

IMPACT OF THE NATIONAL POVERTY ERADICATION PROGRAMME (NAPEP) ON RURAL LIVELIHOOD IN KOGI STATE, NIGERIA

O. Ebenehi¹, N.M. Saddiq¹, O. Oyinbo¹, A. A. Muhammad² and J. O. Ichi³

¹Department of Agricultural Economics and Rural Sociology,

²Department of Agronomy ³Department of Agricultural Engineering
Institute for Agricultural Research/Faculty of Agriculture,
Ahmadu Bello University, Zaria, Nigeria

Corresponding Author: saddiqnuhu@gmail.com

Abstract

The study was designed to assess the impact of NAPEP on the income and standard of living of participants in Kogi State. Data were collected through the use of questionnaire and analyzed using descriptive statistics and Double-Difference Estimator (DDE). The results of the analyses revealed that majority (67%) of the participants were male while 33% were female. About 40% of the participants were of the age range of 44-53 and 62% were married with 60% having a household size range of 5-8 persons, with about 38% having trading as their major occupation. The mean income of NAPEP participants increased from ₦106,556 before the intervention to ₦249,675.00 after the intervention.

Income of the non-participants increased from ₦98,351 before the intervention to ₦120,127 after the intervention. The level of living of participant increased from ₦77,523 before the intervention to ₦233,268 after the intervention as a result of participation in the programme. However, the mean level of living for the non-participants increased from ₦94,159 before the programme intervention to ₦113,873 after the intervention. The mean increase in income as well as the level of living of participants in NAPEP was significantly different from that of non-participants at $P < 0.01$. It was recommended that NAPEP should be left to continue irrespective of the administration that initiated it. NAPEP should set up a special monitoring and recovery committee to monitor the disbursed loan transactions right from when it is disbursed to when it is due for repayment.

Key words: Poverty, Livelihood, Income, Participants, Non-participants

Introduction

Nigeria is predominantly rural with more than 80% of the total population living in rural areas (Joseph, 2005). The economy is basically agrarian, with most of the people living in squalor and very poor level of living which is attributed to poverty (Ajayi, 2009). Poverty has diverse economic and social dimensions that express its manifestations in lack of income and insufficient productive resources to ensure sustainable livelihood. Poverty indicators include: hunger and malnutrition, limited or lack of access to quality education and basic services, increased morbidity and mortality which occur as a result of illness, inadequate housing, homelessness, unsafe environment, and social discrimination. As a matter of fact the concept of poverty does not subject itself to any straight jacket definition (Agumagu, 2000).

As there are divergent views on the concept of poverty, one could observe that poverty exists when people lack the means to satisfy their basic needs. Joseph (2005), indicated that, in Africa and Nigeria in particular, the colonialists imposed capitalistic economic system, which allowed for exploitation and domination by the rich individuals, including exploiting the labour of others to increase their wealth. Besides, when the colonialists shifted emphasis from food crops to cash crops as deliberate government's policy in order to serve the needs of the industries in the metropolitan Europe, shortage of food began to manifest amongst the rural dwellers. Hence the introduction of series of government's intervention programmes

from independence till date, of which National Poverty Eradication Programme is one, were all geared towards mitigating the effect of poverty on the livelihood of its citizenry.

Since mid-seventies, successive governments in Nigeria have come up with a lot of laudable initiatives or programmes geared towards poverty alleviation (Idachaba, 2006). The National Poverty Eradication Programme (NAPEP), which has as its main objective to improve the socio-economic well-being of rural people, with a properly structured organizational framework for its achievement, is an offshoot of poverty alleviation programme (PAP) and it was established in 2001 (Aliu, 2001; Joseph, 2005; Gumwa, 2009).

The Kogi State office of the NAPEP was also established in 2001 and it operates in line with the national objective of NAPEP, including to: (i) promote grass roots economic activities, (ii) impact positively on the well being and level of living of participants, (iii) promote sustainability of micro finance through savings mobilization, (iv) provide access to credit at the grass root level, (v) bring the interest rates (for the low income, rural populace) into a more encouraging level, (vi) increase the participation of the poor in the economic growth and development of the country, (vii) stimulate increased economic activities in the rural areas, and (viii) strengthen partnership between the federal government and other tiers of government in combating poverty among the Nigerian people.

