

## ROLE OF FADAMA III PROJECT IN IMPROVING THE SOCIO-ECONOMIC STATUS OF RURAL DWELLERS IN OSUN STATE, NIGERIA

F. O. Adereti

Department of Agricultural Extension and Rural Development,  
Faculty of Agriculture, Obafemi Awolowo University, Ile – Ife, Osun State, Nigeria  
Fadereti@yahoo.com

I. A. Fadare

Department of Agricultural Extension and Rural Development,  
Faculty of Agriculture, Obafemi Awolowo University, Ile – Ife, Osun State, Nigeria  
Fadareayodele87@yahoo.com

---

### ABSTRACT

*The study assessed the role of Fadama III project in improving the socio-economic status of rural dwellers in Osun state, Nigeria. Systematic random sampling was used to select 240 beneficiaries from different Fadama Users Group (FUGs). Data were collected with interview schedule and analyzed using descriptive and inferential statistics. The findings from the study showed that beneficiaries' socio-economic status was greatly enhanced due to their involvement in Fadama III project. This study shows that there was a significant difference in beneficiaries' socio-economic status indices such as annual income ( $F = 21.154$ ;  $p \leq 0.05$ ); social status ( $F = 176.930$ ;  $p \leq 0.01$ ); health care service ( $F = 124.949$ ;  $p \leq 0.01$ ); accommodation ( $F = 21.590$ ;  $p \leq 0.01$ ); number of meals per day ( $F = 121.663$ ;  $p \leq 0.01$ ) and current debt ( $F = 16.259$ ;  $p \leq 0.05$ ) before and after participating in Fadama III project. This may be due to the fact that the Fadama farmers engaged in different production activities resulting to increase in income thereby improving their socio-economic status. Based on the findings, it was concluded that Fadama III played a positive and significant roles in improving the socio-economic status of its beneficiaries.*

Key words: Fadama III, socio-economic status, rural dwellers, role

---

### Public Interest Statement

Nigeria has implemented several agricultural and rural development policies and various programmes over the years but is still battling with food insecurity and rural poverty whereas similar policies and programmes have been successful in other climes (Koyenikan and Foby, 2010). For various rural agricultural policies and programmes, their results do not seem to justify the huge financial allocations to them. Rural people's perceptions of government agricultural policies and programmes are largely that of ineffectiveness and irrelevance in their lives as government policies and activities contribute little in their struggles to survive and rarely help them to improve their livelihood status (Omokore, 2009). However, this had mainly led to the development of programmes that failed to match community needs and thus, unable to impact on the livelihood status of the rural dwellers. Therefore, Fadama III project was designed to tackle these shortcomings in a sustainable manner, with the overall aim of improving livelihood of its beneficiaries as well as achieving the Sustainable Development Goal (SDG) of poverty reduction. Fadama areas are typically waterlogged in the rainy season but retain moisture during the dry seasons. Fadama areas are considered to be of high potential for economic development through appropriate investments in productive assets, rural infrastructure and technical assistance. The desire to harness the verse potentials of Fadama in Nigeria culminated in the design of National Fadama Development Project I, II and III. Fadama III project is a follow up to Fadama II. The project like Fadama II applied Community-Driven Development approach, which places beneficiaries in driver's seat.

### 1.0 Introduction

The majority of the rural populace in Nigeria either depends entirely on farming and farming activities for survival and generation of income, or depends on these activities to supplement their main sources of income. The validity of this statement becomes evident when it was realized that over 90% of the country's local food production comes from farms, which are usually not more than 10 hectares in size, with at least 60% of the population earn their living from these small farms (Olawepo, 2010). One of the major problems confronting Nigeria today is how to improve the quality of life in the rural areas and reduce the level of poverty (Adamu et al, 2013). Nigeria is a food-deficit country that on many occasions has been dependent on food imports (Adeoye, 2010). Hence, most of the people in rural Nigeria today lacked basic necessities of life like the pipe-borne water, good roads, adequate supply of electricity, educational and health facilities, etc. Thus poverty abounds in most of these places (Haruna, 2006).

