

ANALYSIS OF POVERTY PROFILES OF IFAD/FGN/NDDC/COMMUNITY-BASED FARMERS IN CROSS RIVER STATE, NIGERIA

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Abstract

Poverty in Nigeria is wide spread among rural dwellers due to neglect and non-involvement of beneficiary communities in decision making and implementation phases in donor sponsored programmes. In view of this problem, this study analyzed poverty levels of farmers involved in IFAD/FGN/NDDC/Community-Based Natural Resource Management Programmes in Cross River State, Nigeria. Multistage random sampling technique was used to select 120 farmers. Data were collected with a structured questionnaire and analyzed using descriptive statistics, poverty gap and poverty line analysis. The result indicated that 64.17% of the farmers were males, with mean age of 38.50 years, acquired secondary education (50.83%) with mean farm size of 3.21 hectares and a mean annual farm income of ₦198, 650.00. The results of poverty gap analysis showed that the poverty gap of IFAD farmers was 37.38% and required 21.87% of their poverty line to get out of poverty. The poverty line analysis revealed that 17.5%, 31.67% and 50.83% were extremely poor, moderately poor and non - poor respectively. Policies aimed at prompt payment of counterpart funds by federal, state and local governments and replication of the programme to other communities were advocated for sustainable poverty reduction in the rural areas.

Keywords: Poverty, Donors, Farmers, Cross River

Introduction

Poverty in Nigeria, as in most other developing countries is only a rural phenomenon. According to United Nations Trust Fund for Human subjects (UNTFHS, 2012), the poverty rate of Nigeria currently stands at about 70%, up from 27% in 1980. The 2007 Human Development Index stood at 0.466, ranking Nigeria as 151 out of 177 countries. The country takes 57th position among the 95 poorest countries in the world. The prevalence and dimensions of poverty in Nigeria does not need further explanation and debate. This is because such terms like absolute, abject and extreme have all been used to qualify the poverty situation in Nigeria. However, what appears new is the geographical distribution and location concentration of the poor in modern day Nigeria (Nwaogwugwu *et al.*, 2010; NBS, 2012). According to DFID (2005) approximately 70 million people live on less than US \$1/day, 54% of Nigerians live below the poverty line and over one third live in extreme poverty (defined as those who cannot afford 2,900 calories per day) (UNDP, 2006). The rising profile of poverty in Nigeria is assuming a worrisome dimension as empirical studies have shown. According to the

UNDP (2012), the population in poverty is given as 68.7 million, as at 2004.

Poverty is associated with agricultural production in developing countries and Nigeria's GNP per capita which stood at about USD 330 is below the level at independence. Poverty reduction is given priority attention through measures to accelerate economic growth and targeted social institutions. However, a significant reduction in poverty requires sustained long-term double digit growth. This is a major challenge in reducing poverty as public sector funds are invested on loss making public enterprises thereby affecting full realization of project goals and policy implementation (IDS, 2006). It is reported that the current rate of reduction in poverty in Nigeria is too slow to meet the targets set for 2015 (NPC, 2008). However, evidence suggest that the key to alleviating poverty in many parts of the world is a more productive and profitable agricultural sector. This is because agriculture paves the way for economic growth in poorer nations, through income distribution and building of a sustained economic growth (Fritschel and Mohan, 2006; FAO, 2012).

The implication of the participatory development approach is that no government or agency can successfully develop the rural

people themselves without tapping their wisdom, energies, resources, talents and institutions as foundation for development. The foregoing explains the increasing emphasis by the World Bank on a new development approach known as “Community – Based/Driven Development (CB/DD) (World Bank, 2013).

According to Garba (2006), all the poverty alleviation initiatives in Nigeria since independence have yielded very little fruit. He claims that the programmes were mostly not designed to alleviate poverty because they lacked clearly defined policy frameworks with proper guidelines for poverty alleviation. Nwaobiala (2013) affirmed that most of these programmes centre on community development approach, neglecting the current poverty profile of resource poor farmers during and after implementing the programme.

The World Bank in conjunction with Federal Government of Nigeria in 2005 established the International Fund for Agricultural Development - Niger Delta Development Commission/Community Based Natural Resource Management Programme to improve the living standards of the ruralites and alleviate poverty through active participation of communities in crop, livestock, fisheries and apiculture technologies in the nine Niger Delta States of Nigeria (Abia, Akwa Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo and Rivers States) (CBNRMP, 2002; IFAD, 2001).

