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# International Development Agency and Poverty Reduction in Nigeria: a Study of Fadama III Project in Imo State

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#### Abstract

The role of agriculture towards poverty reduction, food security and sustainability, wealth creation and increase in gross domestic product (GDP) of a country cannot be over emphasized. The aim of third National Fadama project of the International Development Agency is designed towards empowering small holders farmers through co-operative society group in ensuring food sufficiency, accountability, income generation and improving the standard of living of rural farmers. Agriculture has been relegation to the background since the advent of crude oil thereby depriving Nigerian farmers access to micro credit facility to boost their agriculture businesses. The paper examines the intervention role of the International Development Agency in agriculture through the third national Fadama development project towards ensuring poverty reduction and food sufficiency in Nigeria. Content methodology was used and findings shows that the third National Fadama project improved the income and living standard of the beneficiaries. It is therefore recommended that government should partner with other international donor agencies towards ensuring that grants are made available to Nigerian farmers for the purpose of massive production of agricultural goods.

**Keywords**: Food security, Poverty reduction, Wealth creation and (GDP), Fadama project.

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## Background to the Study

Agriculture has played a leading role as an alternative measure to the dwindling price of crude oil and in cushioning the effects of poverty, hunger, unemployment and food security. In Nigeria, it is generally believed that the Northern states has an upper hand in agricultural productivity than the Southern part of the country. This in turn necessitated the International Development Agency to partner with the Nigerian government in finding lasting solution to hunger, youth restiveness, unemployment and some other social vices which lead to the advent of National Fadama programme in Nigeria.

The word "Fadama" is not an acronym nor abbreviation but a northern dialect which simply mean all year round dry season farming through irrigation. Having studied and followed the agricultural system being practiced in Nigeria, the International Development Agency discovered that a good number of states in the northern Nigeria are engaged in serious dry season irrigation farming, thereby producing various agricultural produce ranging from yam, millet, rice, wheat, onion, beans, carrot, sugar can etc just to mention but a few all year round.

The International Development Agency and its Fadama programme in Nigeria is targeted to the poorest of the poor farmers in various villages and communities in the various states of the federation and it is geared towards improving and increasing the income and livelihood of these farmers by 20% by the end of the programme in 2009. Audubi (2013). The third National Fadama programme of the International Development Agency is geared towards alleviating poverty in the various rural communities of the various participating states, sustainability among the various Fadama users group (FUGS), wealth creation, accountability and participatory rural appraisal (PRA) (Oredepe 2013).

Imo State being one of the States the International Development Agency is implementing their third National Fadama Development programme designed to sustain increasing income and reduce conflict among all users of Fadama resources. The third National Fadama Development project was initiated to address some of the factors that militated against the full realization of the potential benefit of agricultural production activities. Some of which are Poor Rural Infrastructure, storage, processing and marketing facilities.

Low investment in irrigation technology, poor organization of Fadama farmers as well as lack of adequate techniques for greater productivity in particular. (FAO 2014). The National Fadama Development programme lll came with a lot of innovations and revelations that the participation in the project should not be limited to Fadama crop farmers, but extended to all users of Fadama resources:- Pastoralist, fisher folks, hunters, service providers as well as vulnerable and marginalized groups. The implementation approach in the project is community Driven employing a bottom-top approach whereby communities and other lower government entities are empowered to develop participatory and social inclusive Local Development Plans (LDPs). Multi-stakeholders institutions are established at various levels. These are, the State Fadama Development Committee (SFDC) at the state level, Local Fadama Development Committee (LFDC) at the local government level and the Fadama management committees at Fadama users groups and Fadama Community Association (FCAs) at community level to evolve and enhance an efficient and effective implementation of the project. (Afele 2013).

## Objective of the Study

- 1. Increasing the income of Fadama beneficiary by 20%.
- 2. Empowerment and self-sufficiency of the beneficiary.
- 3. Accountability and financial management among members.
- 4. Poverty reduction among beneficiaries
- 5. If the level of impact played by the International Development Agency in Poverty Reduction in Nigeria through FADAMA III Project in Imo State have been able improve the standard of living conditions of the Fadama beneficiaries.

#### Statement of the Problem

Several projects executed or implemented in Nigeria in the past by International Development Agencies have witnessed some setbacks ranging from elite highjack, or elite-capture, varing methods of disbursement of funds among others which eventually have led to the unrealization of the goals, aims/objectives of the donor agencies.

