



## **A REVIEW OF THE ROLES OF AGRICULTURAL DEVELOPMENT PROGRAMMES AND PROJECTS IN NIGERIA**

**Ibrahim, F.D., Jirgi, A.J., Alawode, Y and Oformata, A.O.**

Department of Agricultural Economics and Extension Technology, Federal University of Technology Minna, Niger State Nigeria.

Corresponding Author: E-mail: idfaith006@yahoo.com

### **ABSTRACT**

*Agriculture plays a very dominant role in the national economy. It is one of the most important sectors of the economy from the standpoint of rural employment, adequate food for the increasing population, raw materials for building industrial sector, public revenue, employment opportunities for an expanding labour force, foreign exchange and internal market for industrial goods and services. The development of the agricultural sector has a significant role to play in the transformation and structuring of the economy of Nigeria and other economies where the majority of the labour force is primarily dependent on agriculture. Despite the huge sum of money been committed by the world Bank to the agricultural sector in Nigeria, the sector has continued to perform poorly and currently about 65 percent of the country's population, roughly 91 million people according to United Nation International Children Emergency Fund, (UNICEF) are food insecure. The Agricultural Transformation Agenda (ATA) is recently the largest government effort to grow agriculture in Nigeria. The comprehensive efforts of other programmes and projects such as the Agricultural development programmes (ADP), National accelerated food production programme (NAFPP), Operation feed the Nation (OFN), National fadama development project (NFDP), among others. These programmes were designed to increase domestic food production, reduce dependence on food imports and expand value addition to locally produced agricultural products. With this foresight the government through the ATA crafted the vision 2020 program which aimed at making Nigeria one of the twenty largest world economies by the year 2020.*

*Key words; role, agricultural, development, programme, project.*

### **INTRODUCTION**

Before Nigeria gained her independence, agriculture played a very dominant role in the national economy. It was the most important sector of the economy from the standpoint of rural employment, adequate food for the increasing population, raw materials for building industrial sector, public revenue, employment opportunities for an expanding labour force, foreign exchange and internal market for industrial goods and services (Moro, 1994). Ekong reiterated that the era of pre-independence agriculture had a laudable performance and there was economic boom. Agricultural activities are as multilateral as their economic benefits. Mellor. (2004) reported that these activities could not be a unilateral pursuit if the potential must be fully harnessed to boost economic production, supplies for industrialization, distribution and commerce. Development of the sector is not possible unless all the units and efforts are actually harnessed for maximum benefit. Development programmes and projects are built from policies and when effectively executed, result in national development.

In an attempt to boost food production, Babatunde and Oyatoye, (1998) reported that a number of

agricultural development institutions were set up and special programmes and projects were launched by the Federal and State Governments. It can be inferred that as much as agriculture matters in economic development, reliance on the sector alone without corresponding and simultaneous development of other crucial sectors such as education, health and industrial development will not yield positive results for development. Therefore, the economic perspectives from the foregoing indicates, only by giving attention to other important sectors will agriculture play its crucial role in the process of economic development of Nigeria (Dim and Ezenekwe, 2013). In light of the aforementioned this paper sets out to review the roles played by some of these agricultural development programmes and projects in Nigeria.

### **Agricultural and National Development**

The development of agricultural sector has a significant role to play in the transformation and structuring of the economy of Nigeria and other economies where majority of the labour force is primarily dependent on agriculture (Olagunju, 2007). Nwaobi (1990) stated that the Nigeria agricultural sector is characterized with low farm

incomes, low level in meeting the food and cash crop needs and requirements of the country, primitive methods and techniques of production, resulting in low production output and high poverty incident among the rural agrarian populace. Aigbokhan (2001) in an analysis highlighted that the colonial government in Nigeria recognized the potential of agriculture in propelling the Nigeria economic and regional development, thus put in place policies to encourage output growth in the sector.

Diversification of the economy away from the oil sector is a top policy priority for Nigeria and the agricultural sector is central to this agenda. The sector remains the largest contributor to non-oil growth. Within the agricultural sector, the major drivers of growth are staple crops. The African Development Bank (AfDB) 2005 -2009 strategy aimed at stimulating non-oil growth in Nigeria through enhanced infrastructure, agricultural development, rural development and contributing towards economic and social development as well as poverty reduction. It continues to find its resonance in the current 2013 strategy aimed at structural transformation of the communities (FMARD, 2014).

Ajibade *et al.*, (2013) asserted that in spite of the huge sum of money been committed by the World Bank to agricultural sector in Nigeria, the sector had continued to perform poorly and currently about 65 percent of the Country's population, roughly 91 million people are according to United Nation International Children Emergency Fund, (UNICEF) food insecure. This situation thus raised a question as to the efficacy of the World Bank assisted Agricultural Development Programmes (ADP) which was established in the belief that such project would radically transform agriculture and increase the country's food production.

