systems remain limited among both BDS providers and agri-SMEs. Many respondents reported interacting with SMEDAN primarily through specific programs, training initiatives, or funding opportunities rather than through structured mechanisms such as the NBCAF accreditation framework or the NBDSP portal. In discussions about how enterprises identify or connect with service providers, stakeholders more frequently referenced informal referral networks, development partner programs, or direct partnerships with financial institutions. Several participants also suggested the need for more accessible provider databases or stronger accreditation systems that could help enterprises identify credible BDSPs within their states. These perspectives indicate that while the accreditation and portal mechanisms establish an institutional framework for improving service quality and matching providers with SMEs, their practical role in structuring the BDS market remains limited in current operational practice.

### **3.3.4 Policy Implementation Gaps and Institutional Constraints**

State-level evidence highlights implementation constraints. Niger's BERAP progress report repeatedly cites funding insufficiency and indicates that some action lines remain ongoing or deferred into subsequent BERAP cycles, suggesting limitations in the state's ability to sustain reform and capacity-building activities (Niger State Government, 2024). Independent analysis for Nasarawa notes inadequate technological infrastructure and human capacity in key institutions - conditions likely to constrain effective implementation of enterprise support policies, particularly beyond urban centers (Institute for Integrated Transitions, 2022).

Interview evidence reinforces the implementation challenges identified in documentary sources and points to a combination of institutional, logistical, and market-related constraints that limit the effectiveness of policies intended to support BDS delivery. Respondents frequently highlighted weak coordination among government agencies, financial institutions, and service providers, which often results in delays, fragmented service delivery, and duplication of initiatives. Stakeholders also noted that geographic barriers and limited rural infrastructure restrict the ability of programs to reach agri-SMEs located outside major urban centers. In addition, affordability constraints and broader financial pressures affecting agri-SMEs reduce their ability to fully utilize available services. Some participants further emphasized that limited institutional capacity and unclear recognition of BDSP roles within formal financial and regulatory systems weaken their ability to operate effectively as intermediaries linking enterprises with finance and other support services. These perspectives suggest that while policy frameworks exist, their practical impact is constrained by operational, institutional, and market-level implementation challenges.

**Table 4: Policy and Regulatory Framework Mapping**

Policy / framework	Level	What it governs (BDS-relevant)	Evidence of relevance to focal states
NATIP 2022–2027	National	Agricultural modernization and innovation priorities shaping agri-SME support programs	Named as anchor policy framework for agriculture sector operations and alignment in World Bank value chain project design (FMARD 2022).
SABER / BERAP	National-to-state reform program	State business-enabling reforms; action plans; capacity building; private sector engagement	Niger has a BERAP progress report (Jan–Dec 2023); Kaduna and Nasarawa are referenced in SABER documentation sets and review processes (Niger State Government, 2024).
SMEDAN NBCAF	National	BDSP certification/accreditation and service quality signaling	Applies nationally; supports professionalization of BDSP market relevant to all states (SMEDAN, 2026b).
NBDSP portal	National	Platform for BDSP–MSME matching, marketplace features, and certification signaling	Applies nationally; could reduce search/transaction costs and expand rural access if paired with outreach models (SMEDAN, 2026c).
Kaduna SAPZ platform	State + national + partners	Cluster-based agro-industrial development with shared BDS, tech transfer, and finance access	Kaduna is a Phase I SAPZ geography with specific commodity and hub locations described in public materials (KADSAPZ, 2026).

Source: Federal Ministry of Agriculture and Rural Development (2022); Niger State Government (2024); Small and Medium Enterprises Development Agency of Nigeria (2026b; 2026c); Kaduna State Government (2026).

### 3.4 Financing Models and Sustainability of BDS Provision

This section examines how business development services (BDS) are financed and the implications of different financing models for the sustainability of service provision. It reviews the main subsidy and co-financing mechanisms supporting BDS delivery and considers how these models influence incentives, market development, and the linkage between BDS support and access to finance for agri-SMEs.

#### 3.4.1 BDS Financing and Subsidy Models

The evidence base points to four dominant BDS financing patterns:

1. **Grant- and recovery-linked subsidies:** NG-CARES is described as a \$750m state-driven initiative backed by the World Bank, with many states collaborating with the Bank of Industry's infrastructure for execution, creating channels for grants and complementary capability support (Bank of Industry, 2026). Kaduna's reported operational grant and business development training under KD-CARES illustrates this model in practice (News Agency of Nigeria, 2025).
2. **Matching fund co-financing:** Kaduna's MoU with SMEDAN establishes a ₦1bn matching fund (₦500m each) intended to provide affordable financing while strengthening business development support, implemented via KADEDA (Anyanwu, 2025).

3. **TA facilities embedded in investment funds:** Concessional capital structures for agri-SME funds often include a technical assistance facility (TAF) that explicitly finances business development services alongside climate/gender initiatives, ESG support, and impact measurement, reflecting a “de-risking + capability strengthening” logic (ISF Advisors, 2025).
4. **Zone/platform approaches:** SAPZ’s design position includes shared BDS and improved finance access for agribusinesses operating in the zone, which can reduce per-firm service costs through clustering and shared infrastructure (KADSAPZ, 2026).

BDS provision for agri-SMEs is largely financed through donor programs, government initiatives, and NGO-supported projects, which frequently subsidize or fully cover the cost of services, as indicated by stakeholder interviews. Respondents noted that these external funding sources often channel resources through government agencies, development partners, or private service providers to deliver training, advisory support, and capacity-building activities to enterprises. Many stakeholders emphasized that such subsidies are critical because most small-scale agri-SMEs have limited ability or willingness to pay market rates for BDS services, making externally funded programs the primary mechanism enabling access. In some cases, services are also embedded within broader agricultural support initiatives that provide inputs, training, or market linkages through publicly funded programs. While a few examples of hybrid financing arrangements exist, such as co-payment models linked to financial services or value chain partnerships, these remain less common compared with grant- or subsidy-based delivery mechanisms.

### 3.4.2 Sustainability and Incentive Effects

Subsidized BDS can expand access quickly, but sustainability depends on whether subsidies build a viable BDS market (crowding in) or create dependency (crowding out). The presence of accreditation (NBCAF) and marketplace infrastructure (NBDSP portal) suggests policy intent to crowd in credible BDSPs and improve the long-run functioning of supply markets (SMEDAN, 2026b). Propcom+ explicitly frames itself as a market facilitator - an approach intended to shift incentives and norms in market systems rather than permanently deliver services directly.