The activities carried out by NAPEP in Kogi State to help achieve its objectives include:

- (a) Youth Empowerment Scheme (YES) which deals with youth capacity building for those with low or no qualification. The capacity building is in terms of skills acquisition such as welding, carpentry, mechanic, fashion designing, tailoring, interior and exterior decoration among others.
 - (b) Capacity Enhancement Scheme (CES) which deals with assisting already established skillful youths, and other participating members of the community who are already engaged in one form of trade or the other.
 - (c) Community Enlightenment Scheme (COMES) which involves awareness creation, and sensitization. And also enlightening them on how to access any new package rolled out by NAPEP for them.
 - (d) Social Welfare Service Scheme (SOWES) which deals with special education, food security, micro and macro credit facilities.
 - (e) Rural Infrastructure Development Scheme (RIDS) which deals with the provision of basic infrastructures like portable water for irrigation, good access roads to ease transportation, rural power supply, and construction of mini dams as well as provision of other equipments necessary for dry season farming, to ensure all year round production.
 - (f) Natural Resources Development and Conservation Scheme (NRDCS) which deals with the environment, land reclamation for agricultural purposes and conservation of land and space, water and solid minerals.
 - (g) Multi Partner Micro Finance Scheme (MPMFS) in which NAPEP, in collaboration with some micro finance banks, disburse soft or micro credit loans to participants of the programme (Gumwa, 2009). This measure according to NAPEP is aimed at increasing their beneficiary's capital base, for the improvement and expansion of their business with the hope that it will go a long way to better translate into higher income that will improve the level of living of its beneficiaries.
- Despite all these objectives of NAPEP as well as its well-structured and coordinated organizational and institutional framework aimed at poverty eradication in our rural areas, poverty in all its senses, still remains a common sight in our rural areas till date, hence the dare need for a study such as this which seeks to find out the extent of achievement of its organizational objectives and also its performance over the years. Thus, this study was carried out to achieve the following objectives:
- i. Examine the socio-economic characteristics of the NAPEP participants and non-participants in the study area?
 - ii. Determine the impact of NAPEP on the income of the participants in the study area?
 - iii. Determine the impact of NAPEP on the standard of living of the participants in the study area?

Hypotheses of the Study

- (i) There is no significant difference between the income of the participants and non-participants.
- (ii) There is no significant difference between the level of living of the participants and non-participants.

Literature Review

Impact of poverty eradication programmes on livelihood of people

The concern over the deteriorating food supply in Nigeria led to the launching of series of programmes on poverty eradication and food security since the 1960s till date (Joseph, 2005; Nwachukwuet *al.*, 2006). Adekola and Oladeji (2007) reported that access to poverty alleviation programmes improve socioeconomic status of youths and promote their economic independence in a study on impact of government poverty alleviation programmes on the socio-economic status of youths in Ibadan metropolis of Nigeria. Akpoko *et al* (1998), in a study of impact of a non-governmental agricultural extension training programme, reported a significant impact on the farmer's livelihood in terms of ownership of commercial vehicles, motor-cycles, bicycles, clothing, food crops and food consumption as a result of their participation in the programme. Despite the various efforts of government to reduce the incidence of poverty through different poverty alleviation programmes and strategies and the quest to be one of the 20 largest economies by the year 2020, Nigeria continues to be one of the poorest countries in the world (Adepoju, 2012). Unemployment, corruption, non-

diversification of the economy, income inequality, laziness, and a poor education system can be considered to be some of the key factors contributing to poverty in Nigeria (Ucha, 2011).

Theoretical framework

The theoretical framework is the social change theory, with specific reference to planned social change. Under the theory, the following perspectives have been used for this study, namely: (i) the community development, (ii) participation, and (iii) project impact analysis perspectives. Rogers (1995), posits that social change is the process through which significant alteration occurs in structure and function of the society. The social change theory has helped to analyze the changes in income and living standard of the participants occasioned by the implementation and participants' subsequent involvement in NAPEP activities in the study area.

Methodology

Description of the Study Area

The study was conducted in Kogi State. Kogi State was created from Kwara and Benue States along with eight others during the State creation exercise of August 27th, 1991. The State is located between latitude 6° 33¹ and 8° 44¹ N and longitude 5° 22¹ and 7° 49¹ E and has its capital in Lokoja. Kogi State has a total land area of 28,312.64 square kilometers (Kogi State Ministry of Information, 2010).