In line with this, this study therefore analyzed the poverty levels of IFAD/FGN/NDDC/Community-Based Natural Resource Management Programme in Cross River State, Nigeria. The specific objectives were to;

- i. describe selected socio-economic characteristics of Cross River IFAD farmers in the study areas.
- ii. determine the poverty gap of Cross River IFAD farmers in the study area.
- iii. determine the poverty line of Cross River IFAD farmers in the study area.

Methodology

The study was conducted in Cross River State, which is one of the beneficiary states of IFAD/FGN/NDDC/Community-Based Natural Resource Management Programme. Cross River State lies between Latitude 5°5' and 6°40' North of the Equator and Longitude 8°10' and 8°5' East of the Greenwich

Meridian. The State is bounded on the North by Benue State, on the South by Akwa Ibom State, on the East by Cameroon Republic and the West by Ebonyi State. The State is located within the forest belt of Nigeria and temperature ranges between 20°C and 30°C with relative humidity between 70% and 90% (CRSPC, 2006). Most people in the rural areas engage in artisanal fishing. The major farm crops grown include cassava, yam, maize, plantain and banana among others. The cash crops include oil palm and cocoa, Livestock reared are sheep and goat, pigs, poultry birds among others (CRSPC, 2006). Multistage random sampling technique was used in the selection of local government areas (programme areas), participating communities, farmer groups and participating farmers. First, three (3) Local Government Areas (LGA's) were randomly selected from the State, namely Yala, Yakurr and Obubra. Second, two (2) participating communities each were randomly selected from the 3 LGA's to give a total of six (6) participating communities. Furthermore, from the selected participating communities, two (2) farmer groups each were randomly selected, which gave a total of twelve (12) farmer groups. Finally, ten (10) participating farmers each were randomly selected from the selected farmer groups to give a sample size of one hundred and twenty (120) participating farmers. Data for the analysis were obtained on means of oral interview using structured questionnaire. Objectives i was analyzed with descriptive statistics such as frequency distribution table, mean counts and percentages, while objective (ii) and (iii) were achieved using poverty gap and poverty line analyses respectively.

Model Specifications

1. In estimating the levels of poverty among the participating farmers, the Poverty Gap and Poverty Line models were used in accordance with Ezech (2007).

$$H = q/n - \quad - \quad - \quad - \quad (i)$$

Where: H = head count ratio, q = number of poor participating farmers, n = total number of participating farmers

$$1 = [(z - y) / z] - \quad - \quad - \quad - \quad (ii)$$

Where: 1 = poverty gap, Z = poverty line – estimated using the mean household expenditure of the participating farmers, Y = average income of the poor participating farmers

2. The poverty Line used in determining poverty among participating farmers is expressed thus;

$$Z = 2/3 (Y)$$

Where: Z = poverty line measured in Naira (₦), Y = mean of per capita household expenditure measured in Naira (₦)

Given;

Mean capita household expenditure = $\frac{\text{Total per capita household expenditure}}{\text{Total number of households}}$

Per capita expenditure = $\frac{\text{Total monthly household expenditure}}{\text{Household size}}$

Results and Discussion

Distribution of Socio economic Characteristics of Respondents

The socio-economic characteristics of respondents are shown in Table 1. The result reveals that 51.67% the farmers were males while, 48.33 % were females. This result disagrees with the findings of (Onuk *et al.*, 2007) which identified women farmers as major producers and source of farm labour in sub Saharan Africa, especially Nigeria. The mean age of the respondents was 38.50 years while 50.83% acquired secondary education. The age of the farmers indicates that IFAD farmers were in their productive ages. Also the age of a farmer has an effect on the type of agricultural

activity he/she can perform (Nwaobiala and Osondu, 2013). Farmers' literacy levels usually influence their decision making and adoption which bring about increase in productivity and participation in donor sponsored programmes. Education has to do with the ability to acquire new knowledge and use relevant information (Jamilu *et al.*, 2014). The farmers cultivated an average farm size of 3.21 hectares with a mean annual farm income of ₦198, 650.00. By international standards, all farm less than 10.0 hectares are classified as small, all from 10.0 – 20.0 hectares are medium and those above 20.0 hectares are large scale farms (IAALD/CABI, 1995). The result implies that, IFAD farmers in the study area cultivated on small farm lands.