Extreme poverty which affects many people worldwide is one of the greatest global challenges today. Many countries of the world, especially in the black continent of Africa, have been suffering from hunger, diseases, and educational set-back, which are clear indicators of poverty and low socio-economic status of the citizens. Nigeria, the supposed giant of Africa, is not an exception. Despite Nigeria's enormous resources and potentials, poverty tends to be widespread throughout the nation. According to the World factbook (2000), Nigeria has been in stagnation and relative decline since 1981, from a per capita Gross Domestic Product (GDP) of US \$1,200 in 1981 to about US \$300 in 2000. In a study conducted by the United Nations Development

Programme (UNDP) (2010) on Human Development Index (HDI) for 2001, Nigeria was ranked 142<sup>nd</sup> out of 196 countries of the world with HDI of 0.40 among the poorest countries; in 1992, 34.1% of the population was below the poverty line; about 70% fell below that line in 2000. This is an indication of downward trend in the standard of living and quality of life of many Nigerians.

Boskey (2009) states that Socio-economic status (SES) is evaluated as a combination of factors including income, level of education and occupation. It is a way of looking at how individuals or families fit into society using economic and social measures that have been found to impact on individuals' health and well-being. Uschi (2004) stated that, in purely economic terms, most rural dwellers in Nigeria are currently living in extreme poverty and they manage on less than one US dollar a day. Commenting on this, Ursula (2004) stated that in order to tackle rural poverty problems, it is necessary to take comprehensive action and to rely on effective cooperation of different sorts that channel resources in such a way that makes it easier to build human capacities to promote indigenous development processes and the possibility of fully participating in the all-inclusive and democratic development of the nation.

In order to deal with the problems of food insecurity and low socio-economic status among the rural dwellers in Nigeria, it is very imperative that agricultural activities and productivity should be rejuvenated. It has been empirically established that low productivity in agriculture is the cause of high incidence of food insecurity and poverty in Nigeria (World bank,1996). 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 the time in collaboration with the civil society and donor agencies. Some of these programmes include: Agricultural Development Programme (1975), Operation Feed the Nation (1986), National Directorate for Employment (1987), National Fadama Development Programme I (1992), Family Support Programme (1996), National Poverty Eradication Programme (2001), Special Programme on Food Security (2001), National Fadama II Programme (2004), National Fadama III Programme (2008) among others.

Fadama III spanned between 2008 and 2013. It was a tripartite funded intervention programme by World Bank, the Federal Government of Nigeria and participating States with objectives targeted towards poverty reduction. The project like Fadama II applied Community Demand Driven (CDD) approach, which places beneficiaries in driver's seat. Local community members under the umbrella of Fadama Community Associations (FCAs) and Fadama Users Groups (FUGs) oversee the design and implementation of the project and are empowered through skills and capacity building to improve their livelihoods by increasing income generating activities. Fadama III Project has six main components (objectives): capacity building, local governance and communication; small-scale community-owned infrastructure; advisory service and input support development; support to the Agricultural Development Programmes, (ADPs) sponsored research and on-farm demonstrations; asset acquisition for individual Fadama Users Groups (FUGs) / Economic interests; and project management, monitoring and evaluation (Osun state Fadama III project implementation manual, 2008).

Despite all these programmes, the percentage of the population with low socio-economic status in Nigeria is still a subject of concern to government and donor agencies this is indicated by NBS, (2011). About 67.38 % of population in Nigeria is living below the poverty line. Since, Fadama III project was designed to tackle these shortcomings in a sustainable manner, with the overall aim of improving livelihood of its beneficiaries as well as achieving the Sustainable Development Goal (SDG) of poverty reduction. The project has been evaluated by stakeholders; still, there is dearth of information on the effect of the project on the socio-economic status of beneficiaries; hence, it is necessary to investigate the roles of Fadama III project in improving the socio-economic status of rural dwellers in Osun State. This study investigates the roles of Fadama III project on beneficiaries' socio-economic status through:

- i. describing the socio-economic characteristics of the beneficiaries; and
- ii. examining beneficiaries' socio-economic status before and after Fadama III project.

Ho: There is no significant difference in the beneficiaries' socio-economic status before and after Fadama III project.