The State shares boundaries with Niger, Plateau, and the Federal Capital Territory (FCT) to the North with Benue to

the East and with Enugu, Edo, Ondo, and Kwara States to the South and West respectively. The State has a population of 3,661,389 people projected from the 2006 National Census figures, of 3,278,487 people. The climate oscillates between the wet and dry seasons with a daily temperature of between 24⁰C-27⁰C, while annual mean rainfall is between 1250-1700mm. The vegetation is mixed savannah and forest types. The State has an average of 172,000 farm families; about 70% of this population live in the rural areas and engaged in crop production and animal husbandry (Kogi State Ministry of Information, 2010). The State is heterogeneous in terms of its ethnic composition. The major tribes which make up the State are Igala, Ebira, and Okun. There also exist many other small ethnic groups in the State, like the Oworo, Bassa and the Gbagyi's (Kogi State Ministry of Information, 2010).

The State comprises of twenty one (21) Local Government Areas (LGAs). The State has large expanse of low-land areas which are extensively plain, alluvial and swampy. The State is also blessed with different soil types, which are rich and conducive for agricultural production. Also, animals of various breeds such as birds, goats, sheep, and cows thrive well under the conducive climate of the State (Kogi ADP, 2005). The study was carried out in Ofu, Yagba-West, and Okehi Local Government Areas (LGAs) of Kogi State. These LGAs had a population of 191,480, 139,928 and 223,574 persons respectively during the 2006 Nigeria Census. The projected figures for these Local Government Areas as at 2010 were 213,843 for Ofu, 156,270 for Yagba-West

and 310,893 for Okehi. The major economic activity is farming as over eighty per cent of the populations are engaged in farming (NPC, 2006).

Sampling Procedure and Sample Size

From the 21 LGAs of Kogi State, 3 LGAs were purposively selected (each from the three senatorial districts in the State) based on prior knowledge of their active participation in NAPEP activities. From a reconnaissance survey conducted, a list of 530 participants (registered members) was obtained. Out of these, 10 per cent of NAPEP's participants were randomly selected, from a list of 181 participants from Ofu, 176 participants from Yagba West and 173 participants from Okehi L.G.A, giving a sample size of 18 for Ofu, 17 for Yagba West and 17 for Okehi making a total of 52 participants. In order to effectively study the impact of NAPEP on participants, 52 non-participants were purposively selected as a control group making a total of 104 respondents from the three LGAs.

Methods of Data Collection and Sources

The study made use of primary data. The Primary data were obtained through the use of structured questionnaire administered to the participants and non-participants.

Analytical Techniques

Descriptive Statistics

The descriptive statistics such as frequency counts, mean and per centages were used to achieve objective (i) of the study.

Double Difference Estimator

In order to effectively achieve objectives (ii) and (iii) of the study, double difference estimation (DDE) model was used to assess the impact of the programme on income and living standards of the people. Double difference method is a standard

programme evaluation tool used to measure potential programme impact (Verner and Verner, 2005). The Statistical Package for Social Sciences (SPSS) version 20 was employed to carry out the double difference estimation (DDE). The model is specified as follows:

$$DD^S = \left[\frac{1}{P} \sum_{i=1}^P (Y_{1ia} - Y_{1ib}) \right] - \left[\frac{1}{C} \sum_{j=1}^C (Y_{0ja} - Y_{0jb}) \right]$$

Where:

$i = i^{th}$ Value of participants

$j = j^{th}$ Value of non-participants (control)

Y_{1ia} = Participants livelihood at time "a" (after) the programme

Y_{1ib} = Participants livelihood at time "b" (before) the programme

Y_{0ja} = Non-participants livelihood at time "a" (after) the programme

Y_{0jb} = Non-participants livelihood at time "b" (before) the programme

C = number of individuals in the control group (non-participants)

P = number of participants

DD^S = Double difference

In the context of this study, living standard was measured using poverty status. Thus, living standard (poverty status) is defined (World Bank, 2010) according to the internationally accepted poverty line of \$1.25 (N202.50) per capita per day.

Results and Discussion

Socio-economic Characteristics of Participants and Non-participants of NAPEP

Table 1 shows that majority (67%) of the participants were male, while 32% were female. About 65% of the non-participants were male while 34% were female. This implies that sex distribution for the participating respondents was skewed towards male in the programme. This indicates a dominance of male folk in the programme. Results of the analysis on age of the participants show that about 40% of the respondents were between the age range of 44-53 years and the age of the non-participants shows that majority (46%) were between the age range of 44-53 years. However, it is evident from Table 1 that 62% of the participants and 58% of the non-participants were married and this implies that majority of the participants have partners who could encourage them to participate in the programme for increased income. Moreover, 60% of the participants' household size was between 5-8 persons

while 52% of the non-participants' had a household size of between 5-8 persons. Majority of the participant's had one form of formal education or the other as shown

in Table 1. Respondents with trading and civil service as their major occupation had farming as their secondary occupation.

