

Improving Poverty Alleviation Programmes in Nigeria through Small and Medium Scale Agricultural Development Projects

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Abstract

This paper discusses the poverty situation in Nigeria, which has reached a monumental crisis, and has become a great concern to government at all levels. It has been observed that one of the principal causes of poverty in the country is unemployment resulting from joblessness especially among the youth of ages 15 to 40 years. The Federal Government has developed some programmes towards poverty alleviation, but with little or no results because the rate of unemployment and poverty situation have been on the increase in the last few years. Infact, the labour force sample survey conducted by the National Bureau of Statistics (2012) reports that the overall unemployment rate amounted to 21.1% of the total force in July, 2010, indicating an increase from 19.7% in March 2009, and 14.7% in 2008. It is against the backdrop of the ineffectiveness of the various poverty alleviation programme of the government that an approach through agricultural development projects for accelerated employment generation as a way of poverty alleviation is being proposed in this paper. The paper proposes a case study of agricultural project.

Keywords: unemployment, poverty alleviation programme, farming system, agricultural development projects.

1. Introduction

In the year 2006, the United Nations Human Poverty Index classified Nigeria among the twenty five (25) poorest nations of the world where a great majority of the populace remain poverty ridden. The poverty situation in the country has reached such a monumental crisis that it has become a great concern to the governments at all levels. It has been observed that one of the principal causes of poverty in the country is unemployment resulting from joblessness and the rate of unemployment has been on the increase in the last few years. For example, the Labour Force Sample Survey conducted by the National Bureau of Statistics (2010) reported that the overall unemployment rate amounted to 21.1% of the total labour force in July 2010, indicating an increase from 19.7% in March 2009, and 14.7% in 2008.

The poverty situation in Nigeria is a paradox because the country is endowed with a lot of natural, materials and human resources which can be harnessed, and developed to generate employment and reduce poverty in the land. This paper discusses the way forward for poverty alleviation in Nigeria. The development of agricultural projects is being proposed as viable options for combating poverty in the land.

2. A Profile of Nigeria

Nigeria, with a population of about 150 million people (National Population Commission 2006, projected census figure) is the largest in Africa and contains one sixth of the world's black people. The country is the 8th largest petroleum producer and the 6th world exporter of crude oil. She has the 6th largest deposit of natural gas in the world, and the 2nd largest deposit of bitumen. Abundant solid mineral deposits are also available throughout the length and breadth of the country. Most of the deposits are yet to be exploited so as to create employment for the citizenry.

Nigeria has over 100 universities producing more than 200,000 graduates per annum. There exists also several polytechnics, monotechnics and colleges of education producing graduates for the economy. Thus the basic human capital for developmental programmes is available. It is estimated that there are over 5 million Nigerians living abroad in different parts of the globe and some of them are highly qualified professionals. Nigeria has 79 million hectares of fertile land but currently, only 32 million hectares (46%) are being cultivated (FMARD, 2010). The country has varied ecology ranging from mangrove swamps and rainforest in the south, and derived guinea savannah in the north. The agro-ecological zones provide suitable climate and edaphic conditions for the production of various crops both local and exotic. These include oilpalm, Cocoa, coffee, cashew, coconut, castor oil, mango, citrus, gumarabic, date palm, sheanuts, apple, tropical wood, arable crops and grains, fisheries and allied aquaculture, animals and birds.

These crops, animals, birds and fisheries resources if effectively harnessed can constitute important components in generating employment for the citizenry provide raw materials for the growing industrial sector and provide foreign exchange earning for the nation. Unfortunately in the midst of such abundance of resources, Nigeria is classified as an economically poor nation. The country's economy has stagnated for several years and this has made the nations poverty situation to be worsened to the extent that by the year 2006, the incidence of poverty has reached an estimated 70%.