The Agricultural Transformation Agenda (ATA) is recently the largest government led effort to grow agriculture in Nigeria. This comprehensive effort aims to increase domestic food production, reduce dependence on food imports and expand value addition to locally produced agricultural products. Through de-regulation, provision of attractive financing, concentrated infrastructure investments and competitive policies, the government will ensure the sector becomes more productive, efficient and competitive. Specifically, the plan will add 20 million tons of food to domestic supply and create 3.5 million jobs by 2016 (FMARD, 2014).

*Proceedings of the National Conference of Agricultural Economists, Wudil, 2015*

With this foresight, it crafted the vision 20-20-20 program. This program aims to make Nigeria one of the twenty largest world economies by the year 2020. The seven points in the 20-20-20 program are power and energy, food security and agriculture, wealth creation and employment, mass transportation, land reforms security and functional education. The country seeks to become a leading economy in Africa and a major player in the world's economy and political affairs and their 20-20-20 plan is their guideline. By focusing on agricultural development, Nigeria can speed up its economic growth in the coming decade.

### **Agricultural Projects**

The concern about the threat posed by poverty has led the Nigerian government to devote considerable attention to alleviating its scourge through various aid programmes. Some of these programmes include National Accelerated Food Production Programme (NAFPP) (1973) designed to facilitate the production of major staple crops through the introduction of high yielding seeds, supply of subsidized inputs as well as support facilities like credit, marketing, storage and processing (Kwanashie and Garba, 1998). Agricultural Development Projects (ADPs) (1975), Operation Feed the Nation (OFN) (1976) hoped to mobilize the general public to participate in agricultural production, River basin Development Authorities (RHDA) (1977), National Seed Service (NSS) (1977), Agricultural Credit Guarantee Scheme (ACGS) (1977), Rural Banking Scheme (RBS) (1977), Green Revolution (GR) (1979), Directorate of Food, Roads and Rural Infrastructure (DFRRI) (1986), National Agricultural Land Development Authority (NALDA) (1992), National Fadama Development Project (NFDPP) (1992), Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB) (2000), National Agricultural Development Fund (NADF) (2002) and Commodity Marketing and Development Companies (CMDC) (2003). In spite of all these programmes, the growing concern about the capability of Nigerian agriculture to satisfy the food requirements of fast growing population with a declining Gross Domestic Product (GDP) 2000 (5.3%), 2001 (8.2%), 2002 (21.2%), 2003 (10.3%), 2004 (10.6%), 2005 (5.4%), 2006 (6.2%), 2007 (75%), 2008 (65%), 2009 (70%), 2010 (7.4%), 2011 (7.45%) and to provide enough raw materials for agro-based industries has continued to increase (CBN 2011 and Idachaba, 1998).

### **Fadama III Project**

*Fadama* are low laying lands subject to seasonal flooding or water logging along the banks of streams or depressions. It is a Hausa word meaning, the seasonally flooded or floodable plains along major savannah rivers and or depressions or adjacent to seasonally or perennially flowing streams and rivers (Simonyan and Omolehin, 2012).

The Federal Government of Nigeria through the World Bank loan came up with *Fadama* project, to finance the development of *Fadama* lands by introducing small-scale irrigation in states with *Fadama* development potentials. The project aimed at ensuring that *Fadama* facilities in *fadama* areas are fully utilized to ensure all year round production of crops. The development objective of *Fadama III* Project is to increase the income of users of rural land and water resources on a sustainable basis. The strategic objective is to enhance financial investments in productive community infrastructure to increase agricultural productivity and diversify sources of livelihood. (World Bank, 2015). The objective of the Additional Financing (AF) for the Third National *Fadama* Development project for Nigeria is to increase the incomes for users of rural lands and water resources within the *Fadama* areas in a sustainable manner throughout the recipient's territory. Within this framework, private investors will enable transformation process to higher level of productivity, better quality and production (World Bank, 2015). Generally, the *Fadama III* project has achieved its goal of increasing the income of the beneficiaries and also succeeded in targeting the poor and vulnerable in its productive-asset component.

### **Commercial Agriculture Development Project**

The project development objective is to strengthen agricultural production systems and facilitate access to market for targeted value chains among small and medium scale commercial farmers. The change is to drop the Output and Performance based Road Contract (OPRC) method for carrying out road construction and rehabilitation works and revert to the traditional method of road contracting mechanism with adequate provision for maintenance.