Table 1: Socio-economic characteristics of participants and non participants of NAPEP

Items	Frequency	Per centages	Frequency	Per centages
	Participants		Non-	Participants
Sex:				
Male	35.0	67.3	34.0	65.3
Female	17.0	32.6	18.0	34.6
Age(Years)				
23-33	12.0	23.0	7.0	13.3
34-43	15.0	28.8	18.0	34.5
44-53	21.0	40.1	24.0	46.0
54-73	4.0	7.6	3.0	5.8
Marital status				
Single	7.0	13.5	4.0	7.7
Married	32.0	61.5	30.0	57.7
Widowed	8.0	15.3	5.0	9.6
Widower	3.0	5.7	11.0	21.1
Divorce	2.0	3.8	2.0	3.8
Educational level				
No formal education	3.0	5.8	12.0	23.1
Adult education	7.0	13.4	15.0	28.8
Primary education	16.0	30.8	13.0	25.0
Secondary education	11.0	21.2	10.0	19.2
Post-secondary	15.0	28.8	2.0	3.8
Major occupation				
Farming	17.0	32.7	10.0	19.2
Trading	20.0	38.4	29.0	55.7
Civil servant	15.0	29.0	13.0	25.0
Household size				
1-4 Persons	11.0	21.2	21.0	40.0
5-8 Persons	31.0	60.0	27.0	52.0
9-12 Persons	9.0	17.3	4.0	7.6

12 and above	1.0	2.0	0.0	0.0
--------------	-----	-----	-----	-----

Source of income

Relatives	17.0	32.7	17.0	32.7
Cooperatives	20.0	38.5	20.0	38.5
Friends	10.0	19.2	10.0	19.2
Investments	5.0	9.6	5.0	9.6
NAPEP Schemes	52.0	100.0	-	-

Impact of NAPEP on Income and Standard of living of Participants

Impact of NAPEP on Income of participants

The result of DDE on Table 2 shows that the mean annual household income for the participants was ₦143,118 compared to ₦106,556 before the programme implementation showing an increase of ₦36,562 (34.3%). The difference in income of the after and before the NAPEP intervention was ₦143,118 which represents the increase in income after the programme implementation as obtained by the Double difference estimator analysis. However, the mean income of the non-participants of the programme increased only by ₦21,776, which is about 22% (from ₦98,351 before

the intervention to ₦120,127 after the intervention). The current national mean income for Nigeria is ₦66,802 (NBS, 2011), which is by far lower than the mean income of the participants (₦143,118). This implies that the NAPEP participants have higher income than the national average income of an ordinary Nigerian. The increase in income for the participants in NAPEP was also positive and significantly higher than that of the non-participants (P<0.01). Hence, the null hypothesis which states that there is no significant difference between income of participants and non-participants was rejected and the alternative that there is significant difference between the income of the NAPEP participants and non-participants was accepted.

Table 2: Results of DDE showing the impact of NAPEP on the mean income of the respondents in the study area

Group	Mean Income(₦)	Std Err.	StdDev	95% conf.	Interval
Participants	143,118.6	16885.06	121759.9	109220.4	177016.7
Non-participants	21,776.23	5745.112	41428.59	10242.44	33310.02
Combined	82,447.39	10700.17	109120.7	61226.14	103668.6
Difference	121,342.3	17835.68		156719.3	85965.33
Prob.(<0.01)*					
Mean income of Nigerians	66,802				

*** Significant at 1% level of probability**

Impact of NAPEP on Living standard of participants

In netting out the living standard of participants, their material possessions and annual expenditure on food and fuels were quantified in monetary terms and the prevailing market price of each item was taken to represent their living standard. Table 3 reveals that the mean household living standard for the participants was ₦155,745 which was far below the poverty line, but higher than that of the non-participants. This implies that the increase in living standard of the participants in NAPEP was positive and

significantly different from that of the non-participants (P< 0.01).

The second hypothesis that there is no significant difference between living standard of participants and non-participants was tested using the DDE. Hence, the null hypothesis was rejected and the alternative accepted. The result is in agreement with FAO (2010), which reported that about 70% of Nigerians live below the poverty line as majority of the NAPEP participants were still living below the poverty line though were far better than the non-participants as revealed by this study.

