

Human Capital
Development
in Nigeria



Advancing Nigeria's Human Capital:

HCD 2.0 Strategy, and Structure



Table of Contents

Executive Summary	3
Setting the Stage	5
Introduction.....	6
Purpose and Scope of the Strategy	6
The HCD Ecosystem.....	7
HCD 2.0 Vision and Overarching Strategy	111
Strategy Development Methodology	111
Assessment Phase	11
Documentation Review and Desk Research:.....	12
Stakeholder Interviews:.....	12
Strategy Validation Phase.....	12
Vision.....	13
Overarching Target.....	14
Crosscutting Themes and Enablers	16
Themes	16
Enablers.....	17
Thematic Visions.....	18
HCD 2.0 Key Performance Indicators	19
ECOWAS Indicators	19
World Bank Indicators.....	20
UNDP Indicators.....	21
HCD 2.0 Indicators	21
Indicators for Strategic Themes.....	21
HCD 2.0 Targets	22
HCD 2.0 Initiatives & Actionable Programmes	25
Strategy House: Putting it All Together	29
HCD 1.0 Strategy House	29
HCD 2.0 Strategy House.....	30
HCD 2.0 Work Streams	31
Governance.....	33
HCD Steering Committee.....	35
Core Working Group (CWG)	38
Focal Persons Forum (FPF).....	41
Private Sector Partnership Group (PSPG)	44
National HCD Champions Forum (NHCF).....	45
The CWG Secretariat	46
Funding Recommendations.....	52

Executive Summary

The National Human Capital Development (HCD) Program, launched under the National Economic Council (NEC) of Nigeria, aims to elevate human capital outcomes by focusing on education, health, and workforce development. Building on the successes of HCD 1.0, which laid foundational strategies and saw notable progress across these sectors, HCD 2.0 seeks to address emerging national and global challenges, including climate change, digital economy, and gender disparities, while expanding the scope of its vision to ensure a healthier, inclusive, and resilient Nigeria by 2030.

HCD 2.0 is framed around key strategic pillars that aim to enhance Nigeria's standing in the Human Capital Index (HCI), with an overarching target to place Nigeria among the top 80 countries with an HCI score of 0.6 by 2030. This global benchmark allows Nigeria to measure its progress against international standards across health, education, and economic productivity, ensuring continuous adaptation to evolving challenges.

The strategy introduces four cross-cutting themes to guide this transition: **Gender and Equal Opportunities, Climate Change and Sustainability, Digital Economy and Financial Inclusion, and Food and Nutrition**. These themes not only address critical enablers of human capital development but also future-proof the program against socioeconomic and environmental disruptions. To ensure effective implementation, HCD 2.0 presents a structured governance framework that includes existing stakeholders, alongside newly introduced advisory groups such as the Private Sector Partnership Group (PSPG) and the National HCD Champions Forum (NHCF), both aimed at strengthening multi-sector collaboration and mobilising resources. Furthermore, the funding strategy emphasises leveraging private sector participation, enhanced government budget allocations, and exploring innovative financing solutions, including establishing a dedicated HCD Fund.

The strategy also places a strong emphasis on **Monitoring, Evaluation, Accountability, and Learning (MEAL)** to track progress, refine actions, and ensure accountability across all levels of implementation. The initiatives set forth are aimed at addressing critical gaps in health, education, and labour force participation while embedding sustainability and inclusivity in all HCD efforts.

HCD 2.0 positions Nigeria for long-term growth, resilience, and competitiveness in an increasingly interconnected world.



Setting the Stage

Introduction



The National Human Capital Development (HCD) Program in Nigeria, initiated under the auspices of the National Economic Council (NEC), aims to enhance the nation's human capital by addressing critical areas such as education, health, and workforce development. The first iteration of this program, HCD 1.0, focused on establishing strategy, foundational structures and initiatives to improve these sectors. HCD 1.0 was well received and achieved significant progress within the country. Six years on, HCD 2.0 is

being introduced to further enhance the existing efforts by incorporating current realities, the presidential mandate and placing a greater focus on implementation.

By integrating topical themes such as climate change, digital economy, financial inclusion, and gender disparities, HCD 2.0 aims to take into account the shifting socio-economic landscape and evolving challenges faced by HCD in Nigeria.

Purpose and Scope of the Strategy

The purpose of the HCD 2.0 strategy is to provide a detailed and actionable roadmap for enhancing human capital development in Nigeria. This strategy aims to explore growth

opportunities that were identified from HCD 1.0, leveraging data-driven insights and incorporating additional enablers. The strategy outlines clear objectives, initiatives, and governance frameworks necessary for achieving sustainable human capital development outcomes.

The scope of this strategy focuses on strengthening existing HCD by reviewing the vision, targets, themes, targets and initiatives. It is designed to guide policymakers, stakeholders, and implementers in their efforts to improve HCD outcomes across Nigeria, ensuring that the program remains relevant and impactful in the face of changing circumstances.

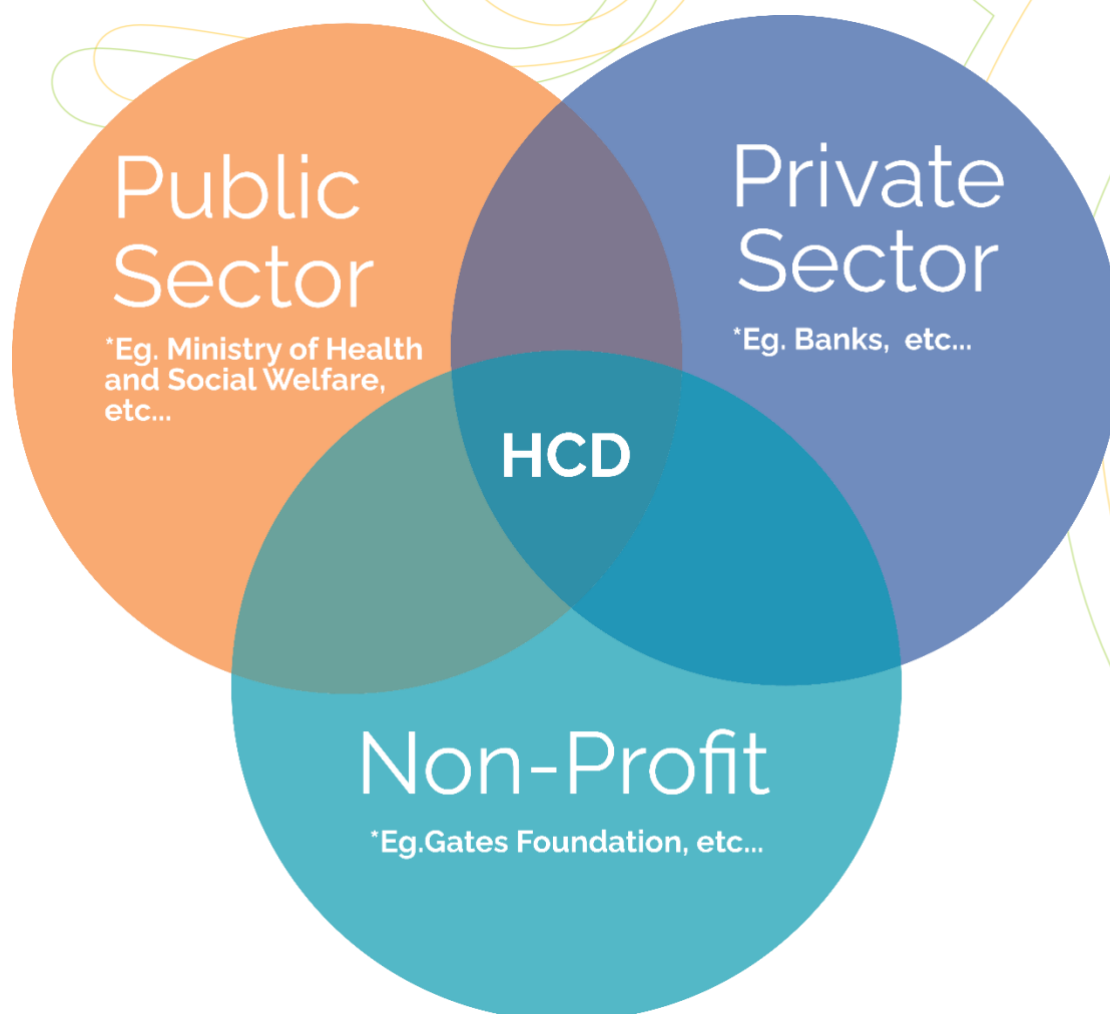
The HCD Ecosystem

The HCD ecosystem is inherently multi-sectoral and multifaceted, encompassing diverse sectors such as health, education, labour, organised private sector initiatives, development partner and donor initiatives, etc. At a high level these may seem loosely connected, however, each has areas of focus that align with the common goal of improving human capital. The HCD Ecosystem can be said to exist at that intersection, i.e. where human capital issues are tackled, where World Bank Human Capital Index (HCI) indicators and Sustainable Development Goals (SDGs)¹ are addressed. It is within these overlapping areas that the most significant

advancements in human capital development are realized, driving forward Nigeria's holistic growth and development agenda.

