

## **JAPAN STRENGTHENS FOOD SECURITY IN NIGERIA WITH USD108 MILLION LOAN AGREEMENT**

Japan has signed a significant agreement with Nigeria to bolster food security in the nation. The "Food Security Emergency Support Loan" project, valued at approximately USD 108 million (JPY 15 billion), was formalized on April 24, 2024, through an Exchange of Notes signed by Ambassador MATSUNAGA Kazuyoshi and H. E. Mr. Wale EDUN, Honourable Minister of Finance and Coordinating Minister of the Economy, Federal Republic of Nigeria.

This loan facility builds on Japan's commitment to "support for food crisis response and sustainable agricultural production," as announced at the 8th Tokyo International Conference on African Development (TICAD 8) held in August 2022. It will reform the agricultural sector in Nigeria by supporting programs that strengthen the resilience of farming communities and livelihoods. By increasing agricultural productivity, the project seeks to ensure greater food availability and improved nutrition for Nigerians. Targeted efforts will focus on raising production of critical food sources like cereal and oil grain. The project also encourages greater involvement of the private sector in the production and distribution of agricultural inputs.

This collaborative effort is expected to significantly contribute to Nigeria's economic stability and development goals. It aligns with the agreed Policy Matrix established between JICA (Japan International Cooperation Agency) and the Nigerian government on December 22, 2022. This initiative also represents a co-financing partnership with the African Development Bank, specifically through the Africa Emergency Food Production Facility.

The details of the loan include an interest rate of 1.05% with a repayment period of 30 years (including a 10-year grace period) and procurement conditions, untied.