## 2.0 Methodology

The study was carried out in Osun State, Nigeria. The area is situated in the south-western region of the country and lies within the coordinates 7°30' and 4°30'. This area was chosen because of its participation in the National Fadama III development project. A multistage sampling procedure was used to select respondents for the study. At the first stage, forty per cent (40%) of the 20 participating Local Government Areas was randomly selected from each administrative zone, resulting to one LGA from each of Osogbo, Ife, Ede, and Ilesha administrative zones and two LGAs from each of Ikirun and Iwo administrative zones to make a total of eight LGAs in all. At the second stage, Twenty per cent (20%) of the Fadama Users Group (FUG) that benefitted from each LGA was randomly selected, resulting to eighty FUGs. At the final stage, Systematic random sampling at interval of two was used to select three respondents from each FUG using registered beneficiaries as sample frame and this gave a total number of 240 respondents. Data were collected through the use of well-structured and pre-tested interview schedule. The socio-economic characteristics were analyzed using frequency, percentage and mean. Analysis of Variance (ANOVA) was also used to differentiate beneficiaries' socio-economic status before and after Fadama III project.

## 3.0 Results and Discussion

### Selected socioeconomic characteristics of the respondents:

In order to determine the categories of members' participation or benefitting from the programme, some socio-economic variables of the FUG members were observed. These were the age and gender. The findings in Table 1 show that males were the Marjory (58.7%) in the FUGs, with females occupying about 41.3% of the groups' formation. Also, indicated in Table 1 are the age groups. The mean age of the respondents from the survey was 49.7 years, whiles the minimum and maximum were 20 and

70 years respectively, signifying that youths formed the majority in adopting Fadama III programmes. This is in agreement with Gwary et al. (2011) report in Adamawa state. Also, in Table 1, majority (70.4%) of the respondents were married with mean household size of 6 persons.

#### **Socio-economic status of the beneficiaries:**

This was captured in terms of social status, annual income, accommodation debt rate, frequency of owing and health care service.

#### **Social status**

The results in Table 2 show that respondents belonged to multiple associations before and after the project. Respondents in town group (33.2%), Market Women Association (27.3%), Co-operative society (28.3%), religion association (73.6%), Community Development Association (39.5%) and Professional Association (4.5%) before the project increased significantly to town group (66.4%), Market Women Association (34.5%), Co-operative society (65.1%), religion association (92.4%), Community Development Association (62.8%) and Professional Association (30.1%) after the project. The results indicate that many respondents increased their level of participation in association prior to their involvement in Fadama III project. This implies that respondents' social status in their various communities had greatly been affected after the project. This is in consonant with Ekong (2003) and Ajayi (2002), they stated that people belonging to one association or the other have a good avenue for cross breeding ideas and information.

#### **Annual income**

The results in Table 2 show that the mean annual income of the respondents before the project (₦251094.17) increased to ₦333408.07 after the project. One-third (33.2%) of the Fadama III project beneficiaries had an annual income of less than or equal to ₦150,000 before the project, compared with 18.4 per cent which had an annual income of less than or equal to ₦150,000 after the project. Also 47.6 per cent of the beneficiaries had an annual income of between ₦150,001-₦300,000 before the project, compared with 49.8 per cent which had an annual income of between ₦150,001-₦300,000 after the project. Also 16.6 per cent of the beneficiaries had an annual income of between ₦300,001-₦450,000 before the project, compared with 23.8 per cent which had an annual income of between ₦300,001-₦450,000 after the project. Furthermore 2.6 per cent of the beneficiaries had an annual income of more than ₦450,000 before Fadama III project, compared with 8.0 per cent which had an annual income of more than ₦450,000 after the project. The results indicate that respondents' annual income was greatly influenced as a result of their involvement in Fadama III project. This implies that respondents were able to improve on their output production thereby led to increased annual income. The result tallies with the findings of Nasiru (2010) who found in microcredit and agricultural productivity in Ogun State that higher and reliable source of income could have a positive impact on livelihoods of rural farming communities.