The central aim of the HCD program, as envisioned by NEC, is to coordinate the efforts and stakeholders within this diverse ecosystem, fostering greater collaboration and efficiency. By aligning the various sectors and their shared goals, the program seeks to streamline initiatives and resources, ensuring a more integrated approach to human capital development.

¹ World Bank Group (2019). How does the Human Capital Index relate to the Sustainable Development Goals (SDGs)? [The Human Capital Project: Frequently Asked Questions \(worldbank.org\)](https://www.worldbank.org/en/topic/human-capital/faq)



Stakeholder Map

S/N	Cluster	Stakeholders
1	Public Sector	<p>Office of the Vice President</p> <p>National Assembly</p> <p>Thematic Ministries, Departments and Agencies (<i>Finance, Budget and Economic Planning Labour and Employment, Health and Social Welfare, Education, Women Affairs, Agriculture, Youth, Environment, Communications, Information and Digital Economy, Art, Culture, Tourism and Creative Economy, Budget Office of the Federation, National Bureau of Statistics</i>)</p>

		State Government
2	Non-Profit	<p>Gates Foundation</p> <p>Aliko Dangote Foundation</p> <p>ECOWAS Commission</p> <p>The World Bank</p> <p>Foreign, Commonwealth & Development Office</p> <p>UNICEF</p> <p>Africa Development Bank</p> <p>UNDP</p> <p>JICA</p> <p>Tony Elumelu Foundation</p> <p>AIG Foundation</p>
3	Private Sector	



HCD 2.0 Strategic Development

HCD 2.0 Vision and Overarching Strategy

The HCD 2.0 Strategy represents a natural evolution in the Human Capital Development program, designed to build upon the initial phase of HCD 1.0. This section will outline the key steps in developing the updated strategy, starting with a comprehensive review of the existing human capital landscape and the validation workshop which was held to validate HCD 2.0 ensuring it aligns with current needs and stakeholder expectations.



Strategy Development Methodology

As established, the strategy being articulated is for the National HCD Programme and is owned by the Steering Committee. This section outlines the methodology used in developing the updated HCD 2.0. Strategy. The process began with a comprehensive assessment of the National Programme to identify key gaps and areas for improvement. An updated strategy and implementation framework were then crafted to address these needs. Following this, the strategy was validated through a workshop where stakeholder feedback was incorporated to refine the approach.

Assessment Phase

The diagnostic of the HCD National Programme made use of documentation review, desk research and extensive interviews. The exercise was carried out using a set of six

(6) implementation levers. Finally, the identified gaps and preliminary recommendations were articulated within an assessment report¹.

Documentation Review and Desk Research:

Examination of all relevant and available documents on the National HCD Programme, policies, and initiatives since 2018. As well as comprehensive desk research conducted to gather insights and data on HCD practices, challenges, and successes in Nigeria.

Stakeholder Interviews:

The interviews employed a multi-level adaptive approach to develop tailored interview guides for each stakeholder archetype. This ensured that the questions were relevant and specific to the unique perspectives and roles of each stakeholder. The methodology involved:

- Developing customized interview guides for different stakeholder groups to capture their unique insights and contributions.
- Conducting interviews with a diverse range of stakeholders, including state focal persons, regional consultants, and members of the CWG.
- Utilizing iterative feedback to refine the interview process and ensure that the collected data was comprehensive and representative of various viewpoints.

Strategy Validation Phase

A strategy validation workshop was held to validate, fine-tune and decide on a version of the HCD 2.0 strategy to adopt. The workshop utilized the Participatory Action Research (PAR) approach, emphasizing collaborative engagement and feedback from stakeholders throughout the development process:

The Workshop, titled "***From Strategy to Action: Empowering States for Human Capital Development***" took place on the 4th of July 2024.

The workshop had the following objectives:

1. Validate and Refine the HCD 2.0 Strategy
2. Facilitate Knowledge Exchange and Networking
3. Establish an Effective Communication Framework
4. Cultivate Anticipation, Commitment, and Ownership

The workshop featured two key panel sessions. The first panel, composed of key donors and HCD experts, provided valuable insights and critical feedback on the HCD landscape and strategy, ensuring alignment with best practices and expectations of funding and technical partners. The second panel included key government stakeholders from all levels, facilitating a discussion on the strategy's feasibility and alignment with governmental priorities.

In addition to the panel discussions, structured breakout sessions were organized around the six levers identified during the assessment phase. These sessions generated robust debate and deep analysis, leading to the identification of several key initiatives for inclusion in the roadmap. The sessions also validated the updated HCD 2.0 vision and overarching target. Furthermore, feedback from these sessions led to an adjustment of one of the levers to better incorporate stakeholder perspectives and practical considerations.

Vision

The HCD 1.0 vision was forward-looking, aiming to create a workforce that is healthy, educated, and productive, thereby positioning Nigeria as a competitive player on the global stage. It set a clear target for 2030, focusing on health, education, and productivity as key elements for national competitiveness.

HCD 1.0 VISION



Healthy, educated, and productive Nigerians for a globally competitive nation by 2030

HCD 2.0 VISION



A healthy and inclusive Nigeria with an educated workforce, advancing sustainable development, social stability and resilience through HCD-focused strategies by 2030

The HCD 2.0 vision builds on the foundation of the initial phase of the 1.0 Strategy, enhancing both its scope and depth. This initiative strives to incorporate critical emerging trends, specifically climate resilience, digital inclusion, food and nutrition and gender. By integrating these trends into its core framework, HCD 2.0 aims to foster a more holistic and sustainable methodology for advancing human capital in Nigeria. This approach not only addresses immediate developmental needs but also prepares for future challenges, promoting a resilient and inclusive ecosystem that benefits diverse populations.

The guiding principles for the improved strategic themes and cross-cutting themes are founded on the following:

1. **Inclusivity:** HCD 2.0 reflects a broad commitment to social equity and comprehensive development particularly about digital and financial inclusion as will also be observed within the updated thematic pillars.
2. **Sustainable Development:** The vision incorporates a focus on sustainable development, linking human capital development to long-term environmental, economic, and social sustainability.
3. **Social Stability and Resilience:** By including social stability and resilience, HCD 2.0 addresses not only the immediate benefits of a healthy and educated workforce but also the need for stability and adaptability in a rapidly changing world. This aspect highlights the programme's commitment to building a robust and adaptable society.

Overarching Target

The HCD 1.0 target aimed for measurable improvements in specific areas of health, education, and productivity. This target was quantitative and focused on increasing the number of healthy children, educated youth, and productive individuals by 2030. It provided clear metrics for progress: reducing child stunting and mortality, increasing secondary school completion rates, and boosting youth employment.



HCD 1.0 OVERARCHING TARGET

24 million additional healthy (under-five-year-old children surviving and not stunted), educated (completing secondary school) and productive (youth entering the labour force) Nigerians by 2030



HCD 2.0 OVERARCHING TARGET

Achieve a Human Capital Index (HCI) top 80 country ranking and an index of 0.6, reflecting significant advancements in the identified thematic areas (health, nutrition, education, labour force readiness, inclusion).

The HCD 2.0 target sets a bold target of achieving a top 80 ranking in the Human Capital Index (HCI) with a score of 0.6. This goal aligns with global standards and embraces a comprehensive approach to human capital development, addressing essential facets such as health, education, and economic productivity while embedding new themes. This ambitious goal aims to enhance Nigeria's standing as a global leader in human capital development and to gain international acclaim for its initiatives.

Several critical guiding principles underpin the framework for the enhanced HCD 2.0 target. These principles serve as fundamental criteria for developing the 2.0 target, ensuring it effectively and holistically addresses Nigeria's human capital needs, promotes inclusive engagement, and meets global standards.