3 Concept of Poverty

There seems to be no single universally acceptable definition of poverty because scholars have ascribed various meanings to the term. Generally, poverty is the lack of basic human needs such as clean water, nutrition, health care, education, clothing, shelter and other basic needs because of the inability to afford them. The World Summit on Social Development in Copenhagen (1995) define poverty as a condition characterized by severe deprivation of basic human needs including food, sanitation facilities, education and information. It includes a lack of income and productive resources to ensure sustainable livelihood.

Pat Utomi (2006), Obadan (1996), Aliyu (2003), Ogwumike (2001) among others alluded to the definition given above and added that poverty is linked to hunger, and endemic malnutrition which humiliates and dehumanizes its victims. From the foregoing, poverty can be described as a situation where a community of people cannot afford the basic necessities of life such as food, clothing and shelter which are necessary for human existence. Such communities are just in existence but not living a normal human life. According to the United Nations economic and human development index. (HDI) any person in a community that is living below two USD dollars a day is assumed to be poor. It is estimated that about 70% of the Nigerian population are under this situation.

3.1 Causes of Poverty

Poverty in the land are attributed to various causes. These include:

- Structural crises arising from exogenous factors such as lack of skill, location disadvantage, changes in economic policies which lead to unemployment. Obadan (1996, 2001) Ogwumike (2001).
- It can also be caused by natural calamities such as wars, and environmental degradation.
- Negative rapid changes in macro economic and monetary policies resulting in low economic growth rate, inflation and the continuous slide in the value of the nation's currency.
- Dwindling performance of the manufacturing sector of an economy resulting on loss of wage employment.

3.2 Poverty in Nigeria

The Federal Bureau of statistics observed that in 1960, 15% of the Nigerian population were poor. This percentage moved to 28% by 1965. By 1985 poverty index was 46% and by 1996, poverty incidence was 66% or 76.6 million people out of 110 million were poor. In 2006, poverty incidence was estimated to have increased to 70% or 98 million people out of a population of 140 million. Consequently, the United Nations (UN) Human Poverty Index in 2006 placed Nigeria among the 25 poorest nations of the world.

3.3 Causes of Poverty in Nigeria

Obadan (1996) (2001) NCEMA (2001) Maduagwu (2000) Ogwumike (2001) Pat Utomi (2006) Musa (1996) and others attributed poverty in Nigeria to the underlisted causes:

- i. Structural crises and reforms
- ii. Bad (poor) management of the economy
- iii. Low productivity
- iv. Inconsistent government policy (policy summersault)
- v. Corruption at all levels
- vi. Dwindling performance of the manufacturing sector which lead to job losses especially wage employment.

A major feature of Nigeria's economy in the 1980's, as in the 1970's was its dependency on petroleum which accounted for 87 percent of export receipts and 77 percent of the Federal Government recurrent revenue in 1988. Failing oil output and prices contributed to another note worthy aspect of the economy in the 1980's, and the decline in per capital real gross national product, which persisted until oil prices began to rise in 1990. Indeed, the GNP per capital per year decreased by 4.8 per cent from 1980 to 1987, which led in 1989 to Nigeria's classification by the World Bank as low income country (based on 1987 data) for the first time since the annual World Development Report was instituted in 1987. In 1989, the World Bank also declared that Nigeria was poor enough to be eligible along with countries such as (Bangladesh, Ethiopia, Chad and Mali) for concessional aid from an affiliate, the International Development Association (IDA). Even today the poverty situation has not improved.

Table1 Some Economic Development Indicators of Nigeria and some selected Developed Countries 2009

COUNTRIES	PER CAPITAL IN GNP US\$	ADULT LITERACY RATIO AS % OF POPULATION	COMMERCIAL ENERGY USE PER CAPITAL (KG) OF OIL EQUIVALENT	RATIO OF PHYSICIANS PER POPULATION
Nigeria	280	49	165	9,591
U.S.A	29,080	99.5	7,905	420
France	36,300	96.4	4,150	350
Germany	28,280	98	4,156	380
U.K	20,870	97	3,057	450
Switzerland	43,060	97.2	3,057	630
Japan	40,940	97.2	4,964	610

Source: The World Bank (2009). World Development Indicators Development Data group Washington DC USA.