Subsidy-based BDS programs play an important role in expanding short-term access to services but may also create longer-term market distortions, as reflected in stakeholder interviews. Respondents noted that many agri-SMEs have become accustomed to receiving advisory services through donor-funded or government-supported programs at little or no cost, which reduces their willingness to pay for privately delivered services. Several BDS providers explained that this dynamic limits the development of sustainable, fee-based service models and leaves many providers dependent on project-based funding cycles. At the same time, stakeholders acknowledged that subsidies remain necessary for reaching smallholder farmers and smaller agri-SMEs with limited financial capacity. Some respondents also emphasized that stronger accreditation systems and clearer institutional recognition of BDSPs could help improve credibility and gradually encourage enterprises to pay for higher-value services. These perspectives suggest that current subsidy models expand access but have not yet fully succeeded in building a self-sustaining private BDS market.

### 3.4.3 Linkages Between BDS Provision and Access to Finance

The BDS–finance linkage is explicit in multiple evidence sources:

- i. Kaduna’s matching fund arrangement is expressly designed to enhance access to finance while strengthening business development support, indicating a state-level strategy to bundle capability and capital (Anyanwu, 2025).
- ii. The World Bank FINCLUDE project includes technical assistance components and results indicators tracking finance flows to women MSMEs and agribusinesses, reinforcing the implicit model that capacity and risk tools support inclusive finance expansion (World Bank, 2025a).

- iii. Niger’s enterprise clinic action line explicitly couples “access to credit” and “capacity building and business development services,” reflecting a bankability-focused pathway at state level (Niger State Government, 2024).

Key informant consultations indicate that BDS participation helps agri-SMEs strengthen business management practices such as record keeping, documentation, and enterprise structuring, which are commonly required by financial institutions when assessing loan applications. Respondents noted that these improvements can increase the likelihood that enterprises reach the stage of engaging with lenders or being considered for financing opportunities. However, stakeholders emphasized that BDS participation alone does not guarantee access to finance, as final loan disbursement often depends on additional factors such as collateral requirements, interest rates, and lender risk assessments. Several respondents also observed that coordination gaps between BDS providers and financial institutions can weaken the effectiveness of this pathway. As a result, while BDS programs can improve enterprise readiness and bankability, systemic constraints within lending systems continue to limit the extent to which these improvements translate into actual financing for agri-SMEs.

**Table 5: BDS Financing and Subsidy Models Matrix**

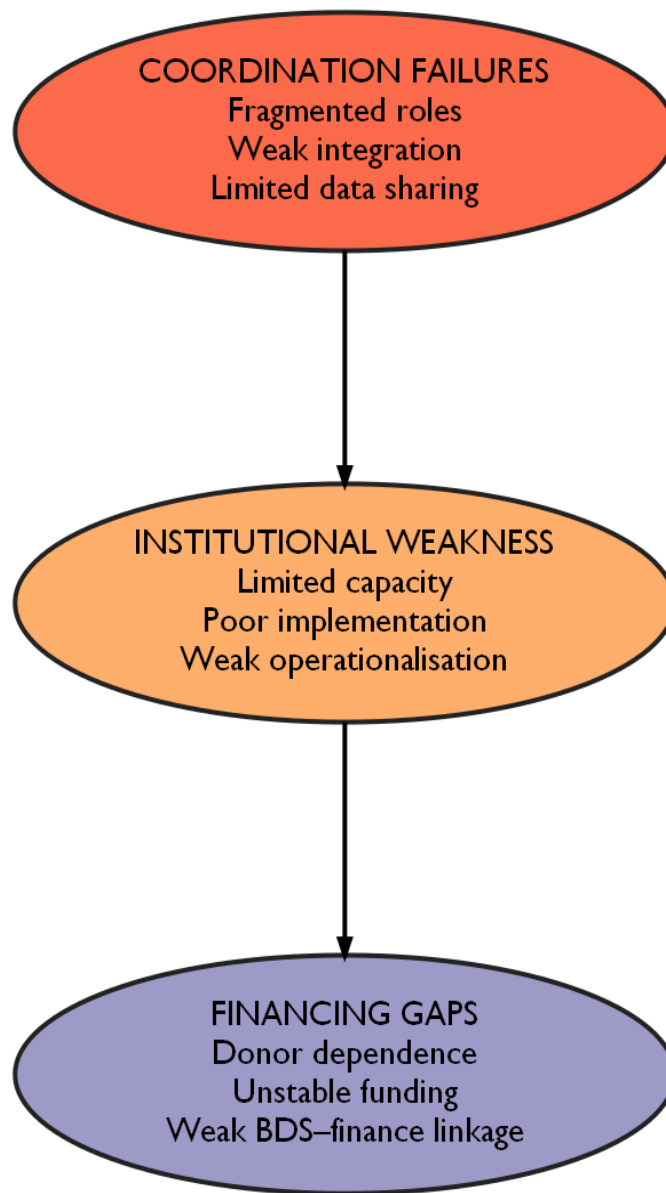
Financing model	How it works	Documented example(s) in the three-state focus	Sustainability incentive
Conditional/operational grants + training	Grants to MSMEs with complementary business literacy/capability support	Kaduna grant and business development training activities under KD-CARES/NG-CARES pathways	Can expand reach quickly; sustainability depends on whether training is standardized and whether private BDSPs are developed (News Agency of Nigeria, 2025).
Matching funds	Public co-financing pool to expand affordable finance; implemented through a state agency	Kaduna–SMEDAN ₦1 bn matching fund implemented via KADEDA	Incentivizes joint ownership; requires strong governance and transparent targeting to avoid politicization (Anyanwu, 2025).
TA facility linked to investment	Dedicated TAF funds BDS/ESG/climate/gender support to de-risk investments	TAF model described in concessional capital approaches to agri-SME funds	Aligns incentives for investee performance and impact; sustainability depends on TA governance and co-investment discipline (ISF Advisors, 2025).
Cluster/zone-based shared services	Reduced per-firm costs through co-location, shared infrastructure, and shared BDS	Kaduna SAPZ public design (shared BDS; improved finance access; tech transfer)	Potentially scalable where commodity clusters are dense; requires strong coordination and private investment mobilization (KADSAPZ, 2026).

Source: Author compilation based on News Agency of Nigeria (2025); Samuel Anyanwu (2025); ISF Advisors (2025); Kaduna State Government (2026).

### 3.5 Ecosystem Gaps, Coordination Challenges, and Systemic Constraints

This section examines the key policy implementation gaps and institutional constraints affecting the BDS ecosystem (Figure 8). Despite the presence of multiple actors, weak coordination results in fragmented delivery, duplication of efforts, and limited system integration. While institutional mandates are clearly

defined, operational capacity and implementation remain constrained in practice. In addition, financing structures are unstable and heavily donor-dependent, limiting the long-term sustainability of BDS delivery and system effectiveness.