1. **Global Benchmarking:** The HCD 2.0 target incorporates the HCI, a globally recognized measure that provides a comparative assessment of human capital development. This international perspective allows for benchmarking against other countries and ensures that Nigeria's progress is evaluated within a global context.
2. **Holistic Assessment:** Aims for an index score that aggregates various indicators. This captures a broad range of human capital factors, including health, education, and productivity, and future-proofs the target if these factors are updated in the future.
3. **Actionable Targets:** The overarching target allows the programme to define SMART, relative yet specific HCD targets across each theme and action them. It enables data-driven decision-making and ensures that each action brings the country closer to achieving the vision.

Crosscutting Themes and Enablers

The review of the HCD 1.0 strategic themes revealed the need to embed HCD 2.0 to cover future trends and imperatives that were considered for medium- to long-term needs and emerging challenges. While the improved strategy retains the core of its thematic areas of health, education, and labour force participation, it also integrates new priorities to guide the programme's implementation: gender and equal opportunities, climate change and sustainability, digital economy and financial inclusion, and food and nutrition.

The assessment of the crosscutting themes from HCD 1.0 (gender empowerment, social protection, and social inclusion) necessitated the need to expand the scope to address emerging realities and future-proof the programme, for example, climate change has been introduced to ensure that HCD interventions are climate-resilient and sustainable:

Crosscutting Themes

Gender and Equal Opportunities - Gender inclusion is crucial for comprehensive human capital development, and in this context focuses on both men and women. While equal opportunities refer to ensuring that the vulnerable in society (including people with disabilities), contribute to and benefit from development programs.

Climate Change and Sustainability - Climate change poses significant risks to human capital development, affecting health through increased disease prevalence, disrupting education through extreme weather events, and impacting labour markets due to environmental degradation. Incorporating climate resilience and sustainability as a crosscutting theme, HCD 2.0 ensures that development gains are protected and that communities can thrive in a changing climate.

Digital Economy and Financial Inclusion - The Digital Economy opens up new opportunities for financial access by enabling digital payments, online banking, and fintech solutions, which are essential for broadening financial inclusion. Conversely, Financial Inclusion provides the foundation for individuals to participate in the Digital Economy by offering the financial tools needed to engage in e-commerce, digital entrepreneurship, and innovative financial products. Together, they build a connected and inclusive human capital ecosystem.

Food and Nutrition - Food and nutrition are fundamental enablers of human capital development. Adequate nutrition is essential for physical and cognitive development, particularly in early childhood, and supports the overall health and productivity of the population. By ensuring access to nutritious food, HCD 2.0 aims to enhance educational outcomes, reduce healthcare costs, and improve workforce productivity, thereby laying a strong foundation for sustainable development.

Enablers

The HCD 2.0 strategy highlights key enablers, including data and monitoring, evaluation, and learning (MEAL), robust governance and operating structures, and funding and resource mobilisation.

The enablers have been expanded to ensure a more robust approach. Data has been revised to include Monitoring, Evaluation, Accountability and Learning, providing a closed-loop system that tracks progress, measures impact, promotes accountability and fosters continuous learning.

Data and MEAL – This expanded focus on MEAL emphasizes the importance of using data-driven insights to improve decision-making and accountability. By integrating Monitoring, Evaluation, Accountability, and Learning, HCD 2.0 can better track progress, assess impact, and adapt strategies in real time, ensuring that interventions are responsive, transparent, and continuously improving for greater effectiveness and sustainability.

Governance and Operating Structures – This ensures that there is a clear, accountable framework guiding the implementation of initiatives. Strong governance provides strategic direction, effective coordination, and oversight, which are essential for aligning multiple stakeholders towards common goals. An efficient operational structure ensures that resources are managed well, roles are clearly defined, and processes are streamlined, enabling the programme to function smoothly. Together, they create a foundation that enhances decision-making, drives accountability, and supports the sustainable scaling of HCD efforts.

Funding and Resource Mobilization – Including this as a crosscutting enabler in HCD 2.0 is essential for the sustainability and scalability of initiatives. Adequate funding ensures that programs can be effectively implemented, while strategic resource mobilisation brings in diverse partners, including the private sector, donor agencies, and civil society,

to pool resources and expertise. This approach not only diversifies the funding base but also fosters innovation, enhances program reach, and reduces financial risk.

Thematic Visions

The thematic visions of HCD 1.0 have been revised to integrate the newly introduced crosscutting themes of gender and equal opportunities, climate change and sustainability, digital economy and financial inclusion, and food and nutrition. This ensures a comprehensive and holistic approach to human capital development, addressing a wider range of interconnected challenges.

HCD 1.0 THEMATIC VISION²

HCD 2.0 THEMATIC VISION



HEALTH

Provide equitable access to affordable and quality healthcare to every Nigerian.

Provide equitable and quality healthcare that delivers increased life expectancy and optimal healthcare for every Nigerian through digital platforms, innovative health financing, and climate-resilient practices, and inclusive and sustainable health system.



EDUCATION & SKILLS

Promote a quality inclusive and functional education system

Promote an inclusive, functional and qualitative education system that integrates sustainable practices with STEM, TVET, and work-ready skills to prepare all Nigerians for the future.

² National Economic Council (2021). Accelerating Human Capital Development in Nigeria. Steering Committee Meeting



LABOUR FORCE PARTICIPATION & LIVELIHOOD

Empower youth to have the capacity and skills to create or seek employment.

Enable youth to build capacity and skills to create or seek employment and improve livelihoods, to prepare them for a dynamic, eco-conscious future.

HCD 2.0 Key Performance Indicators

The performance indicators selected for HCD 2.0 are derived from those being used by the World Bank, UNDP and ECOWAS HCD programs:

ECOWAS Indicators³

The ECOWAS Human Capital Development Integrated Index is a composite index that measures the human capital development of the West African region. It focuses on three key dimensions:

- i. Health: This dimension measures child and maternal mortality rates and nutrition levels.
- ii. Education, Skills, and Labor Participation: This dimension assesses educational attainment, skills development, and labour force participation rates.
- iii. Entrepreneurship, Financial Inclusion, and Digital Economy: This dimension examines the entrepreneurial ecosystem, access to financial services, and the adoption of digital technologies.

The index aims to provide a comprehensive assessment of the region's human capital development, identify areas for improvement, and inform policy decisions to enhance the region's human capital stock and overall development.



Health

1. Fertility rate
2. Maternal mortality rate



Education, Skills, and Labour Participation

1. Government education expenditure



Entrepreneurship, financial inclusion and the digital economy

1. Penetration of financial outlets

³ ECOWAS 2030 (2021). Human Capital Development Report, Annual Report

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|----------------------------------|--|---|
| 3. Under 5 mortality rates | 2. Pupil to trained teacher ratio in primary education | 2. Internet penetration % of the population |
| 4. Under 5 stunting rates | 3. Children out of school | |
| 5. Life expectancy at birth | 4. Mean years of schooling | |
| 6. Government health expenditure | 5. Harmonised test scores | |
| 7. Child marriage | 6. Youth Not in Employment, Education or Training (Youth NEET) | |
| | 7. Youth literacy rate | |
| | 8. Number of country citations in international publications | |

World Bank Indicators⁴

The World Bank Human Capital Index (HCI) is a measure of the amount of human capital a child born today can expect to acquire by 18. This index serves as a forward-looking measure of how current health and education outcomes will influence the productivity of the next generation of workers. The HCI relies on three pillars: survival, schooling, and health.

- Survival is evaluated by the probability of a child surviving to age five.
- Schooling is assessed through learning-adjusted years of schooling, which considers the quality of education.
- Health is gauged by the average number of years lived in full health.

The HCI represents a new and innovative approach to measuring human capital, providing a valuable tool for understanding the economic potential of a nation's population.



Survival

- Under-5 mortality rate



School

- Quantity of Education
- Quality of Education



Health

- Adult survival rate
- Healthy growth among children under 5

⁴ World Bank Group (2018). The Human Capital Project.

UNDP Indicators⁵

The Human Development Index (HDI) is a composite measure of human development progress in three key dimensions:

- i. A long and healthy life: Measured by life expectancy at birth.
- ii. Education: Assessed by expected years of schooling for school-age children and mean years of schooling for adults aged 25 and older.
- iii. Decent standard of living: Evaluated by gross national income per capita.