Table 1 above shows some economic development indicators of Nigeria and some selected developed countries. From the table, while per capital income in USA was US\$29,080, it was \$28,220 in Germany, US\$43,060 in Switzerland, US\$40,940 in Japan, and US\$280 in Nigeria in 2009. The Nigerian figure is one of the indication of poverty in the land. From table 1 also commercial energy consumption per kg of oil equivalent in USA was 7,905; in 2009 it was 4,156 in Germany, 3,057 in Switzerland while in Nigeria it was only 165 an indication of low level of commercial energy consumption in the country. All these indicators tend to suggest the level of poverty in the land.

4. Federal Government Approach to Poverty Alleviation

Faced with the unprecedented poverty level, the Nigerian Federal Government developed some programmes towards poverty alleviation between 1990 and 2010. These programmes among others include:

- **Establishment of Directorate for food, roads and rural infrastructure – DFRI.** This directorate was changed with the responsibility to construct feeders roads which will open up the rural areas for easy transportation of goods and human beings especially agricultural products. In effect the objective is to make it easy for transportation of food items from the farms in the rural areas to the urban centres.
- **Establishment of Agricultural Development Programmes – ADP.** This is a World Bank Assisted Programme to enhance agricultural development through extension services to the farmers.
- **Primary Health Care – PHC.** This programme is to enhance health care delivery system in the rural areas which will promote healthy living and healthy workforce in those areas.
- **National Directorate of Employment – NDE.** The NDE is to promote self employment amongst the youth so as to reduce unemployment in those age group of the populace. Ozo – Eson (2007) observed that the NDE has not significantly improved job creation in the country due to a number of factors which have been highlighted and discussed in this paper.
- **National Poverty Eradication Programme – NAPEP.** This is perhaps the Foremost Federal Government Agency charged with the coordination and monitoring of all poverty eradication efforts at all levels of government. The programme encompasses youth Empowerment Scheme which is geared towards combating unemployment among the youth in the society. However, NAPEP has not been effective in its programme due to lack of effective coordination, political interference and insufficient funding.
- **National Economic and Empowerment Development Strategy – NEEDS.** This is an home grown strategy for accelerated economic development which places emphasis on the private sector of the economy as the key engine of development. It was envisaged that through NEEDS, a large number of new enterprises would be established and create new jobs thereby reducing unemployment in the land.
- **Small and Medium Enterprise Development Agency - SMEDAN.** The major functions of the agency is to ensure successful establishment and functioning of production units of business organizations especially agricultural ones across Nigeria. The agency is also to identify individuals or groups with viable business ideas and provide those prospective investors with necessary support of fund, equipment and technical advice for the ultimate goal of employment generation in the economy.

Despite all these poverty alleviation programmes, many Nigerians still remain largely poverty stricken ridden. The public perception is that there has been little job creation despite the efforts to stem the rising wave of unemployment which principally leads to poverty.

Ajakaiye (2007) observed that the poor performance of the National Economic Programmes in creating jobs towards poverty alleviation is due to a number of factors among which are:

- Lack of proper coordination and continuity;
- Policy inconsistency and poor governance;
- Ineffective targeting of the poor;
- Corruption at all levels of governance;
- Inadequate control mechanism for effective programme development and implementation;
- Poor funding; and
- Inappropriate sequence of implementation of the key aspects of the programmes.

It is against the backdrop of the ineffectiveness of the various poverty alleviation programme of the country that an approach through agricultural development projects for accelerated employment generation as a way of poverty alleviation is being proposed in this paper.