**Figure 8: System-Level Coordination and Governance Failures**

### 3.5.1 Cross-cutting Ecosystem Gaps

Three gaps are strongly supported across sources:

1. **Capacity and coordination weaknesses within public systems:** State-level agriculture and economic institutions are described as facing weak planning, poor coordination, and weak M&E systems in state-specific accounts (Kaduna and Niger) (AGRA, 2020).

2. **Sustained financing gaps for enabling environment and capacity building:** Niger's BERAP reporting repeatedly identifies inadequate funding as a constraint and shows multiple actions as ongoing or pushed to later cycles (Niger State Government, 2024).
3. **Limited transparency/availability of state-level evidence** for North Central and North West BDS ecosystems - illustrated by incomplete access to some state documents in this research environment (notably for Nasarawa's BERAP/progress documentation), which itself signals a data ecosystem weakness for diagnostics and performance management.

Interview evidence highlights several ecosystem gaps that continue to constrain the effectiveness of BDS support for agri-SMEs. Respondents frequently pointed to weak coordination across ecosystem actors, including government agencies, financial institutions, and private BDSPs, which often results in fragmented support and delays in service delivery. Stakeholders also emphasized that many BDS services remain insufficiently tailored to the specific operational needs of different agri-SME segments, limiting their practical relevance for enterprises such as agro-dealers, processors, and aggregators. In addition, geographic and infrastructure constraints restrict the reach of services to rural areas, where many agri-SMEs operate but where BDS providers are less present. Several respondents also highlighted the financial fragility of BDS providers, many of whom depend heavily on donor-funded projects to sustain operations. These factors, combined with affordability constraints among agri-SMEs and limited availability of reliable ecosystem data and coordination platforms, continue to weaken the overall effectiveness of the BDS ecosystem in supporting enterprise growth.

### 3.5.2 Coordination Failures and Institutional Fragmentation

The Niger BERAP tables list many contributing MDAs for reforms (investment/commerce, finance, GIS/urban development, PPP, water/sewage, and others) and include explicit calls for "synergy between line MDAs," suggesting that fragmentation is recognized and that coordination is costly to sustain (Niger State Government, 2024). AGRA's state-specific account also describes historical absence of coordination meetings between local and state agriculture leadership and a resuscitation of State Councils of Agriculture through supported coordination platforms - further underscoring that coordination failures are structural rather than incidental (AGRA, 2020).

Coordination across public institutions, development partners, financial institutions, and private BDSPs remains uneven and often fragmented, as reflected in stakeholder interviews. Respondents reported that collaboration between ecosystem actors does occur, but partnerships are frequently inconsistent and lack clear operational pathways linking advisory services, financial institutions, and enterprise support programs. Several stakeholders also noted that weak coordination mechanisms and limited information sharing between agencies contribute to delays, duplication of initiatives, and gaps in service delivery. In addition, the limited institutional recognition of BDSPs within formal policy and financial systems was cited as a factor that weakens their role as intermediaries connecting agri-SMEs with support programs and lenders. At the same time, a few examples of more structured collaboration were reported, particularly where formal agreements exist between BDSPs and financial institutions or specific program partnerships create clearer coordination arrangements. These perspectives suggest that while coordination mechanisms exist, their effectiveness remains inconsistent across the ecosystem.

### 3.5.3 Structural and Systemic Constraints

The evidence supports several systemic constraints affecting BDS delivery and uptake:

- **Information and search frictions** in BDSP markets: addressed indirectly by accreditation and marketplace platforms, implying these frictions are significant enough to warrant national infrastructure solutions (SMEDAN, 2026b).

- **Rural reach and institutional capacity constraints**, noted explicitly for Nasarawa institutions and implied by the need for large field-agent networks and decentralized engagement models in Kaduna (Institute for Integrated Transitions, 2022).
- **Business environment constraints** such as taxation harmonization and procedural complexity, visible in BERAP action lines (e.g., reducing time and cost of permits; addressing double taxation; one-stop-shop strengthening) (Niger State Government, 2024).

Several structural and systemic factors continue to constrain agri-SMEs’ ability to access and benefit from BDS services, as highlighted in stakeholder interviews. Respondents frequently pointed to financial limitations among agri-SMEs and the cost of advisory services as major barriers to uptake, particularly for smaller enterprises with limited working capital. Stakeholders also emphasized persistent information gaps, noting that many agri-SMEs remain unaware of available BDS providers or lack clear mechanisms to identify credible service providers. In addition, the geographic concentration of providers in urban centers and limited rural outreach were repeatedly cited as structural barriers that restrict access for enterprises operating in more remote locations. Several respondents further noted that weak coordination among ecosystem actors and limited integration between BDS services and financial institutions reduce the practical value of advisory support for enterprises seeking to grow. Together, these structural constraints limit both the accessibility and perceived usefulness of BDS services within the agri-SME ecosystem.

**Table 6: Documented Ecosystem Gaps and Coordination Failures**

Gap / failure type	What it looks like in practice	Evidence anchor
Weak planning/coordination in agriculture systems	Long gaps in coordination meetings; weak planning and M&E; need for technical assistants and formal councils	State-specific account for Kaduna and Niger institutional strengthening and coordination restoration (AGRA, 2020).
Multi-actor fragmentation	Many MDAs required to deliver reforms; need for synergy and steering/technical working groups	Niger BERAP shows high MDA count and repeated references to private sector engagement and steering/TWG needs (Niger State Government, 2024)
Inadequate funding for reform/capacity actions	Action lines marked as constrained by inadequate funding; ongoing/rolled-over actions	Niger BERAP “inadequate funding” appears across action areas and reporting lines (Niger State Government, 2024).
Weak institutional capacity and infrastructure	Technological/human capacity constraints limit ability to deliver entrepreneurship and business climate improvements, especially outside urban areas	Independent analysis notes inadequate technological infrastructure and human capacity in Nasarawa’s economic institutions (Institute for Integrated Transitions, 2022).

Source: Author compilation based on Alliance for a Green Revolution in Africa (2020); Niger State Government (2024); Institute for Integrated Transitions (2022).

## 3.6 Evidence-Based Intervention Pathways and System-Level Options

This section presents evidence-based intervention pathways and system-level options that could strengthen the effectiveness and sustainability of the BDS ecosystem supporting agri-SMEs in the focal states. It draws on insights from documented programs, policy frameworks, and stakeholder consultations to identify practical approaches for improving service delivery, coordination, and long-term ecosystem performance.