The HDI aims to shift the focus of development economics from national income accounting to people-centred economics, emphasising individuals' well-being and capabilities. It provides a broader perspective on development than traditional economic indicators, considering economic growth and social and health factors.



Long and Healthy life

1. Life expectancy at birth



Knowledge

1. Expected years of schooling
2. Mean years of schooling



Decent Standard of Living

1. GNI per capita (PPP \$)

HCD 2.0 Indicators

Indicators for Strategic Themes



Health

1. Fertility rate
2. Maternal mortality rate
3. Under 5 mortality rates
4. Under 5 stunting rates
5. Life expectancy at birth



Education & Skills

1. Expected years of schooling
2. Mean years of schooling
3. Government education expenditure
4. Pupil to trained teacher ratio in primary education



Labour Force Participation & Livelihoods

1. GNI per capita
2. Unemployment rate
3. Employment-to-population ratio
4. Informal employment rate

⁵ UNDP Report. <https://hdr.undp.org/data-center/human-development-index#/indicies/HDI>

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|----------------------------------|--|---|
| 6. Government health expenditure | 5. Children out of school | 5. Youth Not in Employment, Education, or Training (Youth NEET) |
| 7. Child marriage rate | 6. Harmonised test scores | |
| | 7. Youth literacy rate | |
| | 8. Number of country citations in international publications | |

HCD 2.0 Targets

The HCD 2.0 thematic targets derive from the overarching target to be a top 80-ranked HCI country. The targets have also been expanded to take into account the specific performance indicators being examined by the major global and regional HCD ranking organisations (World Bank, UNDP and ECOWAS). Note, that this means as the country rankings change – so do the HCD 2.0 targets ensuring Nigeria does not fall out of pace with the growth of countries across the world.

The benchmark countries were selected based on the following criteria:

1. **HCI Performance** – Adopting the overarching target as a basis, countries ranked in and around the top 80 in the HCI report were considered for the selected indicators. For instance, Malaysia (62) and Brazil (89) were selected as benchmarks, to ensure that we learn from their HCD policies and interventions.
2. **Socioeconomic and developmental similarities** – Socioeconomic factors such as **population size**, **income levels**, as well as similar HCD challenges such as high infant mortality rates, low literacy rates were considered in selecting the benchmark countries. This allows for a more nuanced comparison and identification of context-specific solutions. Kenya and Morocco share socioeconomic challenges such as rapid population growth, rural-urban disparities, and resource constraints.
3. **Regional Context** – Regional and cultural similarities were also considered in the selection of benchmark countries. For example, Ghana, which shares significant regional and cultural ties with Nigeria, provides a valuable model for addressing challenges such as child marriage and early pregnancy.

Thematic Area **Indicator** **Nigeria Value** **Target** **Benchmark (Country & Value)**




Health

Fertility Rate	4.8	Approx. 2.0 children per woman	Kenya (3.3)
Maternal Mortality Rate	512	40-100 deaths per 100,000 live births	Morocco (72)
Under-5 Mortality Rate	110	40-50 deaths per 1,000 live births	Kenya (41.1)
Under-5 Stunting Rate	39.5	25% or lower	Kenya (18%)
Life Expectancy at Birth	63	70 years	Morocco (73)
Government Health Expenditure	4.1	Above 4.5% of GDP	Egypt (4.61%)
Child Marriage	30%	15-20%	Ghana (16%)



Education

Expected Years of Schooling	10.2	Above 11 years	Kenya (11.6)
Mean Years of Schooling	No Data	About 8 years	Ghana (8)
Government Education Expenditure	5.4	4-5% of GDP	Kenya (4.1%)
Pupil-to-Trained Teacher Ratio in Primary Education	No Data	30:1	Kenya (31:1)
Children Out of School (Primary)	25.6%	Below 10% of primary school-age population	Brazil (4%)
Harmonised Test Scores	309	Top 80 in Human Capital Index	Kenya (455)
Youth Literacy Rate	78%	95-98%	Sri Lanka (99%)

	Number of Country Citations in International Publications	13,282	In line with top 80-ranked nations	Brazil (89,241)
 Labour Force Participation & Livelihoods	GNI per Capita, (PPP)	\$6,200	\$13,000 - \$16,000	Egypt (\$17,990)
	Youth Not in Employment, Education, or Training (Youth NEET)	14.4%	Below 10%	Malaysia (10.2%)
	Unemployment rate	5.3%	3.5%	Malaysia (3.2%)
	Employment-to-population ratio	73.2	70–75%	-
	Informal employment rate	92.7	50% or lower	Brazil (37%)

HCD 2.0 Initiatives & Actionable Programmes

To improve the country's ranking across the key HCD indicators highlighted in the section above, HCD 2.0 has identified a comprehensive list of targeted interventions. Building upon the foundation of HCD 1.0, these interventions aim to address the underlying causes of low Human Capital Index (HCI) scores and promote sustainable development.

Health

HCD 1.0	HCD 2.0
<ul style="list-style-type: none"> A. Operationalize the BHCPF B. Launch free family planning programs C. Operationalize the National Policy on Nutrition D. Recruit and train health workers including CHEWs E. Leverage private sector to fill capacity gaps in service delivery 	<ul style="list-style-type: none"> A. Improve accessibility and quality of care in neonatal and postnatal healthcare facilities, focusing on the first 28 days of life and maternal postnatal care. B. Improve the recruitment, training, and deployment of healthcare workers, including Community Health Extension Workers (CHEWs), with a focus on hard-to-reach areas. C. Leverage the private sector to fill capacity gaps in service delivery. D. Advocate for free family planning programs. E. Utilize the BHCPF framework to align and support national and subnational policies to ensure comprehensive coverage. F. Advocate, support and leverage the diversification of funding sources for health through innovative new collaborations G. Develop targeted partnerships to enhance food security and

	<p>improve access to nutritious food for children aged 0 to 5</p> <p>H. Advocate for increased and more strategic healthcare budget allocations, ensuring that funding is targeted towards high-impact areas.</p>
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Education and Skills

HCD 1.0	HCD 2.0
<ul style="list-style-type: none"> A. Roll out interventions for marginalized boys B. Roll out girls' education interventions C. Revamp NCE and optimize the process of teachers' certification D. Improve teacher development and performance management E. Revise curriculum and method of teaching to a more directive style 	<ul style="list-style-type: none"> A. Roll out intervention for marginalised boys and girls B. Revamp NCE and optimize the process of teachers' certification and training C. Expand and Modernize Technical and Vocational Education and Training (TVET) Programs Across Nigeria D. Strengthen Science, Technology, Engineering, and Mathematics (STEM) Education at Primary and Secondary Levels E. Advocate for increase in the existing education budget such as the Universal Basic Education Fund (UBE Fund)⁶. F. Design programs aimed at mobilizing diverse funding options for education expenditure in Nigeria.

⁶ Universal Basic Education Commission (UBEC). <https://ubec.gov.ng/disbursements/> - This fund is managed by UBEC and is used to support basic education in Nigeria. The UBE Fund provides matching grants to states for educational development.

	G. Expand the National Home-Grown School Feeding Program to cover more states; increase enrolment and to boost local economies and improve child nutrition
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Labour Force Participation and Livelihoods

HCD 1.0	HCD 2.0
<ul style="list-style-type: none"> A. Improve management and strategic focus of TVET B. Improve access to job market information C. Implement legislative action e.g. local content to increase hiring D. Assist SMEs financially by providing access to credit E. Assist SMEs technically 	<ul style="list-style-type: none"> A. Continue collaborative efforts to improve management and strategic focus of TVET B. Improve access to job market information and local content policies to increase employment C. Support SMEs by providing financial, technical assistance and ease of doing business. D. Advocate for the establishment of vocational training centres offering programs in non-traditional fields for women and men (e.g., green skills development programs). E. Advocate public-private partnerships to drive innovation in fintech and expand financial inclusion solutions F. Advocate for policy reforms that prioritize food security, such as subsidies for smallholder farmers, improved access to agricultural inputs, and investment in rural infrastructure.