#### **Accommodation**

The results in Table 2 show that before the project, majority (65.0%) of the respondents stayed in rented apartment, while 25.1% and 9.9% stayed in owned apartment and squatted respectively. Whereas, after the project, 60.5% of the respondents stayed in owned apartment, while only 30.9% and 8.5% stayed in rented apartment and squatted respectively. The results indicate that the percentage of respondents that stayed in rented apartment after the project reduced to almost half the percentage before the project. This implies that the level of living of respondents had improved significantly prior to their involvement in Fadama III project.

#### **Debt rate**

The results in Table 2 show that 31.4 per cent of the Fadama III project beneficiaries were totally debt free before the project, compared with 47.3 per cent which were totally debt free after the project. Also 51.2 per cent of the beneficiaries had a debt of less than or equal to ₦50,000 before the project, compared with 46.6 per cent which had a debt of less than or equal to ₦50,000 after the project. Also 11.6 per cent of the beneficiaries had a debt of between ₦50,001-₦100,000 before the project, compared with 4.3 per cent which had a debt of between ₦50,001-₦100,000 after the project. Furthermore 5.8 per cent of the beneficiaries had a debt of more than ₦100,001 before Fadama III project, compared with 1.8 per cent which had a debt of more than ₦100,001 after the project. The results indicate that the percentage of respondents owing debt drastically reduced after the project. This implies that beneficiaries were relieved of their debt with respect to their involvement in Fadama III project. This agrees with the findings of Ogunwale *et al.* (2006) who found positive impact among participants of farmers' production activities in Ogbomosho agricultural zone of Oyo State in terms of income and level of living.

#### **Frequency of owing**

The result in Table 2 shows that 26.9 per cent of the Fadama III project beneficiaries were not used to owing debt at all before the project, compared with 40.4 per cent which were not used to owing debt at all after the project. Also 53.8 per cent of the beneficiaries rarely owe debt before the project, compared with 52.0 per cent which rarely owe debt after the project. Furthermore 19.3 per cent of the beneficiaries did owe debt frequently before Fadama III project, compared with 7.6 per cent which did owe debt frequently after the project. The results indicate that respondents rarely owe debt after their participation in Fadama III project. This implies that respondents' level of living had been enhanced.

#### **Health care service**

Table 2 shows that 3.6 per cent of the Fadama III project beneficiaries used no medication for their health care service before the project, compared with 0.9 per cent which used no medication for their health care service after the project. Also 22.0 per cent of the beneficiaries subscribed to self-medication for their health care service before the project, compared with 3.1 per cent which subscribed to self-medication for their health care service after the project. Furthermore 21.5 per cent subscribed to traditional

means for their health care service before Fadama III project, compared with 7.6 per cent which subscribed to traditional means for their health care service after the project. Also 7.6 per cent subscribed to quack doctors/nurses for their health care service before the project, compared with 6.6 per cent which subscribed to quack doctors/nurses after the project.

Also 12.6 per cent of the beneficiaries subscribed to village dispensary for their health care service before the project, compared with 1.9 per cent which subscribed to village dispensary for their health care service after the project. Also 3.6 per cent subscribed to private hospital for their health care service before the project, compared with 37.7 per cent which subscribed to private hospital for their health care service after the project. Also 29.1 per cent subscribed to government hospital for their health care service before the project, compared with 37.7 per cent which subscribed to government hospital for their health care service after the project. This implies that there was an improvement in the beneficiaries' health care service as a result of their involvement in Fadama III project. This agrees with the findings of Ogunwale *et al.* (2006) who found positive impact among participants of farmers' production activities in Ogbomosho agricultural zone of Oyo State in terms of income and level of living.

#### Hypothesis Testing:

This hypothesis was tested with the use of ANOVA. The Results in Table 3 showed there was significant difference in the beneficiaries' socio-economic status which include annual income ( $F = 25.154$ ;  $p \leq 0.05$ ); accommodation ( $F = 21.590$ ;  $p \leq 0.01$ ); debt ( $F = 16.259$ ;  $p \leq 0.05$ ); social status ( $F = 176.930$ ;  $p \leq 0.01$ ); number of meals per day ( $F = 121.663$ ;  $p \leq 0.01$ ) and health care service ( $F = 124.949$ ;  $p \leq 0.01$ ) before and after Fadama III project. Considering all these indicators, there is a significant difference in beneficiaries' socio-economic status before and after Fadama III project. This implies that beneficiaries' annual income, accommodation, number of meals per day, social status and health care service increased significantly after the project compare with before the project. Also, beneficiaries' debt drastically reduced after the project compared with before the project. Therefore, beneficiaries live more comfortably after the project compared with before the project.