5. Characteristics of the Nigerian Farming System

The vital role of agriculture in the overall development of the Nigerian economy is beyond dispute. Agriculture is anticipated to provide abundant, cheap but high quality food to the teeming population (FMARD, 2000). In addition, it is expected that the sector would be a veritable source of employment and income generation to a significant proportion of the population and therefore a major tool for combating poverty. Furthermore, agriculture is expected to be a major contributor to foreign exchange earnings of the country which is needed to pay for the importation of critical raw materials and capital goods in the production sector. Moreover, the sector is to serve as a market for industrial sector. Historically, agriculture has performed these roles effectively before the advent of crude oil which led to the neglect of the sector over the past three decades. Although, the sector is currently contributing about 41 percent of the Nigerian GDP, Adeyemo (2002) Uza (2008) and Adetunji (2007) observed that the sector has underperformed its potentials due to a number of factors which include:

- Government policy inconsistency and policy implementation
- Low productivity and sometimes seasonal gluts in produce markets
- Poor management of administration of subsidy and incentives to farmers
- Lack of, and low level of post-harvest technology
- Limited access to critical inputs at affordable prices
- High risk on capital investment in agriculture and long gestation which discourages investors that are risk avert
- Poorly organized market system and structure for the effective marketing of farm products.

In addition, the supply of agricultural inputs has been generally sub-optimal. FMAWR (2007, 2008). Nigeria's fertilizer consumption at 7kg/hectare is one of the lowest in sub-saharan Africa. Less than 10% of irrigable land is under irrigation. Farmers have limited access to credit and the existing extension services are grossly inadequate. It is estimated that currently, there is 1 (one) extension worker for 25,000 farmers in Nigeria compared to best practice of 1 (one) to 500 – 1000. Mechanized assistance is also grossly inadequate. There are about 30,000 tractors to 14 million groups/families in the country. (FMARD, 2010)

On the processing front, Nigerian Farmers lose significant value of between 15% to 40% of product from the inability to process and market most of the agricultural production, a situation that discourages increased production NIHORT (2007). As pointed out by Adetunji (2007) agriculture lost its glory of the 1960's due mainly to the discovery of petroleum resources in commercial quantities in Nigeria and this led to the subsequent NEGLECT of the sector by successive and civilian regimes. The rapid industrial infrastructural development witnessed during the period of the 1970's plummeted and the feat could not be surpassed today despite the easy and quick oil money. The remarkable achievements of agriculture in the first decade of Nigeria's independence disappeared with attendant negative consequences on household marketing system and decline in GDP in effective foreign exchange earnings with economic doldrums.

As pointed out by Uza (2008) agricultural practice in Nigeria is undertaken by individuals (peasant farmers) on small holding farms. Typical farms sizes range from 0.5 hectares in the south to 4 (four) hectares in the north of the country, FMARD (2008). It is estimated that through this practice, only about 46% (forty six) percent of cultivable land in Nigeria is being presently cultivated, a situation that is partly responsible for low output of agricultural yield in the country. It is also observed that the farming population in the country is ageing. It is therefore necessary to encourage the youth to go back to the land for increased crops development and thereby be gainfully employed. The tenet of this paper is that agricultural development projects in Nigeria that are targeted towards the youth if embarked upon will substantially enhance poverty alleviation programmes in the country (Adeyemo 2002). Youth participation will bring about the cultivable land as well as reduce the unemployment rate and improve farmers income.

The World Bank study (2010) of unemployment situation estimated that majority of the Nigerian population between the ages of 15 and 40 years were either jobless or under employed a situation that has made the country a hot bed for youth restiveness. Ozo-Eson (2007) in a study also observed that beyond recognition, not much success has been achieved in Nigeria in job creation and poverty alleviation in the country from the governments' poverty alleviation programmes. This has resulted in a situation where the employment problem has continued to fester so that today there is a monumental employment crisis in Nigeria. This crisis according to Umo (2006) consist of four elements in human resources wastage – unemployment, underemployment, low wage employment, abject poverty and outright social exclusion. The Nigeria Federal Government is desirous to establish a more effective programme that will combat unemployment towards poverty alleviation. To this extent, the National Economic Management Team (NEMT) in October 19, 2010 and the World Bank endorsed a pact with stakeholders in the public and private sectors to stem youth unemployment in the country.