	<p>G. Support programs targeted at increasing the production of locally produced healthy food such as the Agriculture Promotion Policy (APP)⁷</p> <p>H. Facilitate access to financial services for small businesses and entrepreneurs</p>
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⁷ The Agriculture Promotion Policy (2016 – 2020). <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC165890/>

Strategy House: Putting it All Together

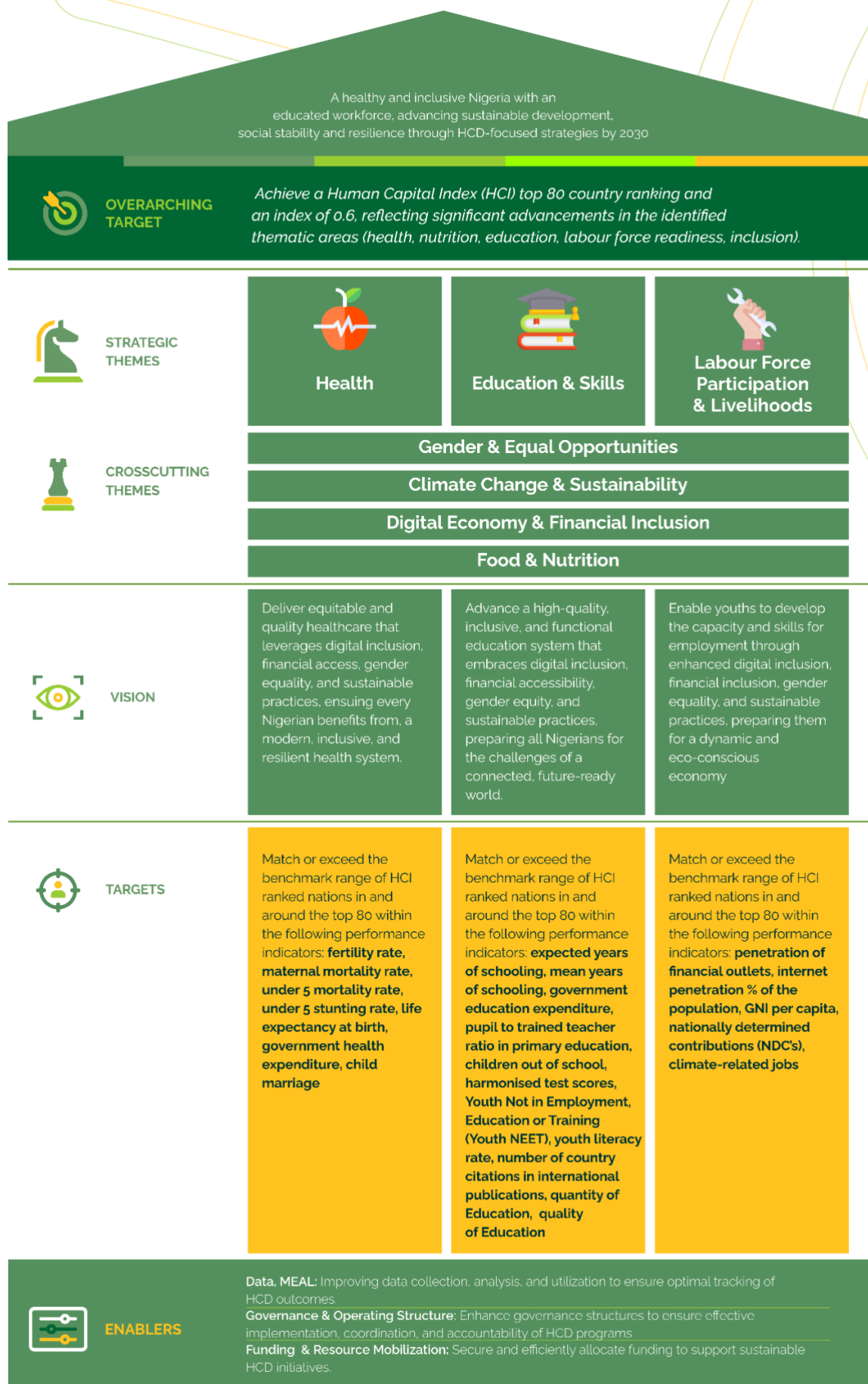
The Strategy House format serves as a comprehensive framework for understanding the strategic direction of the Human Capital Development (HCD) Programme. The 2.0 Strategy House highlights the changes and improvements of the HCD Vision for the Country by 2030, its overarching target, and targets for each of the strategic themes of Health, Education and Skills and Labour Force Participation and Skills. The frame also bears the key enablers expected to accelerate the programme implementation.

HCD 1.0 Strategy House

Nigeria's vision to accelerate Human Capital Development by 2030



HCD 2.0 Strategy House



HCD 2.0 Work Streams

HCD 2.0 is structured to be delivered around a set of work streams designed to drive the agenda forward in a coordinated and impactful manner. These work streams provide a comprehensive approach to addressing the challenges identified in HCD 1.0 and ensuring the effective implementation of HCD 2.0 goals. The following outlines each work stream and its key focus areas:

Technical Assistance: This workstream focuses on providing direct support to States and other implementing bodies across identified HCD themes to enhance their capabilities in executing HCD initiatives. By offering expert guidance, tools, and hands-on support, Technical Assistance aims to bridge capacity gaps, improve program design and delivery, and ensure that HCD strategies are effectively implemented at all levels. The provision of tailored assistance helps to adapt best practices to local contexts, making interventions more relevant and impactful.

Policy Creation: This workstream emphasizes the development of policies that support HCD objectives, ensuring they are evidence-based, inclusive, and responsive to evolving needs. It involves engaging stakeholders from across government, the private sector, and civil society to develop comprehensive policy frameworks that drive progress in health, education, employment, and other key areas of human capital. The focus is on creating policies that are implementable and backed by the necessary resources and political will.

Advocacy & Communications: Effective advocacy and communication are essential to elevating the profile of HCD and driving public and political commitment. This work stream aims to inform, influence, and inspire action by strategically engaging stakeholders, disseminating key messages, and mobilizing support. By utilizing various communication channels and platforms, it seeks to raise awareness, shift perceptions, and create an enabling environment for HCD initiatives. The goal is to ensure that HCD remains a priority across all levels of society.

Data and MEAL (Monitoring, Evaluation, Accountability, and Learning): Data-driven decision-making is critical for the success of HCD 2.0. This workstream enhances the collection, analysis, and use of data to monitor progress, evaluate impact, and hold stakeholders accountable. MEAL activities ensure that learning from past experiences informs future actions, helping to refine strategies and improve outcomes. This

continuous feedback loop supports evidence-based adjustments and fosters a culture of accountability within HCD programs.

Programme Acceleration: To achieve rapid and scalable impact, the Programme Acceleration work stream focuses on fast-tracking the implementation of key initiatives being implemented by external entities. This involves identifying high-impact interventions, removing bottlenecks, and providing the necessary resources and support to scale successful programs quickly. The aim is to expedite progress in critical areas, demonstrating tangible results and maintaining momentum towards achieving HCD targets.

Peer Learning and Capacity Building: Sharing knowledge and building capacity are essential for sustaining HCD efforts. This workstream fosters collaboration among States and other stakeholders through peer learning platforms, workshops, and training programs. It aims to enhance skills, share best practices, and promote innovation across sectors. By investing in capacity building, this work stream strengthens the ability of all actors—government, private sector, and civil society—to contribute effectively to HCD initiatives, creating a more resilient and capable ecosystem.

Governance

National HCD Governance Structure



The National Economic Council (NEC) has been a pivotal advocate for human capital development in Nigeria, recognising its critical role in driving sustainable economic growth and development. The NEC has underscored the importance of mobilising resources, fostering stakeholder collaboration, and promoting best practices in human capital development through various high-level engagements, policy directives, and advocacy campaigns. These efforts have been instrumental in raising awareness about the importance of HCD and securing commitments from multiple levels of government and critical stakeholders. The NEC will continue to champion the cause of HCD in implementing HCD 2.0, emphasising the need for a coordinated and strategic approach to improve health, education, and workforce outcomes.

The HCD Transition Team

The HCD transition team, led by the Ag. National Coordinator aimed to address the challenges identified during HCD 1.0 and build on its successes. The team's strategic direction was to review the 1.0 strategy, redesign a resilient national program to meet new realities and embed the presidential mandate and sociopolitical expectations.