Misappropriation of fund and diversion of projects funds has equally caused non realization of project goal.

#### Literature Review

The International Development Agency (IDA) in partnership with the federal government of Nigeria through the National FADAMA Development Office (NFDO) of the Federal Ministry of Agriculture and National Resources package the third National FADAMA Project under the following components:

Capacity Building (C.B)
Pilot Asset Acquisition (P.A.A)
Advisory Services (ASS)
Rural Infrastructure (RI)

#### Capacity Building (CB)

This involves workshops, trainings etc of the various Fadama users groups (FUGs), Fadama Community Associations (FCAs) and other relevant stakeholders by the International Development Agency in other to achieve the target of project implementation. In other to address the deficiencies observed among the project beneficiaries, the State Fadama Development Office (SFDO) undertook a skill gap evaluation that was carried out to determine areas requiring intervention and these gaps were address through various capacity building programmes. Subsequently, skill gap analysis was used to specify the various capacity building needs to produce an effective and efficient capacity building programmes. The Fadama Community Association (FCAs) and Fadama Users groups (FUGs) were trained and guided in the use of the proper procedures in community based procurement and contracting of service providers.

## Pilot Asset Acquisition (PAA)

Pilot Assets Acquisition (PAA) involves funding those sub-projects that are income/revenue generating based. The various Fadama farmers on demand driven are empowered with Fadama projects like: Palm oil processing mill, poultry houses, piggery houses, garri processing machines, fish ponds etc. which are all Pilot Assets Acquisition projects and thus to enable them generate maximum revenue and live above poverty level. Some of the agro-

processing equipment like palm oil and cassava mills process below installed capacity. Some of the FUGS have complained of the high cost of fuel, which reduces profit margins. The present capacity utilization is 60% for both the upstream and downstream. These have caused increases in both raw materials and out put from processing thus stimulating greater economic activity (Chikwe 2014).

#### **Advisory Services**

Adisory Services is provided by Fadama to the farmers in providing timely and adequate solutions through proper advise to the various challenging problems/needs/questions of Fadama farmers. This component was caved out by the International Development Agency and is aimed at providing a demand driven advisory services that will enable Fadama users to adopt an output enhancing techniques and more profitable marketing practices in their Fadama enterprises. It will support advisory services that will accompany new investment activities in Fadama areas based on request and those that will support on-going activities by Fadama users (Chugbo 2014).

# Disbursement on Advisory Services

Twenty-five million, eight hundred and nine thousand, seventeen naira eight kobo (25,809,017.88) was disbursed on advisory services with a total commitment of three million, five hundred and twenty eight thousand naira (3,528,000.00) from the International Development Agency. This disbursement was aimed at providing financial support to various categories of farmers ranging from crop farmers, livestock production, and fisher folks etc for the purpose of enhancing food production. There is a general increase in the production and lowering of prices of produced commodities such as pork, poultry egg and meat, palm oil, garri etc. as a result of timely intervention of International Development Agency assisted FADAMA programmes funds to farmers. (Iyama 2014).

# **Rural Infrastructure**

These are Fadama projects designed for the various Fadama Community Associations (FCAs). And Fadama community associations are the umbrella body of the Fadama user groups (FUG). They include projects like sinking of water borehole, grading of Fadama Feeder road, construction of V.I.P toilets in markets, Construction of market stalls etc at various Fadama Community Levels. Completion rate of rural infrastructure his been higher compare to pilot assets because majority of the sub-projects under pilot assets about (60%) are agro-processing involving fabrication of machines which take a minimum range of 2-3 months. The machines are not fabricated ready for sale in the state (Afele 2013). In addition, incidences where some FCAS executive's short-pay the contractor on the amounts released for the execution of subprojects lead to delay in service provision. Most of the demands from FUGS are on agro-processing pilot assets. (Amunwa 2014)

#### Linkage of Rural Infrastructure

Most of the rural infrastructural subprojects are properly linked to economic activities around the communities. Borehole projects are invaluable for large scale and small- scale agricultural processing activities. The use of water from boreholes sunk around community markets has made it possible to wash the processing equipment and ensure cleanness of agricultural products displayed for sale in markets. Pork meat, which was not available in

the past, is now in high demand. Demand for fish is now on the increase in Owerri and environs with the emergence of point- and- kill restaurant where the fish farmers. Housewives, widows and unemployed youths are proud and active traders in these newly constructed open market stalls that ward off rain and fierce heat of the sun. (Okoro 2015).