While the endorsement of a pact to stem youth unemployment is a step in the right direction, it is being proposed here that such a pact should substantially include agricultural development projects for which Nigeria has abundant resources to execute them. Granted that agricultural development project involve labour intensive activities. It is submitted here that such activities will generate employment for the youth and thereby lead to poverty alleviation (Oyaide 2006, Kajisa et al, 1997), (Omoti 2004). If the Federal government can solve the problems confronting the agricultural sector, the sector would provide an effective programme for poverty alleviation in the country. (FAO, 2004, 2005)

6. The Benefits of Small and Medium Scale Enterprises

In the literature, a lot of definitions, concept and benefits of small and medium scale enterprises (SMES) abound, and much have been given to the development of the sector for various reasons. In Nigeria small and medium scale enterprises as defined by the National Council of Industries (2008) refer to business enterprises whose total costs excluding land is not more than one hundred million naira (100,000,000) only and a workforce of between (11)eleven and seventy (70) full time staff. A medium scale company is defined as an enterprise with total cost excluding cost of land of not more than 300 hundred million naira and a staff strength of between seventy one (71) and two hundred (200) full time workers.

There is a general belief that SMEs as a result of their characteristics is the main engine of economic growth and development, a major variable for promoting private sector development and partnership. Gunu (2004) and Aremu(2010) posited that desired employment generation in a developing economy like Nigeria can be achieved through the development of SMEs. This is because SMEs are seen as veritable engines for the development of entrepreneurial capabilities and indigenous technology which will generate employment in the country. They served as a system for the attainment of national objectives in terms of employment generation at low investment cost. They assist to reduce rural-urban migration since they can be easily and relatively established by the relatively less skilled labour force of a developing country like Nigeria. Berry (2005) observed that SMEs are important to almost all economies of the world especially to those in developing countries with major unemployment situation, poverty and income distribution challenges. As a result, the importance and potential contribution of the SMEs sector are supported by both theoretical and empirical argument. For instance, the contribution of the sector both to the overall factor productivity efficiency as usually defined of an economy and to employment generation and distributional equality comes by virtue of its pattern of technology choice. SMEs technology tends to be intermediate between the highly labour intensive technologies of small enterprises which as a result achieve only low average productivity, and the highly intensive technologies of large firms which there by achieve high labour productivity, but use more capital per worker than is available for the economy as a whole.

Berry (2005) contended that given this correlation between SMEs and capital intensity, it becomes a foregone conclusion, that an economy that applies a high share of its capital to a small group of workers must necessarily have as the other side of the coin, a large informal or small enterprise sector that uses very little capital with the large amount of labour not employed by large firms. A large SME sector is best thought of as the alternative to a highly dualistic economy with most of the workers in the very small scale sector. On the empirical side of the developed economies, the SME sector is acclaimed as the engine of economic growth and development .Broad empirical evidence highlighting the importance of SME in economic growth and development can be gleaned from the successful developing economies of Asian Tigers, Taiwan, and Indonesian etc. which are built on the dynamic SME sector. It is also observed that SME plays a vital role for the growth of Indian economy by contributing 45% of the industrial output ,40% of export, creates one million jobs every year ,and produces more than 8000 quality product for the Indian and international markets ([www.SME chamber of india.com](http://www.SMEchamberofindia.com)).

From the foregoing, Basil (2005) observed that the experiences of developed economies in relation to the role played by SMEs buttress the fact that the relevance of the sector cannot be over emphasized in a less developed or developing countries. This stems from the fact that almost all countries that have focused on the SMEs sector and ensures its

development and sustainability have ended up succeeding in the significant reduction in crime rate, improved employment status, poverty alleviation, increase in income as well as rapid growth in GDP, among other salutary effects.