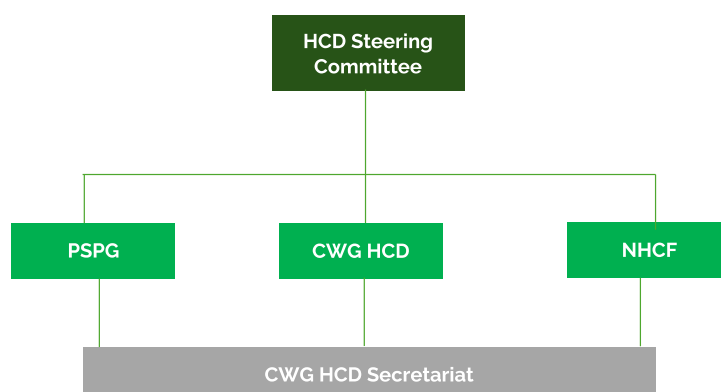
The programme was assessed and comprehensively reviewed as part of the team's effort to update the strategy. The team analysed its objectives, outcomes, and performance metrics and identified its strengths, weaknesses, opportunities, and threats to inform the redesign process. A stakeholder engagement session was held with key stakeholders to validate findings and ensure a co-creation process and buy-in to affirm ownership at all levels of Government.

An HCD Roadmap that articulates the plans and strategy for the second phase of the programme, including priorities and milestones aligned with key stakeholders' objectives and socio-economic realities, as well as a high-level funding plan, was developed.

Following the evaluation of HCD 1.0, the team determined that a more robust governance structure is needed to galvanize critical stakeholders to key into the programme and ensure sustainability in implementation to achieve greater outcomes in the revised HCD thematic and cross-cutting areas.

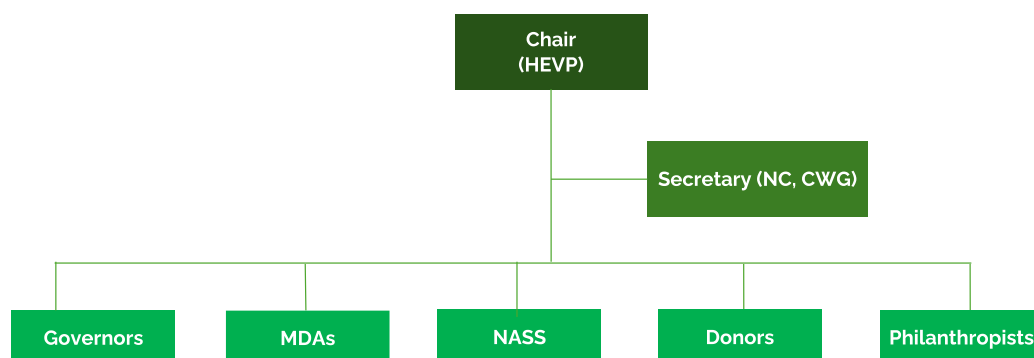
The HCD 2.0 governance framework will adopt the existing governance structure of HCD 1.0, retain the Steering Committee and Core Working Group, and adopt additional committees of the **Private Sector Partnership Group (PSPG)** and the **National HCD Champions Forum (NHCF)** to strengthen the programme's Governance and Sustainability. The transition team has set the pace for implementing the revised HCD Strategy to accelerate the Programme at the national and sub-national levels.

The New Operational Structure



The NEC HCD Steering Committee

The Steering Committee, chaired by His Excellency the Vice President, Sen. Kashim Shettima, includes the Senate President, Speaker of the House of Representatives, Honorable Ministers of key thematic ministries, departments and agencies, Governors representing each geopolitical zone, heads of development agencies, philanthropists and private sector organisations.



A. Membership:

Chairman - His Excellency, the Vice President/Chairman of the National Economic Council

Members:

- i. Senate President
- ii. Speaker, House of Representatives
- iii. Ministers and Heads of the following Ministries, Departments and Agencies
 - a. Finance (Coordinating Minister of the Economy)
 - b. Budget and Economic Planning
 - c. Labour and Employment
 - d. Health and Social Welfare
 - e. Education
 - f. Women Affairs
 - g. Agriculture
 - h. Youth
 - i. Environment
 - j. Communications, Information and Digital Economy
 - k. Art, Culture, Tourism and Creative Economy
 - l. Budget Office of the Federation

- m. National Bureau of Statistics
- iv. Governors of the following states:
 - a. Kaduna (North West)
 - b. Lagos (South West)
 - c. Anambra (South East)
 - d. Bauchi (North East)
 - e. Kwara (North Central)
 - f. Edo (South-South)
 - g. Borno (North East)
 - h. Delta (South-South)
- v. Heads of Development Partners
 - a. The World Bank
 - b. Foreign, Commonwealth & Development Office
 - c. ECOWAS Commission
 - d. UNICEF
 - e. African Development Bank
 - f. UNDP
 - g. JICA
- vi. Philanthropists
 - a. Gates Foundation
 - b. Dangote Foundation
 - c. Tony Elumelu Foundation
 - d. AIG Foundation
- vii. Two (2) members of the HCD Private Sector Partners Group (PSPG) will be nominated to sit on the committee.
- viii. Six (6) Members of the National HCD Champions Forum (NHCF) comprising two traditional leaders representing north and south regions, two religious leaders representing the two major faiths in the country, and two influencers.
- ix. Secretary (National Coordinator, CWG Secretariat)
 - a. With the support of the **Stakeholder Engagement Manager**, organise and schedule group meetings, including preparing agendas, making meeting notes, and distributing meeting materials to members.
 - b. Prepare reports, presentations, and other documents to communicate HCD progress and recommendations.

B. Terms of Reference:

- i. Strategic Oversight and Guidance:
 - Provide high-level strategic direction and policy guidance for the HCD program.
 - Ensure alignment with national development priorities and global best practices.
 - Review and approve policy decisions that guide the implementation of the HCD vision.
- ii. Resource Mobilization and Advocacy:
 - Champion the HCD Agenda and advocate for increased investment in HCD.
 - Mobilise resources for implementing HCD at the National and Sub-national levels of Government.
- iii. Facilitate the institutionalisation of the HCD Governance structures at the state level to ensure resilience in accelerating HCD.
- iv. The committee will coordinate the efforts of the HCD 2.0 implementing structures [the Core Working Group (CWG), Private Sector Partnership Group (PSPG) and the National HCD Champions Forum (NHCF) and provide the backbone with which the Groups function and carry out their mandate.
- v. Review and monitor the progress of the HCD groups.

C. Meeting Modalities for the NEC HCD Steering Committee:

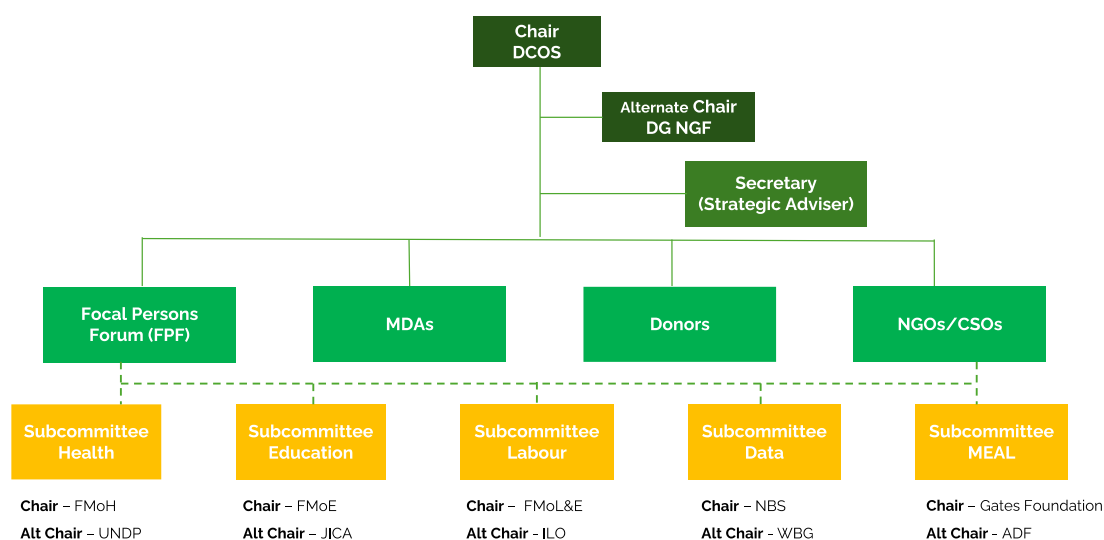
In-person/Hybrid Steering Committee Meetings (Quarterly) where presentations and discussions will be had. **Regular updates** will be provided to committee members using reports, information decks, data visualisation and storytelling and HCD communication briefs and materials.