The Commercial Agriculture Development Project (CADP) has supported a total of 3,246 Commodity Interest Groups (CIGs). Comprising 15,472 direct beneficiaries (72.2% males and 27.8% females) which represent 70.9% of a total

of 50,000 beneficiaries targeted for the project life time of 5 years. The project will also put more emphasis in supporting women and youth. The project was to build on the selection and capacity building carried out to undertake further assessment of the list and identify eligible beneficiaries. It was agreed during the mission that all CADP 8 value chains will be open for support in all states under the initiative (World Bank, 2015).

### **Rural access and Mobility Project in Nigeria.**

The Project's Development Objective (PDO) of Rural Access and Mobility Project are to improve transport conditions and bring sustained access to the rural population through rehabilitating and maintaining key rural transport infrastructure in a sustainable manner in selected Nigerian states. Progress towards the PDO will be monitored using the following four core indicators: direct project beneficiaries, roads in good and fair conditions, share of rural population with access to all-season road and promoting roads maintenance. The objective of the Second Rural Access and Mobility Project for Nigeria was to improve transport conditions and improve access to the rural population through rehabilitating and maintaining key rural transport infrastructure sustainably in selected Nigerian states. The project has three components; which are upgrading and rehabilitation of rural transport infrastructure such as rural roads and river - crossings in tier-one states, maintenance of community based roads, management and strengthening of State and Federal Road Sector, Institutional Policy and Regulatory Framework. RAMP is a pro-poor project and it is clearly achieving its objective of improving rural access and mobility for over 1.5 million people, creating the direct and indirect employment for the people and increasing household income (World Bank, 2015).

### **Rural Finance Institution Building Programme**

Rural Finance Institution Building Programme (RUFIN) is a FMARD programme in partnership with Central Bank of Nigeria (CBN), United Nations Development Programme (UNDP), and National Bureau of Statistics (NBS) for the development of rural financing to achieve food security. The main aim of RUFIN is to improve the income, food security and general living conditions of poor rural households, particularly women-headed households, youth and the physically challenged.

It would also ensure that production technologies adopted are environmentally sustainable, and should as well be more committed to the development of infrastructural facilities that would enhance the rural and agricultural development in *Fadama* lands. (Girei *et al.*, 2013). Ago (1996) pointed out that the development of *Fadama* III projects will not only provide income to farmers but also have significant impact on the drive toward self-sufficiency in food production. The land irrigated can be cropped extensively during the raining season as well as the dry season, thus making the land more utilized.

According to International Development agency (IDA, 2010), the project was designed to focus on increasing the incomes of rural poor dwellers, and It has been established that during *Fadama* II project, the income of beneficiary farmers increased significantly more than before the project and also more than the Non-beneficiaries income. Double difference analysis result further proved the fact that increase in income realized by the beneficiary farmers was attributed to their participation in *Fadama* II project based on the positive mean income value obtained. The chi-square test analysis showed that there was inequality and heterogeneity between project beneficiary farmer's income (Simonyan and Omidchin, 2012). Bature *et al.* (2013) drew the conclusion that the poor found it difficult in short time project implementation to adjust because they had to borrow money at high premiums. This, however, raises the necessity to help the poor to access affordable credit facilities. There is the need to involve the credit service providers by helping them to give low interest rate loans to the poor. Developing financial solutions involve encouraging financial institutions to provide medium and long-term finance to industrial and

help in reducing rural poverty. Both *Fadama* III participants and Non participants have benefited from the positive spill over benefits of the project.

Beneficial effects of downstream *Fadama* III rural infrastructure such as modern market, boreholes, box culverts, access roads and irrigation packages have created sustainable commercial outlet for both *Fadama* III participants and Non participants. The presence of market-related infrastructure (especially rural access roads) not only reduce delivery costs but also made it easy for traders to reach farmer in rural areas. This invariably will enhance farmer bargaining power. For example, the non-participants benefit from both access road and culverts constructed by the project (Iwala 2014). agricultural sector of the economy. Some of the development banks operating in Nigeria include Bank of agriculture (BOA), Bank of Industry (BOI), Federal Mortgage Bank of Nigeria and Nigeria Export Import Bank (N.E.X.I.M). The development institutions are pre-occupied with macroeconomic policies which promote the agricultural sector. The financing of agricultural development's major limitations are inconsistency and discrepancy of data. The data as reported by CBN is not consistent with that of the Federal bureau of statistic (NBS) and that of the Bank of Agriculture (BOA) (Abdullazeez, 2013). Agricultural Credit Guarantee Loan Scheme led to a significant positive growth in agricultural productivity in Nigeria. From the statistical computation, it shows that the joint action of commercial banks credit to the agricultural sector, agricultural credit guarantee loan by purpose, government financial allocation to agricultural sector and agricultural products prices are significant in influencing agricultural production in Nigeria (Obilor, 2013).