Table 1: Distribution of Selected Socio-economic Characteristics of IFAD Farmers in Cross River State, Nigeria

Variables	Frequency	Percentage	
Gender			
Male	67	64.17	
Female	58	35.83	
Age (years)			
26 – 35	29	24.17	Mean = 38. 50 years
36 – 45	64	53.33	
46 – 55	26	21.67	
56 - 65	1	0.83	
Education			
No Formal Education	5	4.17	
Primary School Education	47	39.17	
Secondary School Education	61	50.83	
Tertiary School Education	7	5.83	
Farm Size (hectares)			
0.1 – 1.0	7	5.83	Mean = 3.21 hectares
1.1 – 2.0	24	20.00	
2.1 – 3.0	49	40.83	
3.1 – 4.0	40	33.33	
Annual Farm income (₦)			
100,000 – 150,000	5	4.17	Mean = ₦198,650.00
151,000 – 200,000	14	11.67	
201,000 – 250,000	30	25.00	
251,000 – 300,000	61	50.83	
301,000 – 400,000	10	8.33	

Source: Field Survey Data, 2012

Determination of Poverty Profiles of IFAD Farmers in Cross River State, Nigeria

Poverty Gap Analysis of IFAD Participating Farmers

The poverty gap analysis among IFAD participating farmers in Cross River State is presented in Table 3. The result shows that Cross River State IFAD farmers had an estimated mean expenditure of ₦185,708.76 per annum, with annual average income of ₦278,659.32. The result also indicated that, the incidence of poverty otherwise known as the head count ratio (Ezeh, 2007) was 0.4767 for the farmers. This implies that 47.67 percent of the farmers were poor because their incomes fell short of the mean household expenditure used as the poverty line.

The poverty gap also known as the income shortfall allows for the assessment of the depth of poverty among the farmers shows that, IFAD farmers in the study area had a poverty gap of 0.3738, meaning that the farmers require 37.38% of the poverty lines to get out of poverty. This amounts to ₦116,337.36 for the IFAD farmers.

Table 3: Poverty Gap of IFAD Farmers in Cross River State, Nigeria

Items	IFAD Farmers
Mean Household Expenditure (₦)	185,708.76
Average Income (₦)	278,659.32
Poverty Incidence (%)	47.67
Poverty Gap (%)	37.38
Poverty Line (₦)	116,337.36

Source: Field Survey Data, 2012

Poverty Line Analysis of Participating Farmers in Cross River State, Nigeria

The result in Table 3 shows the percentage distribution of poverty line among IFAD farmers in Cross River State. The result shows that 17.5% of the farmers in Cross River State were extremely poor, with poverty lines of ₦7,112.86. A fairly good proportion (31.67%) the farmers were moderately poor, with poverty lines of ₦14,414.26. The result also shows that majority (50.88%) of Abia State farmers were non-poor with poverty lines of ₦33,831.10.

Table 3: Frequency Distribution of Respondents According to Poverty Line (Two Third) of Per Capita Expenditure in Cross River State, Nigeria

Poverty Indices	Frequency	Percentage	Poverty line
Extremely Poor	21	17.5	7,112.86
Moderately Poor	28	31.67	14,414.26
Non Poor	61	50.83	33,831.10

Source: Field Survey Data, 2012.

This implies that the programme must have impacted on the IFAD farmers in the State which was dominated by the farmers who were non poor to their counterparts. Akeweta *et al.*, (2014) obtained a similar result as farmers in Adamawa State of Nigeria improved the living standards through donor sponsored programme.

Conclusion and Recommendations

The study has analyzed the poverty levels of IFAD beneficiary farmers in Cross River state. About 17.5% - 31.67% of the farmers have varying levels of poverty. The study therefore recommends that;

1. The programme needs to be sustained since the poverty incidence was low. In order to achieve this, stakeholders in the programme at federal, state and Local Government level should pay their counterpart funds as and when due.
2. The programme should be replicated to other communities in the state to achieve poverty reduction in the rural areas of the state.

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