Nigeria is endowed with vast productive arable land which can be harnessed for the development of SME agricultural projects. It stands to reason that if the country is to show serious commitment to the development of the SMEs in the agricultural sector, the economy must witness meaningful transformation and prosperity. A dynamic SMEs sub sector in the agricultural sphere is vital and imperative for the overall economic development of the nation. Apart from providing opportunities for employment that enhances poverty alleviation, SMEs help to provide effective means for curtailing rural-urban migration and the utilization of local raw materials. It is against the backdrop of the positive roles of SMEs in an economy that this paper proposes the rapid development of SMEs in the agricultural sector.

7. Objectives of the Agricultural Development Projects

It is envisaged that the projects will:

- ❖ Lead to increase in the hectare of cultivated lands in various ecological locations of the country;
- ❖ Provide a means of livelihood for the youths especially young graduates of agriculture and equivalent across the length and breadth of the country;
- ❖ Improve the living standards of the farming families and increase in gross domestic product;
- ❖ Provide massive employment for the youth of the country;
- ❖ Contribute positively to poverty alleviation programme of the federal government
- ❖ Fight desert encroachment
- ❖ Harness the untapped human, natural and material resources of the country; and
- ❖ Create in the prospective farmers the spirit of self reliance entrepreneurship, learning –by-doing all to promote good citizenry in nation building (Adeleke 2007)

7.1 Mode of Operationalization

Participants for the scheme would be mobilized in and around existing large individual, community or corporately owned land areas, this will bring advantage of economies of scale, diffusion of desired crops, animals and fish varieties and technology.

A would be participant of the scheme may be mobilized through:

- (i) Placing of public adverts inviting young graduates interested in farming especially those residing and farming within the vicinity of the identified areas that have comparative advantage in the production of the preferred crops
- (ii) Organizing seminars at the zonal level on investment opportunities in agricultural projects. This will surely arouse farmers' interest for the scheme.

7.2 Strategy of Implementation

All the local governments in Nigeria (where feasible and possible) will be required to make available a total of 500 hectares of cultivable land in the locality. The land may be located in different areas (towns) of the local government. The local government will be required to clear the land for the would be young farmers, using the resources at their disposal. The land will thereafter be transferred or leased for fifty years to the interested youths of the local government. The land will also be allocated to individual potential young farmers in such a way that the participants would have at least two (2) hectares and not more than ten (10) hectares. The local government will also be expected to provide various types of inputs such as seedlings, water, fertilizer, insecticides, etc at the subsidized cost to the young farmers.

7.3 Eligibility

Secondary school or equivalent, who are indigenes of the local government, should be eligible to have access to the cultivable land. The local government chairman and/or community leader will be required to certify that the allottees are indigenes of the local government.

Other criteria that can be used in the selection of participants include;

- i. Nigerian citizenship;
- ii. Age 21 years and above;
- iii. Married preferable with children;
- iv. Have agricultural background/employed agriculturist(s); if possible
- v. Residence within the identified community;
- vi. Endorsement from the community /village head, co-operative society president, association president etc
- vii. Willingness of the participants to undergo some training on the project.

7.3 Implementative Schedule

The following stages would be adopted for the effective implementation of the scheme:

- Sensitization and mobilization at the local government level;
- Orientation and introduction of the scheme to prospective farmers;
- Land clearing and allocation
- Capacity building
- Various training programmes will be designed for the farmers; such training programme would include:
 - (1) Nursery development and measurement;
 - (2) Seedlings production and management ;
 - (3) Farm management practices;
 - (4) Micro-credit needs and financial development of crops, poultry, fisheries etc
 - (5) Standard harvesting and processing procedure of produce
 - (6) Produce storage and marketing

- The training courses could be organized /and or conducted by federal and state ministries of agricultural

7.4 Land Development: There is a large expanse of cultivable agricultural land lying fallow /waste which has not been put to agricultural usage in the country. The simple reason for this phenomenon is the huge cost required to open up these expanse of land for cultivation , and the poor financial status of these land owners to under these type of projects.