D. Meeting Objectives:

- High-level policy discussions and decision-making
- Review major progress reports and milestones
- Address critical issues and challenges on HCD-related matters
- Committee members will provide updates on their programme outlook and invite partnerships where needed
- Keeping members informed of progress and challenges
- Sharing key performance indicators (KPIs) and data
- Providing timely updates on policy and regulatory developments

The Core Working Group (CWG)

The Core Working Group comprises representatives of government, development agencies, and NGOs. It is co-chaired by the Deputy Chief of Staff (DCOS) to the President and the Director General of the NGF. The group's mandate is to provide the technical expertise needed to implement the revised HCD 2.0 roadmap. The group oversees and guides the CWG secretariat in executing the 2.0 strategy. The **Association of Local Government of Nigeria (ALGON) will be represented on the CWG**. This addition is justified by the instruction of the CWG and the increased level of autonomy the Local Government enjoys. The group will also have **two State focal points**, representing the North and South, as members to ensure that deliberations and decisions made at the National CWG takes into account the States' perspectives.



A. Composition of the Core Working Group

1. Chair of the Core Working Group – DCOS, OVP)
2. Alternate Chair – DG NGF

High-Level Responsibilities

- i. Provide strategic leadership and direction to the group, championing and advocating for increased investments in human capital development projects.
- ii. Facilitate collaboration and coordination among key thematic ministries, development agencies, private sector and NGOs.
- iii. Make critical decisions on issues related to the implementation of the HCD 2.0 roadmap.

- iv. Monitor and evaluate the group's progress towards set goals and make recommendations for improvement and adjustments where necessary.
- v. They will serve as spokespersons for the group in the media and public forums, promoting and advocating for accelerated human capital development.

3. Secretary (Strategic Adviser, CWG Secretariat)

High-Level Responsibilities

- c. With the support of the **Stakeholder Engagement Manager**, organise and schedule group meetings, including preparing agendas, making meeting notes, and distributing meeting materials to members.
- d. Facilitate effective communication among group members, the secretariat, and key stakeholders.
- e. Prepare reports, presentations, and other documents to communicate HCD progress and recommendations.
- f. Build and maintain strong relationships with key stakeholders to facilitate collaboration and resource mobilisation

4. Chairs of Thematic Area Subcommittee

High-Level Responsibilities

- i. Provide strategic direction to their assigned subcommittee, ensuring alignment with the overall goals of the CWG.
- ii. Facilitate and ensure regular meetings to ensure that objectives are met.
- iii. Present findings and recommendations to the CWG for consideration and adoption.
- iv. Oversee the implementation of the subcommittee's decisions.

B. Proposed Meeting Modalities for the CWG

The subcommittees are scheduled to meet bi-monthly (i.e. every two months). This will ensure that subcommittees meet and prepare accordingly for the larger CWG meeting. The meetings are scheduled for the second week. Subcommittee Chairs are expected to make quarterly presentations.

C. Composition of CWG Subcommittees

Subcommittee	Membership
Health	<ol style="list-style-type: none"> 1. Ministry of Health - Chair 2. UNDP - Alternate Chair 3. Nigeria Governors Forum 4. World Bank 5. Aliko Dangote Foundation
Education & Skills	<ol style="list-style-type: none"> 1. Ministry of Education - Chair 2. JICA - Alternate Chair 3. UNICEF 4. HCD Plus 5. UK FCDO
Labour Force & Livelihoods	<ol style="list-style-type: none"> 1. FMoLE - Chair 2. ILO - Alternate Chair 3. AfDB 4. Tony Elumelu Foundation 5. UNDP 6. JICA
Data	<ol style="list-style-type: none"> 1. National Bureau of Statistics - Chair 2. World Bank - Alternate Chair 3. NESG 4. Budget and Economic Planning 5. ECOWAS
Monitoring and Evaluation (Overall HCD Programme Management)	<ol style="list-style-type: none"> 1. Gates Foundation - Chair 2. Aliko Dangote Foundation - Alternate Chair 3. Budget and Economic Planning 4. Nigeria Governors Forum

Focal Persons Forum (FPF)

The States' HCD Focal Forum is established as a platform for all 37 State Focal Persons to collaborate, share knowledge and experiences, and collectively advance the implementation of Nigeria's Human Capital Development (HCD) Strategy. This forum will ensure alignment and synergy across all States on the key components and thematic

areas of HCD (health and nutrition, education and skills, and labour force and livelihoods) and its cross-cutting thematic areas.

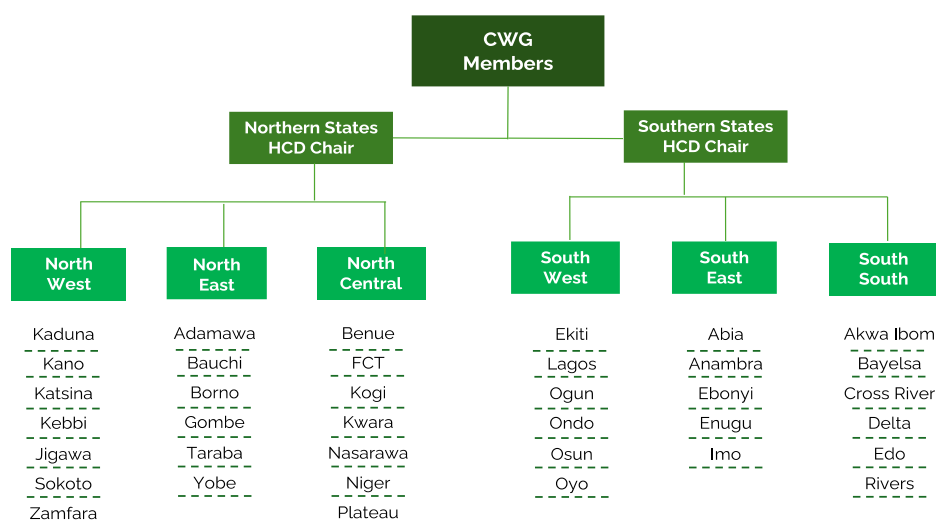


Figure 1: Structure of FPF

A. Coordination and Representation

- **Regional Forums:**

- Conduct elections to elect two representatives (one representative for Northern region and one for Southern region) to join the Core Working Group on HCD.
- Chairpersons shall collate reports from zonal chairpersons and present consolidated updates at CWG meetings to ensure the CWG aligns its support with the specific requirements of the States.
- Periodically support the CWG Secretariat to convene all State Focal Persons in the country for peer learning and experience sharing meeting/events.

- **Zonal Forums:**

- Elect chairpersons in each of the six (6) geo-political zones to convene meetings and represent the zone.
- Chairpersons to organize quarterly meetings to engender peer learning and experience sharing.
- Prepare reports on peer learning sessions to be presented by the elected chairpersons at the Joint Forum.

B. Objectives

- a) To create a platform for regular dialogue and collaboration among State Focal Forum.
- b) To facilitate the exchange of best practices, lessons learned, and innovative approaches to HCD implementation within each state.
- c) To enhance the capacity of State Focal Forum through training, workshops, and technical assistance.
- d) To ensure that State-level HCD strategies and plans are developed and implemented in alignment with the national HCD Strategy.
- e) To strengthen State-level monitoring and evaluation systems to track progress and inform decision-making.
- f) To advocate for increased investment in HCD and mobilize resources to support implementation.

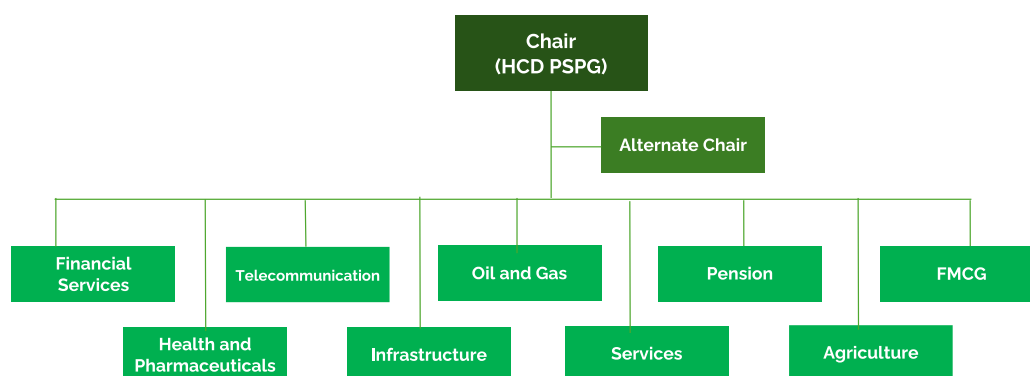
C. Functions and Responsibilities

- a) Convene regular meetings (quarterly or bi-annually) regionally or joint forums to discuss HCD priorities, challenges, and opportunities.
- b) Organise workshops, seminars, and conferences to share knowledge, experiences, best practices and lessons learned.
- c) Review and analyse State-level HCD performance data to inform evidence-based decision-making.
- d) Identify capacity gaps, organise training programs, and seek technical support and assistance from the National HCD secretariat to enhance the skills and knowledge of State Focal Forum.
- e) Advocate for increased investment in HCD, explore innovative financing mechanisms, especially in State budgetary allocations, and mainstream HCD-specific activities in State budgets and plans.