## **Vulnerable Groups and Social Inclusion**

As a result of the intervention of the International Development Agency through the third National Fadama development programme, there has been an increase in the number of subprojects targeting vulnerable groups such as The widows (ii) the disabled and (iii) the people living with HIV/AIDS (PLWHA) Women are progressively playing more active roles in the affairs of there FCAs. However, due to the stigmatization associated with HIV/AIDS, the response from that group has been very minimal (Obinna 2013).

#### Investment Expansion and Environment Opportunity Capture Clearly Exist

Vulnerable groups command better recognition and the long denied invaluable respect of community members. The vulnerable groups eye political posts as a result of improved life styles through the intervention of third National Fadama programme of the International Development Agency.

Interventionist groups should join the International Development Agency to inject funds to accommodate more of the vulnerable. Enthronement of well defined maintenance responsibilities which never existed before the subprojects came into being (F.A.O 2014).

#### Maintenance plan for Completed Infrastructure:

The various FCAS/FUGS sub-committees have been sensitized and trained on the maintenance plan and sustainability of infrastructure and the various subprojects giving to them by the world bank through the national FADAMA III programme. However, there are still concerns over the long term. For example, some local government council lay claim to some of the completed subprojects and require that FCAS give up the collection of the revenue to the council.

#### Maintenance of Assets

The maintenance committees of the FUGS and FCAS are taking charge of the maintenance of the acquired assets. However, there are concerns over the long – term sustainability if rewarding profits are muffled by the high cost of fuel and unrewarding input -Output relationships.

#### **Environmental Issues Implementation Management Level**

Mitigation measures have been put in place to ensure minimal impact of the projects implementation adverse effect on the physical environment. These include:

- 1. Provision of adequate water and septic tank for piggery farm.
- 2. Construction of concrete pit for disposal of cassava effluents from garri processing plants.
- 3. Side drains and culverts for road construction.
- 4. Provision of water and VIP toilets for marketers.

- 5. Proper disposal of water for fish ponds.
- 6. Proper reticulation of oil mill plants
- 7. Cement flooring of areas and around water points.
- 8. Poultry droppings recommended for use and for sale as farm-yard manure.

## Pest Management Plan Implemented and their Impact on Fadama

Major pest out breaks have not been reported during the FADAMA III period, however, specialist alternative methods of pest control have been introduced during training to encourage the biological and cultural control means. These simple methods of pest control were in existence for a long time and have been forgotten or neglected but were mentioned to be re-introduction by farmers themselves during trainings and those present adopted it and testified to its effectiveness.

#### **Stock Route**

The development of stock route in the state is a very difficult issue because the stock routes are mainly used by the herds men of house origin and the local people do not want to give up their land and so demands huge compensation for the land and the fruit trees in them.

## **Period Report Rendition:**

The Imo State Fadama Development Office (Imo-SFDO) rendered four (4) annual project evaluation reports, 14 quarterly reports, 3 status report, 1 mid-term review report, a beneficiary assessment report.

# Monitoring of Implementation

The monitoring of subproject implementation is carried out by visitation to sub-project site during construction phase to ensure compliance with the planned design and the mitigation measures identified in the local development plan (LDP).

## Sustainability of the Fadama Iii Benefits

The State Fadama Development Office (SFDO) has significantly enhanced the capacity of the vulnerable groups in savings and banking culture, provide valid sources of sustainability of finance. It also enhanced capacity utilization, through improved facilitation has been demonstrated. proper guidance of beneficiaries towards management and maintenance of subprojects has promoted evidence of sustainability of projects.

# Sustainability Issues on Fadama Sub-projects:

# Maintenance Arrangement:

There is a detailed plan for the maintenance of subprojects. These include collection of user fees and regular contribution by members. Some beneficiary functional subprojects complain relentlessly that the proportion of their project fund set aside for maintenance of assets (Okereke 2013).