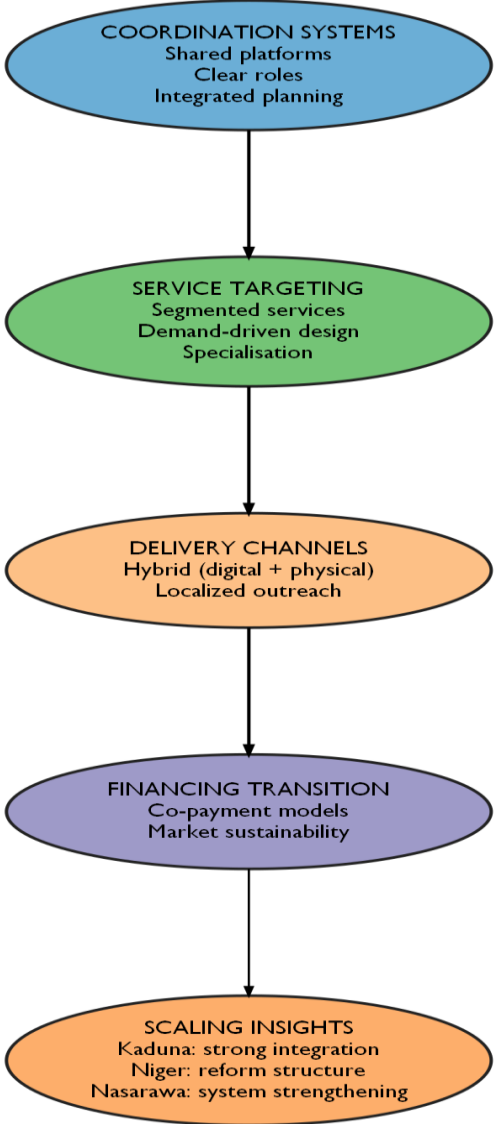
### 3.6.1 Documented Intervention Approaches

The following intervention pathways are grounded in documented evidence from programs and frameworks reflected in the three-state ecosystem:

- a. **Accreditation + marketplace institutionalization of BDSP supply:** A scalable pathway is to combine (i) BDSP accreditation standards and assessment (NBCAF) with (ii) a transparent “marketplace” that reduces search costs and improves matching (NBDSP portal). This pair directly targets quality signaling and trust deficits in BDS markets (SMEDAN, 2026b). For agri-SMEs and FPOs, this can be extended by developing sector-specific BDSP specialties and performance metrics (e.g., cooperative governance, aggregation models, traceability/standards).
- b. **BDS–finance bundling through explicit pipelines:** Evidence from Kaduna and Niger suggests that bundling capital (grants, matching funds) with business literacy, utilization training, and enterprise clinics can be implemented at scale through state agencies and program structures (Anyanwu, 2025). The key system-level option is to hardwire **capability milestones** (e.g., bookkeeping adoption, governance structures, market contracts) into finance eligibility and to use independent verification where possible.
- c. **Cluster-based and value chain–anchored embedded services:** SAPZ’s structure provides a platform-based approach where agribusiness actors co-locate and share business development services, reducing transaction costs while improving technology transfer and finance access (KADSAPZ, 2026). This approach is particularly relevant for Kaduna (explicitly), and as a model for Niger and Nasarawa where commodity clusters and aggregation corridors can be identified.
- d. **Market-systems facilitation with explicit inclusion targets:** Propcom+ documents a market facilitation approach and clear inclusion targets (50% women), emphasizing adoption and scaling through market actors and policy enabling work rather than direct permanent service delivery (FCDO, 2023). This approach can inform state-level BDS strategies even where Propcom+ is not a focal-state program, because it provides a tested logic for avoiding long-run subsidy dependency.
- e. **Subnational coordination strengthening through BERAP-style action planning with private sector participation:** Niger’s BERAP demonstrates a structured planning tool that specifies objectives, actions, responsible MDAs, budgets, status tracking, and next steps - including private sector participation and BDS provider stakeholder categories (Niger State Government, 2024). Strengthening this mechanism - and ensuring it is integrated with agricultural and MSME support delivery platforms - offers a system-level pathway to reduce fragmentation.

The intervention pathways identified in the documentary evidence are broadly supported by stakeholder interviews, which also highlight several practical priorities for strengthening BDS delivery. Stakeholders

emphasized the importance of improving the relevance and specialization of BDS services so that support is better aligned with the operational needs of different agri-SME segments such as processors, aggregators, and agro-dealers. Respondents also stressed that linking BDS participation more directly with access to finance could strengthen the practical value of advisory services and improve enterprise bankability. In addition, several participants highlighted the need for stronger coordination mechanisms across ecosystem actors, including clearer referral systems, shared databases of service providers, and more structured partnerships between BDSPs, financial institutions, and government agencies. Stakeholders further pointed to the need for delivery models that extend services beyond urban centers through localized hubs, outreach mechanisms, or digital channels. These perspectives suggest that ecosystem reforms combining better service targeting, stronger coordination, and closer integration between advisory support and finance would most effectively strengthen the impact of BDS interventions for agri-SMEs.



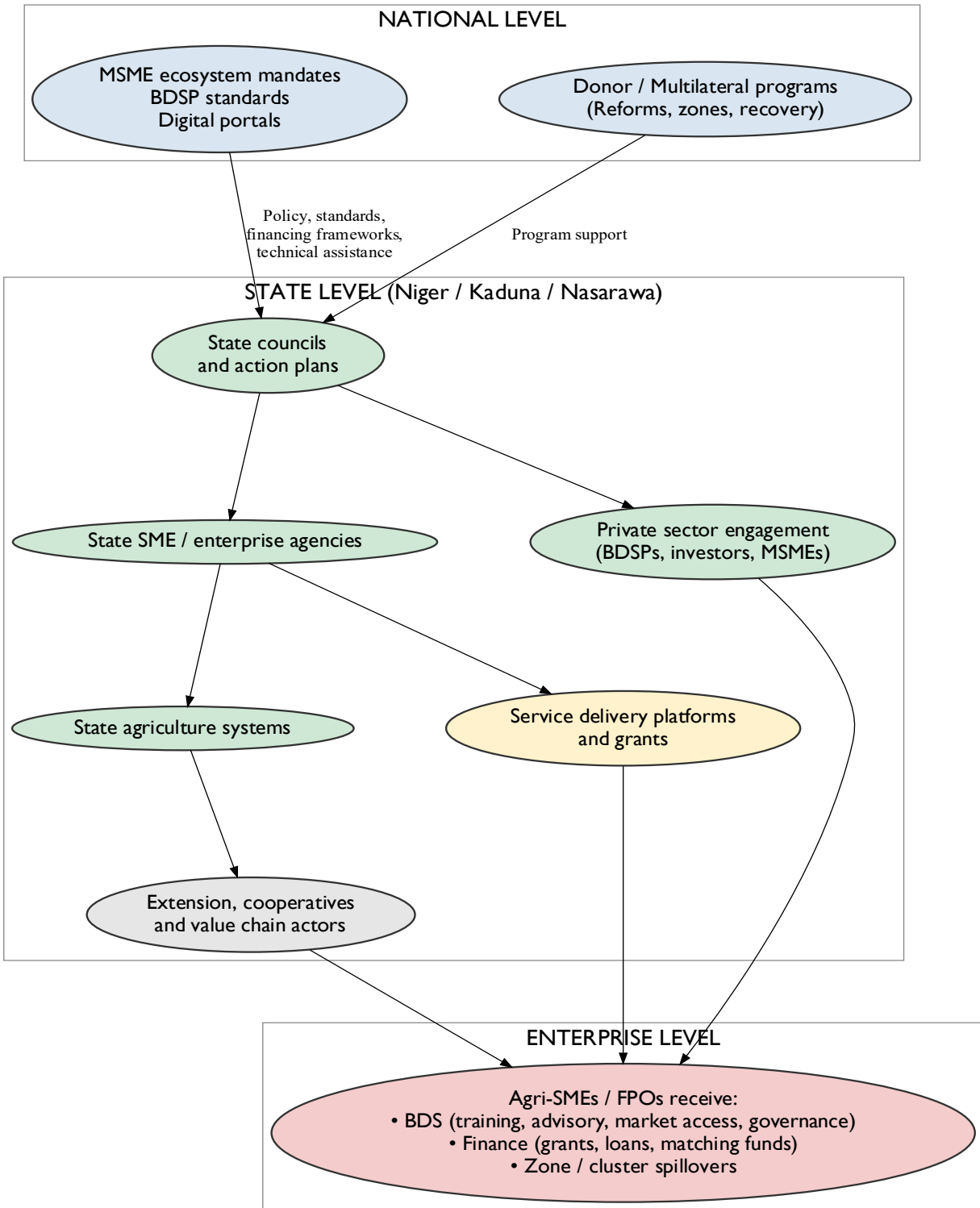
**Figure 9: Operational Models for Effective BDS Delivery and Scaling**