- f) Engage with development partners, civil society organisations, and the private sector to strengthen partnerships and leverage resources.

Private Sector Partnership Group (PSPG)

The Private Sector Partnership Group (PSPG) aims to mobilise private sector resources to support and sustain Human Capital Development (HCD) initiatives across Nigeria. By bringing together leading businesses, financial institutions, and philanthropic organisations, PSPG will champion innovative funding solutions, drive investments in critical sectors, and foster public-private partnerships that accelerate HCD outcomes. The group is designed to serve as a vital platform for aligning private sector strategies with national HCD goals, ensuring that investments generate economic returns and contribute to societal well-being.



A. Terms of Reference

- i. Identify, engage, and mobilise private sector resources, including financial investments, technical expertise, and in-kind contributions, to support the HCD agenda.
- ii. Facilitate strong partnerships between the public and private sectors to leverage complementary strengths and resources.
- iii. Explore and implement innovative financing mechanisms, such as impact investing, social impact bonds, etc.
- iv. Prioritise targeted investments in HCD sectors, including health, education, skills development, and labour force participation.

B. Membership:

Co-Chair 1 – To be decided

Co-Chair 2 – To be decided

Members

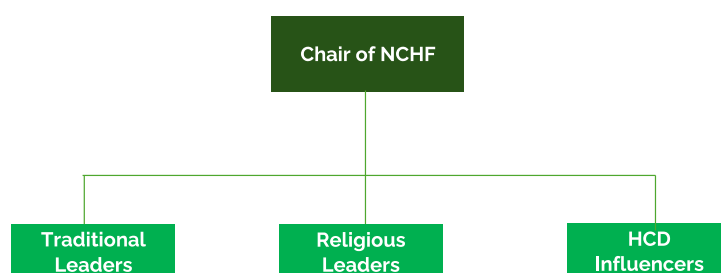
Twenty (20) members to be nominated by the Chair of the Steering Committee.

C. Meeting Modalities for the Group

The group is expected to meet **quarterly**. **Ad-hoc** meetings may be convened as needed to address specific issues or opportunities.

National HCD Champions Forum (NHCF)

This group is a coalition of influential figures from various societal sectors dedicated to advocating and advancing Human Capital Development (HCD) in Nigeria. It is designed to unite traditional rulers, religious leaders, HCD champions, youth ambassadors, and other prominent voices to leverage their platforms for promoting HCD values and policies. It aims to foster community engagement, inspire collective action, and advocate for HCD initiatives at all levels of society, ensuring that diverse perspectives are integrated into national HCD strategies. The forum will be divided into regional groups to ensure that each region's peculiarity is considered in the forum's campaign and advocacy efforts.



A. Terms of Reference

- i. Advocate for increased investments in HCD at all levels of government and society.
- ii. Champion the HCD agenda in their respective communities and societies.
- iii. Engage communities, particularly marginalised groups, to promote HCD values and practices.

- iv. Foster collaboration and networking among members and other key stakeholders.

B. Membership

Chairman – To be decided

Members

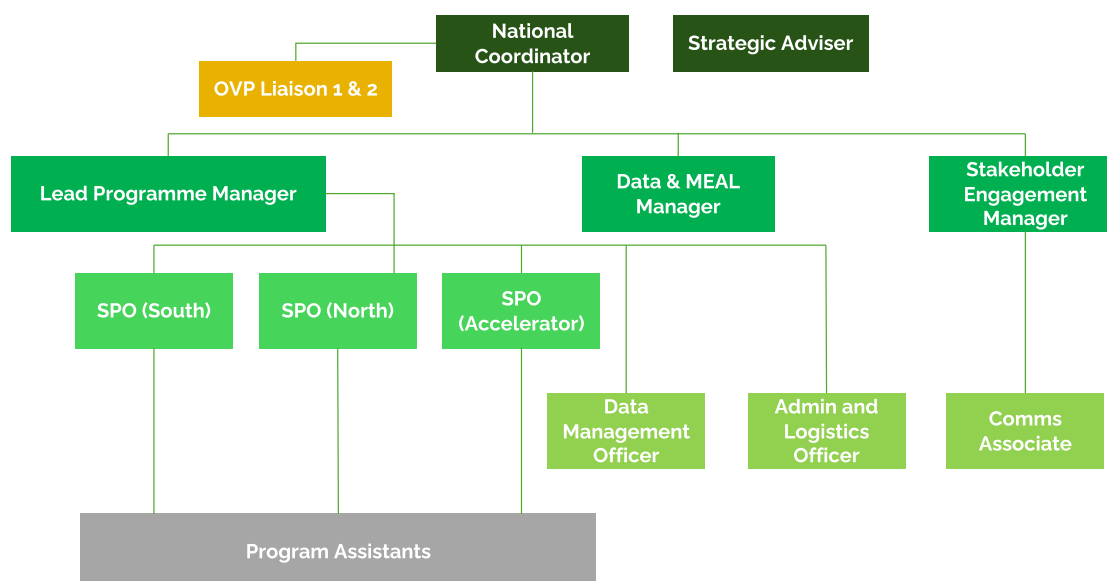
Members to be nominated by the Chair of the Steering Committee

c. Meeting Modalities for the Group

The group is expected to meet **quarterly**. **Ad-hoc** meetings may be convened as needed to address specific issues or opportunities. **The regional groups are expected to meet bi-monthly to ensure that issues are addressed before the general meeting.**

The CWG HCD Secretariat

One of the primary lessons learned from the transition between HCD 1.0 and HCD 2.0 is the importance of establishing a clear organisational structure. It is essential to delineate the roles and responsibilities, create detailed job descriptions, and implement formal written contracts for everyone involved in the program's day-to-day operations. This approach will facilitate optimal performance, support the HCD groups and the Steering Committee, and contribute to the overall success of the National program. High-level descriptions are provided for some of the key roles



Funding Recommendations

Leverage the Private Sector Partnership

Group (PSPG): In the immediate term the fund should look to leverage the network of private sector leaders within the PSPG to diversify its funding base. The programme should prioritize building strong partnerships with leading corporations, financial institutions, and industry associations represented within PSPG. This group should be leveraged to attract funding through Corporate Social Responsibility (CSR) initiatives, strategic investments, and innovative financing models, such as impact bonds and public-private partnerships (PPPs). Additionally, PSPG can offer technical assistance in developing financially sustainable HCD projects, aligning business interests with national HCD goals, and creating opportunities for private entities to invest in scalable, high-impact initiatives. By positioning the private sector as a key stakeholder in the HCD ecosystem, PSPG can drive substantial financial contributions and foster long-term commitment to HCD goals.

Federal Government Budget Allocation:

Securing sustained financial commitment from the federal government is essential for the successful implementation of HCD 2.0. Efforts should be made to show value to key decision-makers within the

government, including the Office of the President, the Ministry of Finance, the National Assembly, and other relevant agencies, to prioritize funding for HCD in national budgets. The strategy should also focus on integrating HCD into broader economic and social policies, highlighting the return on investment of human capital in terms of national growth, productivity, and global competitiveness. Engaging in strategic dialogues, presenting evidence-based impact assessments, and forming coalitions with other influential stakeholders will be critical in persuading the government to enhance funding commitments and secure budget allocations.

Evolve into a dedicated HCD Fund:

Circumstances permitting - the programme should eventually look to evolve into a fully-fledged Fund. This fund should be modelled after existing funds such as the Lagos State Security Trust Fund to attract, domicile and transparently disburse funds from multiple sources including development partners, the Federal Government, the organised private sector, etc. The legislative approval to create the fund should require a statutory line of government funds to be accrued to it in the same manner as other funds (e.g.

TETFUND). This also sends a strong signal lateral institutions attracting higher and of intent to donor agencies and multi-more regular donations.