#### Methodology

Secondary data obtained from the office of the Imo state Fadama Development Office (Imo SFDO) was used in the course of this research and analyzed as follows:

Table 1: Types of Groups

S/N	LGA	Poultry Farmers	Piggery Farmers	Fish Farmers	Total No of Farmers
1.	Aboh Mbaise	50	40	30	120
2.	Ahiazu Mbaise	40	20	15	75
3.	Ehime Mbano	60	50	40	150
4.	Nkwerre	30	40	20	90
5.	Oguta	40	50	40	130
6.	Ohaji/Egbema	45	30	50	125
7.	Oru West	50	60	40	150
8.	Owerri North	30	40	45	115
9.	Ihitte-Uboma	60	50	40	150
10.	Owerri West	30	40	20	90
	Total	435	420	340	1195

# Results Analysis from Table 1

Analysis of the result in Table 1: The total number poultry farmers in the 10 local governments council obtained from the secondary data available from the records in Imo State Fadama Development office is 435, while the total numbers of piggery and fishery farmers in the examined 10 LGAs are 420 and 340 respectively. To talling 1195 sample size. Farmers which will give the same figure of 1195 when you total the nos. of poultry, piggery and fish farmers in each local government areas.

Table 2: No. of Funded Fadama Projects in the 10 Examined LGAs

S/N	LGA	No of Poultry projects Founded	No of Piggery projects Founded	No of Fishry projects Founded	Total No of Founded Projects
1.	Aboh Mbaise	40	30	25	95
2.	Ahiazu Mbaise	35	20	15	70
3.	Ehime Mbano	50	45	35	130
4.	Nkwere	30	30	20	80
5.	Oguta	30	40	30	100
6.	Ohaji/Egbema	40	30	40	110
7.	Oru West	40	50	30	120
8.	Owerri North	30	30	40	100
9.	Ihitte-Uboma	50	40	30	120
10.	Owerri West	30	30	20	80
	Total Total No of Founded Projects = 1005	375	345	285	1005

#### Explanation/Discussion of Result From Table 2

The result from table 1 shows that in Aboh Mbaise LGA of Imo State, a total no of 120 Fadama farmers applied for Fadama subproject grant in various livestock enterprise such as poultry, piggery, and fishery of which 95 Fadama co-operative group beneficiaries benefited in Aboh Mbaise L.G.A which is significant and more than 60% funding.

In Ahiazu Mbaise, a total no of 75 co-operative groups applied for grant and table 2 result shows that 70 Fadama farmers group received funding which is equally significant and more than 60% funding. Ehime Mbano, Nkwere, Oguta, Ohaji/Egbema, Oru West, Owerri North, Ihitte-Uboma and Owerri West equally have the following no. of Fadama farmers in table 1 that applied as 150, 90, 130, 125, 150, 115, 150 and 90 respectively out of which the following no. of Fadama farmers benefited by receiving their Fadama Funds (grants) as seen in table 2. Ehime Mbano LGA 130, Nkwere 80, Oguta 100, Ohaji/Egbema 110, Oru West 120, Owerri North 100, Ihitte-Uboma 120, Owerri West 80, Fadama co-operative groups benefited respectively.

The result in table 2 equally shows that Fadama project in a loudable one, cherished and embraced by all levels of Fadama farmers across the Nation irrespective of gender, ethnicity, religion or tribal background. The objective of the study and that of the International Development Agency for Implementing the programme / project is met. This is evident in the number of applied and funded group subprojects as seen in tables 1 and 2 respectively which is significant and invariably have improved and increased the standard of living of the benefitted Fadama beneficiaries from the secondary data records available.

## **Conclusions**

There is no gain say or doubt that through the intervention of the International Development Agency in Poverty Reduction in Nigeria through the third National Fadama Project, the impact have been wonderful, outstanding and remarkable. This is evident through the improved living conditions of the Fadama beneficiaries from the available secondary records or data cited in the course of this research.

#### Recommendations

- 1. The Federal Government of Nigeria and indeed state government and other various levels of government should embrace agriculture and partners with international donor agencies in making sure that Nigerian Farmers access these grants in order to boost agricultural food produce, sustainability, increase the farmers income/revenue through the sale of their surplus agricultural goods and as well create job opportunity.
- 2. Government at all levels should endeavour to pay their counterpart funds as at when due as this will quicken the attraction of the International Development Agency Grant towards improving the standard of living of the entire beneficiaries.

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