### 3.6.2 Scalability, Sustainability, and Contextual Applicability

Across the three-state focus:

1. Kaduna exhibits the strongest documented pathway for scale via **formal finance mechanisms + institutional implementation capacity** (matching fund; large-scale grant/training; SAPZ platform presence) (Anyanwu, 2025).
2. Niger exhibits relatively strong evidence of structured reform planning and multi-MDA coordination through BERAP, but also explicit constraints around funding and implementation continuity - suggesting scalability depends on predictable financing and capacity support (Niger State Government, 2024).
3. Nasarawa shows clearer evidence for NG-CARES platforming and institutional roles and constraints, but weaker accessible evidence on BDSP markets and BERAP implementation detail (a diagnostic gap) (Nasarawa CARES Programme, 2026).

Models that combine BDS provision with value chain partnerships and group-based delivery mechanisms appear to offer strong potential for sustainable scaling, according to stakeholder interviews. Respondents frequently highlighted cooperative and association-based approaches as effective platforms for delivering services to multiple enterprises simultaneously while reducing costs through shared training and advisory support. Stakeholders also noted that models linking BDS participation to market opportunities, off-taker relationships, or improved commercial outcomes tend to generate stronger willingness among agri-SMEs to contribute to service costs, improving sustainability. In addition, several participants pointed to hybrid delivery models that combine digital platforms with in-person advisory services as a practical way to extend reach beyond urban centers while maintaining engagement with rural enterprises. At the same time, respondents emphasized that long-term scalability will depend on reducing heavy reliance on donor-funded projects and strengthening financially viable service models that encourage gradual cost-sharing by participating enterprises.



**Figure 10: Institutional Relationship and Coordination Diagram**

**Table 7: Comparative State-Level Evidence Summary**

Dimension	Niger	Kaduna	Nasarawa
Ecosystem actors and roles (documented)	Clear BERAP actor list including NSIPA/SME agency and multiple MDAs; SME agency mandate visible	KADEDA documented via grant/training reporting; SAPZ institutional platform; SMEDAN partnership documented	NG-CARES state platform documented; investment/trade institutions referenced in independent analysis
BDS supply (documented)	Enterprise clinic aims include BDS; BDSPs appear as a stakeholder category in BERAP	Training and business development support linked to grants; SAPZ shared BDS model	Limited direct BDS supply documentation in accessible sources
Demand/uplift signals	MSME support linked to NG-CARES mentioned in BERAP	High outreach scale via grants, onboarding and field agents	No comparable direct uptake figures found in accessible state sources
Gender & youth inclusion (signals)	Not explicitly disaggregated in BERAP images, but BEE capacity-building line exists	Programs mention women/youth-focused initiatives; SAPZ and market programs emphasize youth/women job creation	ILO enabling-environment analysis and independent institutional capacity notes relevant; state program impacts not disaggregated in accessible sources
Policy/regulation/accreditation interface	Strong BERAP documentation with business environment reforms	Strong interface via MoU/matching fund and zone platform; state entrepreneurship programs visible	Evidence constrained by document access; budget lines show spending on “business enabling reforms”
Financing models	BERAP shows planned expenditures; NG-CARES linkage mentioned	Matching fund; operational grants; training bundling; SAPZ investment model	Budget lines show costs for business enabling reforms; NG-CARES platform present
Coordination constraints	Explicit inadequate funding and ongoing actions; need for synergy and TWG	Fragmentation addressed via large-scale programs and agencies; sustainability risks remain	Institutional capacity constraints highlighted; BERAP details inaccessible here

Source: Author compilation based on Niger State Government (2024); Nigeria COVID-19 Action Recovery and Economic Stimulus Programme (2026); Nasarawa State Government (2025); Institute for Integrated Transitions (2022).

### 3.6.3 Synthesis and Implications for the BDS Ecosystem Diagnostic

The secondary evidence supports three central implications for a practical ecosystem diagnostic in Niger, Kaduna, and Nasarawa:

- 1) The most actionable “ecosystem levers” are **institutional interfaces** rather than isolated service programs: BDSP accreditation and marketplaces, BERAP-linked coordination mechanisms, and BDS–finance pipelines create system-level incentives that can reshape BDS supply and demand simultaneously (SMEDAN, 2026b).
- 2) The binding constraints are not purely “availability of training,” but rather **quality, reach, and sustainable financing**, especially for rural agri-SMEs and group enterprises. This is evidenced by recurring references to inadequate funding and capacity constraints at the state level and by

the strategic push toward professionalization and platforming at the national level (Niger State Government, 2024).

- 3) Inclusion must be operationalized through delivery design: explicit targets (as in Propcom+), gender-responsive enabling environment reforms (as emphasized by the ILO assessment), and finance indicators that track outreach to women-led MSMEs and agribusinesses (as in FINCLUDE) should be translated into state-level eligibility rules, provider performance metrics, and verification systems (FCDO, 2023).