## REFERENCES

- Abdullazeez, I. B. (2013). The impact of Development Finance on agricultural Growth in Nigeria. A Case Study of Bank of Agriculture, Reg. no: 08262058, pp.9
- Agricultural Competitiveness programme (2015). Agricultural Value Chain Studies and Implementation Projects. New Nigeria Foundation.
- Ajibade, O. S. F. N. Obafemi. & F. S. Ebong. (2013). Challenges facing the achievement of the Nigeria vision. Global Advanced Research Journal of Social Sciences, 27, 113-157.
- Ago (1996). Longman, UK First Edition, 1.
- Aigbokhan, B. E. (2001). Resuscitating Agricultural Production (Cocoa, Cotton, Groundnuts, Palm oil, Rubber etc) for exports. Paper Presented the 10<sup>th</sup> Annual Conference of Zonal Research Units of the Central Bank of Nigeria, 4-8.
- Babatunde, R and E. Oyatoye (1998). Food Security and Marketing Problem in Nigeria: the Case of Maize Marketing in Kwara State Department of Agricultural Economics and Farm Management, University of Ilorin, Ilorin, Kwara State, Nigeria.

- Bature, Y. M. a. a. Sanni and F. O. Adebayo (2013). Analysis of Impact of National Fadama Development Projects on Beneficiaries income and Wealth in FCT, Nigeria *Journal of Economics and Sustainable Development*, vol. 4, No/17, pp.11
- Central Bank of Nigerian (CBN). Statistical bulletin 2011 Data on GDP and Economic Information Central Business district, PMB 0187, Garki, Abuja.
- Chukwuemeka, E. and H. N. Nzewi, (2011). An Empirical study of World Bank Agricultural Development Programme in Nigeria, *American Journal of Social and Management Sciences*, Vol. 2 No. 1:176 – 187
- Dim and Ezenekwe, (2013), cited in Oladoja, M. A and Adeokun, O. A, An Appraisal of the National Fadama Development Project (NFDP) in Ogun State, Nigeria, *Agricultural Journal, Scientific Research Publishing Company*, volume: 4, Issue: 3, pp. 124 – 129.
- Ekong, E.E., 1996. State-Federal Relations in Nigeria Agriculture Ibadan. University of Ibadan Press, Nigeria.
- FMARD (2014). Federal Ministry of Agriculture and rural Development's Agricultural Transformation Agenda
- Girei, A. A. B. Dire, M. M. Iliya and M. Salihu (2013). Analysis of Impact of National Fadama II Facility in Alleviating Poverty on food Crop farmers in Adamawa State, Nigeria. *Global Journal of Agricultural Research, European centre for Research Training and Development*, Vol. 1, No. 3, pp. 8-15
- IDA (2010). International Development Agency. Funding Fadama Projects in Nigeria.
- Idachaba, F. S. (1998). "Priorities for Nigerian Agriculture in the 5<sup>th</sup> National Development Plan 1986 – 90" Occasional Paper 1 Federal Agricultural coordinating Unit (FACU). Ibadan, Nigeria.
- Iwala, O. s. (2014) Economic Impact, Viability and sustainability of Fadama III Small – Scale Community-Owned Infrastructure in Ondo State, Nigeria. *American Journal of research communication*, Vol. 2(5), pp. 50 – 60.
- Kwanashie M., I and A Garba (1998). "The Nigerian Economy: Response of agriculture to Adjustment Policies" AERC Research Paper 78 African Economic Research Consortium, Nairobi, Kenya.
- Mellor, J.W., 2004. The Economics of Agricultural Development. Cornell University Press Ltd., UK., ISBN: 0-8014-0297-2, p: 4.
- Moro, R.S., 1994. Agricultural Development and Food Marketing in the Developing Countries. Pam Unique Publishing Co. Ltd., Port Harcourt, ISBN: 978-2517-96-8, pp: 16-17.
- Obilor, S. I. (2013). The Impact of commercial Banks' Credit to Agriculture on agricultural Development in Nigeria: An Econometric Analysis *International Journal of Business, Humanities and Technology* Vol. 3 No. 1
- Olagunju, E. G. (2007) Water Resources Development: Opportunities for increased Agricultural Production in Nigeria.
- RUFIN (2010) rural Finance Institution building Programme, Rufinnigeria.org
- Simonyan, J. B. and R. a Omolehin (2012). Analysis of impact of Fadama II project on Beneficially Farmers Income in Kaduna State: A Double Difference Method Approach, *International Journal of Economics and Management Sciences*, Vol. 1, No. 11, pp. 01-08
- World Bank (2015). The World bank Group. <http://www.worldbank.org/infoshop>.