#### 4.0 Conclusions and Recommendations

Based on the findings of the study, it could be concluded that there was a significant rise in the beneficiaries' annual income, accommodation type, social status and health care service after the project compared with before the project. Therefore, Fadama III project had succeeded in improving the socio-economic status of its beneficiaries in the study area. On the basis of this, the study recommends that, government should develop a renewed interest in Fadama III by strengthening support and public-private partnership so as to boost production and win niche markets with a challenge of making better markets for farmers, while at the same time ensuring that the project continues irrespective of the administration that initiated it, Fadama III officials should regularly visit and monitor these beneficiaries in order to ensure sustenance of their various enterprise.

**Table I: Socio-Economic Characteristics of Respondents**

N = 240

Variable	Frequency	Percentage	Mean	Standard deviation
<b>Age (years)</b>				
≤ 30	13	5.4		
31 – 60	197	82.1	49.7	11.0
≥ 61	30	12.5		
<b>Gender</b>				
Male	141	58.7		
Female	99	41.3		
<b>Marital status</b>				
Single	12	5.0		
Married	169	70.4		
Divorced	35	14.6		
Widow(er)	24	10.0		
<b>Household size</b>				
≤ 3	74	30.6		
4 – 6	143	59.6	6.0	2.4
≥ 7	23	9.8		

Source: Field survey, 2015

**Table II**  
**Distribution of Fadama III project beneficiaries by socio-economic status**

(n=240)

Variables	Before the project		After the project	
	Freq.	%	Freq.	%
<b>*Social status</b>				
Town group	73	33.2	149	66.4
Market Women Association	60	27.3	77	34.5
Co-operative society	62	28.3	145	65.1
Religion association	171	73.6	206	92.4
Community Development Ass.	85	39.5	140	62.8
Professional association	11	4.5	67	30.1

<b>Annual income</b>				
≤ ₦150,000	79	33.2	44	18.4
₦150,001 - ₦300,000	116	47.6	121	49.8
₦300,001 - ₦450,000	39	16.6	57	23.8
₦450,001	6	2.6	18	8
<b>Mean</b>	₦248,118.75		₦330,854.17	
<b>Accommodation</b>				
Squatting	22	9.9	19	8.5
Rented	155	65	76	30.9
Owned	63	25.1	145	60.5
<b>Debt</b>				
Not at all	70	31.4	114	47.3
≤ ₦50,000	125	51.2	112	46.6
₦50,001 - ₦100,000	30	11.6	10	4.3
≥ 100,001	15	5.8	4	1.8
<b>Frequency of owing</b>				
Frequently	45	19.3	17	7.6
Rarely	130	53.8	126	52
Not at all	65	26.9	97	40.4
<b>Health care service</b>				
No medication	8	3.6	2	0.9
Self-medication	54	22	7	3.1
Traditional means	53	21.5	17	7.6
Quack doctor/nurse	17	7.6	14	6.6
Village dispensary	28	12.6	5	1.9
Private hospital	8	3.6	91	37.7
Government hospital	72	29.1	104	42.2

Source: Field survey, 2015 \* Multiple responses

**Table III**

**Analysis of variance showing the difference in beneficiaries' socio-economic status before and after Fadama III project.**

Variables		Sum of squares	Mean square	F-value
Annual income	Between groups	8.214 E +11	8.214 E +11	25.154*
	Within groups	1.561 E +13	3.266 E +10	
	Total	1.643 E +13		
Accommodation	Between groups	11.102	11.102	21.590**
	Within groups	245.796	0.514	
	Total	256.898		
Debt	Between groups	2.001 E +10	2.001 E +10	16.259*
	Within groups	5.882 E +11	1.231 E +9	
	Total	6.082 E +11		
Social status	Between groups	621.075	621.075	176.930**
	Within groups	1677.917	3.510	
	Total	2298.992		
Number of meals per day	Between groups	30.000	30.000	121.663**
	Within groups	117.867	0.247	
	Total	147.867		
Health care services	Between groups	371.008	371.008	124.949**
	Within groups	1419.317	2.969	
	Total	1790.325		