A key diagnostic limitation is that **comparable, state-disaggregated evidence on BDS utilization, willingness-to-pay, service quality, and outcomes for agri-SMEs/FPOs** is not consistently available in accessible public sources for all three states - particularly Nasarawa within this environment - requiring the final ecosystem diagnostic (if extended beyond secondary evidence) to prioritize structured stakeholder validation and administrative data review using state delivery platforms and accredited BDSP registries (SMEDAN, 2026c).

Stakeholder interviews broadly confirm the diagnostic implications derived from the secondary evidence while highlighting several priority actions for strengthening the BDS ecosystem. Respondents emphasized the importance of improving the practical relevance and reach of BDS services, particularly for rural agri-SMEs that often face logistical and affordability barriers to participation. Participants also highlighted the need to strengthen institutional coordination across government agencies, financial institutions, and private BDSPs in order to reduce duplication and improve the delivery of integrated enterprise support. In addition, stakeholders stressed that improving the technical capacity and specialization of BDS providers would help ensure that advisory services better address the operational needs of different agri-SME segments. Several respondents further emphasized that stronger linkages between advisory support and access to finance could increase the practical value of BDS participation for enterprises. These perspectives suggest that strengthening service quality, improving ecosystem coordination, and ensuring closer integration between advisory support and financial access should be prioritized to enhance the effectiveness of the BDS ecosystem supporting agri-SMEs in these states.

## 4.0 Recommendations

This section presents recommendations derived from the study findings to strengthen the effectiveness, coordination, and sustainability of BDS support for agri-SMEs. The recommendations focus on improving service quality, strengthening BDS–finance linkages, expanding access to services, and enhancing inclusion and ecosystem coordination.

### I. Strengthen Accreditation and Recognition of BDS Providers

Government institutions, particularly SMEDAN and relevant state agencies, should strengthen the accreditation and recognition of Business Development Service Providers (BDSPs). The findings indicate that awareness and practical use of existing accreditation and provider-matching mechanisms remain limited among both service providers and agri-SMEs. Key actions include:

- Expanding awareness and practical use of the NBCAF accreditation framework among BDS providers and agri-SMEs.
- Encouraging public programs and financial institutions to prioritize collaboration with accredited BDSPs when delivering enterprise support or preparing SMEs for financing.

- Improving the accessibility and usability of provider information through platforms such as the NBDSP portal and complementary state-level directories of verified BDS providers.

**Expected Result:** Strengthening accreditation and provider visibility will improve service quality, enhance trust in BDS providers, and make it easier for agri-SMEs and financial institutions to identify credible advisory partners.

## 2. Strengthen the Link Between BDS Services and Access to Finance

Findings from the study indicate that although BDS support often improves record-keeping, business planning, and enterprise management, these improvements do not consistently translate into actual access to finance for agri-SMEs. Government agencies, development programs, and financial institutions should therefore strengthen BDS–finance linkages by:

- Integrating basic business planning, financial management, and record-keeping support into SME loan preparation and enterprise financing programs.
- Establishing structured partnerships between accredited BDSPs and financial institutions to support enterprise loan readiness and referral pathways.
- Embedding advisory services within SME finance initiatives so that enterprise training and mentoring are linked to measurable financing outcomes.

**Expected Result:** Clearer coordination between advisory support and financial institutions will improve enterprise readiness for credit and strengthen the pathway from capability building to actual financing for agri-SMEs.

## 3. Improve the Practical Relevance of BDS Delivery

The study found that many BDS services accessed by agri-SMEs focus on foundational training and general advisory support, while more specialized and practically oriented services addressing enterprise-level challenges remain limited. Programs supporting SMEs should therefore strengthen the practical relevance of BDS delivery by:

- Expanding mentoring and follow-up advisory support so enterprises receive guidance while applying business management practices in their operations.
- Engaging locally based BDSPs who understand local value chains, markets, and enterprise conditions.
- Providing enterprise clinics, demonstrations, and hands-on advisory services that help SMEs translate training into practical improvements in business operations.

**Expected Result:** BDS services will become more practical and relevant to enterprise needs, enabling agri-SMEs to apply business skills more effectively and improve operational performance.

## 4. Improve Coordination Across Institutions Supporting SMEs

The study found that coordination between public institutions, BDSPs, financial institutions, and development partners is often fragmented, with unclear roles and weak linkages between training, advisory services, and financing programs. Government agencies and development partners should strengthen coordination across BDS ecosystem actors by:

- Strengthening or institutionalizing state-level coordination platforms that bring together public institutions, BDSPs, financial institutions, and development partners.

- Using existing reform platforms such as BERAP and other state coordination mechanisms to align BDS-related initiatives and clarify institutional responsibilities.
- Developing shared information systems or accessible directories of BDS programs and accredited service providers that SMEs and institutions can easily consult.

**Expected Result:** Stronger coordination across ecosystem actors will reduce fragmentation, improve information sharing, and make BDS services easier for agri-SMEs to identify and access.

## 5. Develop More Sustainable Financing for BDS Services

The study found that most BDS services for agri-SMEs are heavily subsidized through donor- and government-funded programs, with many providers relying on project-based financing because most small-scale enterprises have limited capacity to pay the full cost of services. Programs supporting SMEs should therefore promote more sustainable financing models for BDS delivery by:

- Introducing gradual cost-sharing approaches in which SMEs contribute a portion of service costs as enterprises grow and demonstrate the value of advisory support.
- Expanding matching funds and technical assistance facilities linked to SME financing and investment programs.
- Testing voucher schemes that allow SMEs to access services from accredited BDSPs while partially subsidizing the cost.

**Expected Result:** More sustainable financing arrangements will reduce dependence on donor funding and help develop a stronger and more viable BDS market over time.

## 6. Expand BDS Access for Rural Enterprises

The study found that many rural agri-SMEs face difficulties accessing BDS due to the concentration of service providers in urban centers, long travel distances, and infrastructure constraints that limit outreach to remote areas. Government agencies and development partners should therefore expand BDS access for rural enterprises by:

- Supporting mobile advisory services and field-based mentoring that bring services closer to farmers and rural enterprises.
- Delivering BDS through farmer cooperatives and producer organizations, which can serve as local platforms for training and advisory support.
- Using digital platforms and communication tools to share business information, training materials, and market updates.

**Expected Result:** Improved outreach mechanisms will increase access to advisory services for rural enterprises and farmer groups, strengthening their ability to apply business practices and participate in value chains.

## 7. Strengthen Inclusion of Women and Youth in BDS Programs

The study found that although women and youth participate in some BDS programs, their engagement remains constrained by barriers such as limited awareness of services, financial constraints, mobility challenges, and difficulties translating training into access to finance or market opportunities. Programs supporting SMEs should therefore strengthen inclusion by:

- Setting clear participation targets for women and youth in BDS programs.