Table 3: Results of DDE showing the impact of NAPEP on the standard of living of the respondents

Group	Mean livelihood (₦)	Std Err.	StdDev	95% conf. interval
Participants	155,745.2	25623.64	184774.7	104303.6 - 207186.8
Non-participants	19,714.06	11597.67	83632.02	-3569.25 - 42997.36
Combined	87,729.63	15516.54	158238.3	56956.23 - 118503
Difference	136,031.1	28126.09		191819.1 - 80243.16
Prob.(<0.01)				
Mean living standard of Nigerians	67,580			

*** Significant at 1% level of probability**

Conclusion and Recommendation

The findings revealed that participants were stable than their non-participating counterparts because the income of participants was higher, as it increased by ₦143,118 (134%) than that of the non-participants which only increased by ₦21,776 (22%) after the programme intervention. Also the living standard of

participant increased by ₦155,745 (200%), while that of non-participants increased by only ₦19,714 (20%). This marked an immense acceleration in the development of the participants in terms of living standard. The result implies that the participants were more comfortable as they had more household basic needs and assets, means of transportation and farming implements which reduce

drudgery in farming, and translates into increased income and better living standard among the participants. This indicates that the programme has made considerable positive impact on the lives of the participants in the study area. Based on the findings of this study, it was

recommended that in order to ensure sustained income generation and better living standard among the NAPEP participants, it is important that development policies such as NAPEP must be made to continue even after the governments that formulated them.

Reference

- Adekola, G. and Oladeji, O. E. (2007). Impact of government poverty alleviate programmes on the socioeconomic status of youths in Ibadan metropolis of Nigeria. *Ife Psychologia*, 15(2): 124 – 131.
- Adepoju, A. O. (2012). Poverty Transitions in Rural South West Nigeria. *Global Journal of Science Frontier Research*, 12(1): 19 – 29.
- Ajayi, A. R. (2009). The Role Expectation Agricultural Extension in Poverty Alleviation in a Democratic and Deregulated Economy. In: *Perspectives in Agricultural Extension and Rural Development*, J.U. Agbamu (ed.) Springfield Publishers Ltd., Lagos.
- Agumagu, A. C. (2000). Poverty Alleviation in Nigeria: Can Agricultural Extension help? In: Agbamu, J.U. (ed.) (2009); *Perspectives in Agricultural Extension and Rural-Development*, Springfield Publishers Ltd., Lagos: pp. 345.
- Akpoko, J. G. Auta, S.J and Arokoyo, J.T. (1998). The Impact of Non-Governmental Agricultural Extension Training programmes: A Case study of the Nigerian Tobacco Company, Zaria. Nigeria. *Journal of Agricultural Extension*, Zaria Nigeria: (1 and 2): 97-110.
- Aliu, A. (2001). National Poverty Eradication Programme (NAPEP): Completion, Implementation, Co-ordination and Monitoring. In: Joseph I.O. (2005). *An Assessment of Impacts of Poverty Reduction Programme in Nigeria as a Development Strategy*, PhD Dissertation of St. Clement, University of Turks and Caicos, Island.
- Food and Agriculture Organization (FAO), (2010). State of food insecurity in the world.
- Gumwa, G. (2002). *Kogi State National Poverty Eradication Programme (NAPEP): The Story so Far*. Poverty Monitoring Manual of Kogi State NAPEP, pp.1-19.
- Idachaba, F. S. (1988). The Green Revolution: Goals for and constraints on agricultural Development in the 1980s. In: Ijere, M.O. and F.S Idachaba (eds) ARMT seminar series, NDI, Ilorin, Nigeria: pp.18-36.
- Joseph I.O. (2005). *An Assessment of Impacts of Poverty Reduction Programme in Nigeria as a Development Strategy* PhD Dissertation of St. Clement University of Turks and Caicos, Island.
- Kogi State Agricultural Development Project (2005). *Working Document*.
- Kogi State Ministry of Information (2005). *Working Document*.
- Kogi State Ministry of Information (2010). *Working Document*.
- Nigeria Bureau of Statics, (2012). *Nigerian poverty profile 2010*.
- Rogers E. M. (1995). *Diffusion of innovations*. 4th edition, The Free Press publishers, New York City: pp. 3-75
- Sanginga, P. C. Adesina, A.A. Manyong, V.M. Otite, O. and Dashiell, K. E. (1999). *Social Impact of Soya Bean in Nigeria's Southern Guinea Savannah*, Nigeria: Published by IITA Ibadan.
- Ucha, C. (2011). Poverty in Nigeria: Some Dimensions and Contributing Factors. *Global Majority E-Journal*, 1(1): 46 – 56.
- Verner, D. and Verner, M. (2005). *Economic Impacts of Professional training in informal Sector: The Case Study of the Labour Force training Programme in Cote d'voire*. World Bank policy Research Working Paper, Washington D.C. 3668, July, 2005. Pp. 5 – 14.