Source: Field survey, 2015

\*Significant at the 0.05 level

\*\*Significant at the 0.01 level

## References

- Adamu, M. T., Biwe, E. R. and Suleh, Y. G. (2013). Impact of Community Driven Development Strategy of the National Fadama Development Programme in Billiri Local Government Area of Gombe State, Nigeria. *ProJournal of Agricultural Science Research* Vol. 1(3) 42-56
- Adeoye, A. (2010). Impact of Rural Infrastructural Development on Agricultural Production under Fadama II project in Oyo State. Unpublished M.Sc thesis, University of Ibadan.
- Ajayi, A. O. (2002). *Participation of rural children in farming activities in Oyo State*, Nigeria. Ph.D thesis of the Obafemi Awolowo University, Ile-Ife, Nigeria
- Boskey E. (2009). Socio-economic (SES). Retrieved October 22, 2011, from <http://www.std.about.com/od/glossary>
- Ekong, E. E. (2003). *Rural Sociology: An Introduction and Analysis of Rural Nigeria*. Dove Educational Publication, Uyo, Nigeria.
- Gwary MM, Kwaghe PV, Ja'afar-Furo MR, Denis A (2011). Analysis of Entrepreneurial Agricultural Activities of Youths in Michika Local Government Area of Adamawa State, Nigeria. *J. Dev. Agric. Econ.* 3(3):91-97
- Haruna, U. (2006). Analysis of farmers' poverty profile and its alleviation in Jos-North L.G.A; Plateau State, Nigeria. *Journal of Development Research*.
- Koyenikan, M. J. and Foby, I. (2010). *Comparative analysis of Nigerian Fadama Development and China's Agricultural Reforms*. dept. of Agric. Economics & Extension Services, University of Benin, Benin City.
- National Bureau of Statistics, (2011). Annual Socio-Economic Survey: Nigeria Poverty Profile Report. Document produced by National Bureau of Statistics Abuja, Nigeria.  
[www.nigerianstst.gov.ng](http://www.nigerianstst.gov.ng)
- Nasiru, M. O. (2010). Microcredits and Agricultural Productivity in Ogun State, Nigeria. *World Journal of Agricultural Sciences*.6 (3):290-296.
- Ogunwale, A.B., Ayoade, A.R. and Ayansina, S.O. (2006). *Impact of Extension Service on Farmers' Production Activities in Ogbomoso Agricultural Zone of Oyo State, Nigeria*, The Nigeria Journal of Agricultural Extension, Published by National Agricultural Extension and Research Liaison Services, Zaria. PP.1-7, Vol.9.
- Olawepo, R. A. (2010). Determining rural farmers' income: A rural Nigeria experience. *Journal of African studies and Development* Vol. 2(2) Pp. 15-26 March, 2010.
- Omokore, D. F. (2009). The Crises Facing the Nigerian Peasantry Since Independence. In: Agbamu J.U.(ed), *Perspective in Agricultural Extension and Rural Development* Springfield Publishers Lagos Ltd. PP.323-341.
- Third National Fadama Development Project (NFDP –II), (2008). Beneficiary Impact Assessment for Fadama III Project in Adamawa State (IAR). 12-31
- Ursula K. and Encues Z. (2004). The fight against poverty in the indigenous communities. *Journal of Adult Education*, Botswana. 2(1) Pp 23-24
- Uschi E. (2004). Poverty reduction and Adult Education. *Journal of Adult Education*, Botswana. 2(1) Pp 43-45
- United Nations Development Programme (2010). Assessment of Nigeria's Human Development Index. Retrieved September 22, 2011, from <http://www.indexmundi.com/nigeria>.
- World Bank (1996). "Nigeria: Poverty in the Midst of Plenty-The Challenge of Growth with Inclusion". A World Bank Poverty Assessment. 129pp.
- World Development Indicators (2000). Nigeria—poverty and wealth. Retrieved September 23, 2011, from <http://webcache.googleusercontent.com>