- Supporting women-led and youth-led enterprise networks that can serve as platforms for training, mentoring, and information sharing.
- Designing BDS delivery approaches that address barriers such as limited mobility, financial constraints, and restricted access to finance.

**Expected Result:** Increased participation of women and youth in BDS programs will improve their access to enterprise support, financing opportunities, and participation in agribusiness value chains.

## 8. Improve Data and Monitoring of the BDS Ecosystem

The study found that consistent, state-level data on BDS providers, service utilization, and enterprise outcomes remain limited, making it difficult to assess the performance and effectiveness of BDS programs. Government agencies and program implementers should therefore strengthen monitoring and learning within the BDS ecosystem by:

- Developing accessible state-level databases of BDSPs and BDS programs that SMEs, policymakers, and ecosystem actors can easily consult.
- Tracking enterprise performance after receiving BDS support in order to understand which services generate the strongest enterprise outcomes.
- Conducting periodic BDS ecosystem reviews or diagnostics to identify emerging gaps and inform policy and program improvements.

**Expected Result:** Improved data availability and monitoring will strengthen evidence-based decision-making and enhance the effectiveness of BDS programs supporting agri-SMEs.

## 5.0 Conclusion

The diagnostic indicates that the BDS ecosystem supporting agri-SMEs in Kaduna, Niger, and Nasarawa States consists of a diverse network of public institutions, private and non-state BDSPs, financial institutions, development partners, and enterprise actors. This ecosystem provides multiple channels for delivering training, advisory services, financing support, and market linkages to agri-SMEs across the focal value chains. However, the findings show that the effectiveness of this ecosystem remains constrained by fragmented coordination among institutions, limited operational recognition of BDSPs within financial and regulatory systems, weak linkages between BDS provision and access to finance, and the continued reliance of many service providers on donor-funded delivery models. Although policy frameworks, accreditation mechanisms, financing initiatives, and development programs provide an institutional foundation for strengthening BDS markets, practical utilization and long-term sustainability remain uneven, particularly for rural agri-SMEs and for women- and youth-led enterprises.

Overall, the diagnostic suggests that strengthening institutional coordination, improving the practical relevance and reach of BDS services, reinforcing the link between advisory support and enterprise financing, and promoting more sustainable service delivery models will be essential for improving the effectiveness and long-term impact of BDS support in these states. Strengthening these ecosystem functions can help ensure that BDS services more effectively contribute to inclusive agricultural enterprise development within the rice, maize, and soybean value chains.

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## 7.0 Annex

### 7.1 Data Collection Tools

To ensure systematic and comparable data collection across the BDS ecosystem, the study will deploy **five tailored KII guides**, each designed to reflect the institutional role, incentives, and information domain of a specific category of ecosystem actors. While all guides will be anchored in the common diagnostic framework, they will be customized to capture category-specific perspectives on BDS provision, demand, policy, financing, and coordination dynamics. The five KII tools are as follows:

#### 1. **KII Guide for Public Institutions and MDAs**

This guide will target institutions such as SMEDAN, BOI, BOA, and relevant State MDAs, focusing on policy mandates, regulatory frameworks, public BDS programs, accreditation and quality assurance mechanisms, coordination roles, and constraints affecting effective BDS delivery to agri-SMEs.

#### 2. **KII Guide for Private and Non-State BDS Providers**

This guide will capture information on the types of BDS services offered, delivery models, pricing structures, quality assurance practices, client targeting, gender and youth inclusion strategies, and operational challenges faced by private and non-state providers.

#### 3. **KII Guide for Development Partners and Implementing Organizations (including KBS)**

This guide will focus on programmatic approaches to BDS strengthening, intervention design, subsidy and cost-sharing models, lessons from implementation experience, coordination with public and private actors, and perspectives on sustainability and scale.

#### 4. **KII Guide for Financial Institutions and Investment Platforms**

This guide will examine linkages between BDS and access to finance, including enterprise bankability requirements, integration of BDS into lending and investment programs, risk assessment practices, and constraints to financing agri-SMEs and FPOs.

#### 5. **KII Guide for Agri-SMEs, FPO Leaders, and Aggregators**

This guide will capture demand-side perspectives on awareness, access, utilization, perceived value, and affordability of BDS services, as well as experiences with service quality, financing linkages, and constraints affecting enterprise growth and inclusion.

#### **KII GUIDE 1: Public Institutions and MDAs**

*(SMEDAN, BOI, BOA, State MDAs)*

1. What is your institution's formal mandate regarding MSME and agri-SME development, and which parts explicitly relate to Business Development Services?
2. Which BDS functions does your institution deliver directly, and which are facilitated through third parties (e.g. BDSPs, programs, platforms)?

3. How are BDS priorities planned and budgeted, and how are they aligned with national or state frameworks (e.g. NBCAF, NBDSP portal, BERAP)?
4. What quality assurance, accreditation, or performance standards apply to BDS providers you engage or fund?
5. How does your institution coordinate in practice with private BDSPs, development partners, and financial institutions? What works, and what does not?
6. Which policies, regulations, or reform processes (e.g. SABER/BERAP, MSME policy, ag policy) most shape BDS provision in your state?
7. Where do you observe overlaps, gaps, or fragmentation in BDS roles among MDAs and programs?
8. How are women- and youth-led agri-SMEs/FPOs targeted or prioritized within BDS-related interventions?
9. What are the binding constraints limiting effective BDS delivery (e.g. funding, capacity, coordination, rural reach)?
10. What specific reforms or institutional changes would most improve BDS effectiveness, sustainability, and coordination at scale?

## ***KII GUIDE 2: Private and Non-State BDS Providers***

1. What types of BDS do you currently offer to agri-SMEs and FPOs, and which value chains do you serve most?
2. How do clients typically access your services (direct demand, program referrals, platforms such as NBDSP)?
3. How do you price your services, and what determines affordability for agri-SMEs and producer groups?
4. Are you certified or accredited under any national or programmatic framework (e.g. NBCAF)? If yes, what difference has this made?
5. Who are your main clients (enterprise size, location, gender/youth profile), and which groups are hardest to reach?
6. How has demand for BDS from agri-SMEs changed in recent years, and what factors drive uptake or non-uptake?
7. What barriers limit agri-SMEs' use of BDS (cost, awareness, trust, relevance, timing)?
8. How do you collaborate with public institutions, donor programs, or financiers, and how reliable are these relationships?
9. What affects the financial sustainability of your BDS operations?

10. What changes in policy, financing models, accreditation, or coordination would most strengthen the BDSP market?

### ***KII GUIDE 3: Development Partners and Implementing Organizations (including KBS)***

1. What role does your organization play in strengthening the BDS ecosystem, rather than delivering isolated services?
2. What BDS-related interventions have you supported recently, and through which delivery channels (public, private, hybrid)?
3. How are BDS services subsidized or co-financed, and what is the intended exit or sustainability logic?
4. How do you select, assess, and monitor BDSP quality and performance?
5. How are gender and youth inclusion objectives operationalized in BDS design and delivery?
6. What coordination mechanisms exist with state institutions and other partners, and where do they break down?
7. What systemic constraints most limit the impact of BDS interventions (policy, incentives, capacity, markets)?
8. How explicitly are BDS interventions linked to access to finance (bankability, credit, grants, investment)?
9. What lessons have emerged on scalability and sustainability of BDS models?
10. What ecosystem-level shifts (rules, platforms, incentives) are needed to improve BDS performance?

### ***KII GUIDE 4: Financial Institutions and Investment Platforms***

1. What types of agri-SMEs and FPOs does your institution finance?
2. What are the key bankability or investment-readiness requirements that agri-SMEs typically fail to meet?
3. Do you integrate BDS or technical assistance into your financing processes? If yes, how?
4. Which types of BDS most clearly improve bankability from your perspective?
5. How do you collaborate with BDSPs or development programs to prepare enterprises for finance?
6. Why do financing gaps persist even after BDS support?

7. How do gender and youth considerations influence risk assessment and product design?
8. What risks most discourage expanded financing for agri-SMEs and FPOs?
9. How could BDS be better used to reduce these risks?
10. Which BDS–finance linkage models should be scaled or institutionalized?

### **KII GUIDE 5: Agric-SMEs, FPO Leaders, and Aggregators**

1. What BDS services are you aware of, and how did you learn about them?
2. Which BDS services have you used, and who provided them?
3. How useful were these services for management, production, marketing, or compliance?
4. What challenges did you face in accessing or paying for BDS?
5. Did BDS help you improve recordkeeping, planning, governance, or access to finance?
6. What gaps exist between your actual needs and available BDS services?
7. Are there differences in access or usefulness of BDS for women- or youth-led enterprises?
8. How do financiers assess your enterprise, and does BDS help you meet their requirements?
9. What would make BDS more relevant, affordable, and trustworthy for you?
10. What changes would most improve BDS support for agri-SMEs and FPOs?

### **Annex II: Informed Consent Script (to be read before each interview)**

Good morning/afternoon. Thank you for agreeing to speak with us.

We are conducting a **Business Development Services (BDS) Ecosystem Diagnostic** commissioned by **Kaduna Business School (KBS)**, with support from **AGRA**, to better understand how BDS are provided to agri-SMEs and Farmer Producer Organizations in Kaduna, Niger, and Nasarawa States. Your participation will help inform policy dialogue and practical recommendations to strengthen BDS delivery.

Your participation in this interview is **entirely voluntary**. You may choose not to answer any question or to stop the interview at any time without any consequences.

The interview will take approximately **[30–40] minutes**. The information you provide will be treated as **confidential** and will be used only for analytical purposes. Findings will be reported in **aggregated and non-attributable form**, and no statements will be linked to you personally or to your institution without your permission.

With your consent, we will take notes during the interview. We will not record the interview unless you explicitly agree.

Do you have any questions before we begin?

Do you **consent to participate** in this interview?

Yes     No

## 7.2 Validation Workshop – Kaduna State



Figure A1: Presentation of the BDS Ecosystem Diagnostic framework during the validation workshop in Kaduna State.



Figure A2: Hybrid validation session with in-person stakeholders and remote participants contributing to discussions.



Figure A3: Facilitator presenting key findings and guiding the validation process.



Figure A4: Stakeholders engaged in reviewing and validating the survey findings.



Figure A5: Full session view showing structured stakeholder participation in the validation workshop.



Figure A6: Participants listening attentively and reflecting on key discussion points.



Figure A7: Active stakeholder contributions during discussions to refine diagnostic findings.



Figure A8: Interactive session combining presentation and participant feedback.



Figure A9: Integration of virtual participants into the validation workshop through live online engagement.

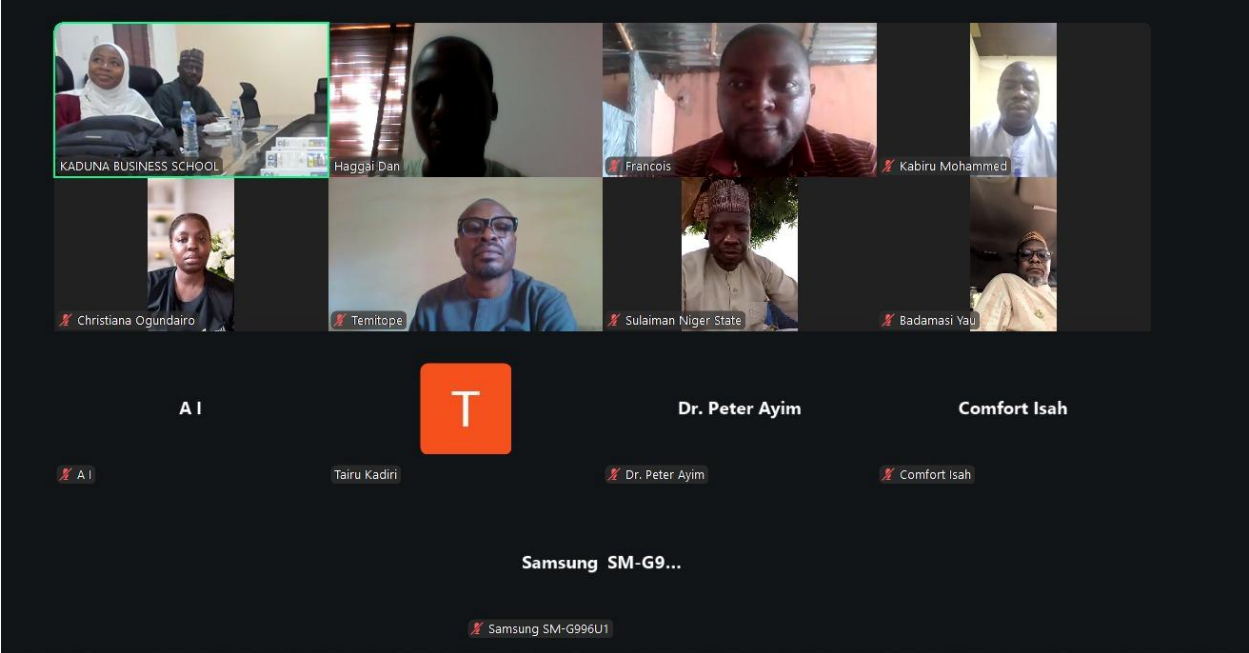


Figure A10: Virtual stakeholders participating remotely in the BDS Ecosystem validation workshop.