In order to promote the development of agricultural project as well as achieve expansion of cultivable land for the scheme, the government needs to consider and build in the cost of land clearing into the total cost of the scheme. This cost will be recovered on terms to be discussed and agreed with the participants of the scheme .This will ensure large expanse of land being put to cultivation and subsequent arising from farm management.

7.5 Formation of Cooperatives: Farmers are known to be poor in terms of investible cash, improved knowledge; adoption of new/improved technologies etc. There is therefore the need for a forum where the young farmers can put together their meager resources to better themselves. Therefore, the selected farmers for the projects would be formed into cooperatives, for ease of management, disbursement of credit, inputs and efficient repayment.

Where formal cooperatives are found not to be feasible or practicable, there will be need to organize the would be farmers within the local government into other forms of association consistent with the social and cultural dictates of the locality.

7.6 Credit Facilities: Investment in agriculture is a long term financing programme which needs careful planning and management .While investment is made, projects must be adequately tendered during the non – productive years and there might be temptations to reduce the care during this period or to hastily introduce some untested and incompatible inter crops in a bid to generate some returns from the land. This is an invitation to failure as this will ultimately result in low productivity.

From our investigation, some farmers usually collect one form of credit or the other from prospective buyers of their farm produce during non –productive period or dry season to cater for their family needs and these credits are paid back at harvest with their produce.

In order to help the participants of the projects and avert these problems, as well as securing their produce at harvest, there is a need for an in-built credit in cash and kind on recovery basis for the success of the scheme. Financial institutions that may be engaged in collaboration with the projects and governments at various levels will facilitate arrangements for credit delivery to the participants of the scheme.

Extension service: one of the major factors that hinder agricultural development in Nigeria is in sufficient technical know-how and dissemination of the available technology on production, processing and marketing of agricultural produce.

In the light of this, extension service delivery would be one of the cardinal components of this scheme. This would be done through collaborative understanding with the local government of the affected communities or areas. The result of this will be good crop yield that will give farmers higher income thereby ensuring continuity of the scheme.

Farm inputs: The inadequate supply of farm inputs such as seedlings, fertilizers, agrochemicals etc, where needed is almost crumbling agricultural production in Nigeria.

To revert this situation and for farmers to be motivated for this scheme, the needed farm inputs should be provided and made available to farmers either on cash and carry basis or on loan recovery basis. This will ensure expansion of cultivable land, increase output and continuity. The State Ministry of Agriculture will be given the mandate to manage the farm inputs for the prospective farmers.

The Approach

The project will adopt a **LEARNING, PLANING AND DOING** approach. By this approach, the participants will be required to go through some orientation programme of activities at designated centres. This will include:

LEARNING

- Sensitization programme
- Training Seminar
- Practical demonstrations
- Questions and answer session

PLANNING

- What to do
- Scope and dimension of project
- Resources required
- Implementation strategies and dates
- Contacts
- Risks and constraints
- Suggested solutions

DOING

- * Identify key tasks and activities
- * Allocation of resources
- * Establishment and implementation mechanism
- * Monitoring
- * Evaluation

Project Requirements and Needs

The project requirement and needs are assumed to be:

- Individual farmland
- Inputs such as seedlings, fertilizer, agrochemicals collating wire etc;
- Infrastructures such as roads, wells, farm building etc;
- Project awareness campaign and mobilization by media, National Orientation Agency etc;
- Project vehicle for monitoring and supervision;
- Zonal offices to coordinate the project activities.

Harvesting, Sale Of Products And Recovery Of Credit Facilities

Government at all levels where appropriate will collaborate with the young farmers in the sale of harvested products. The collaboration may involve an arrangement for the buying of the products from the young farmers; deduct the value of the credit that might have been granted to the farmers and the balance given to the concerned farmers. This process will continue annually until the farmers are able to stand and fend for themselves.

This proposition will be supported by the agricultural research institutes in Nigeria for the purpose of this paper, oil palm production processing and marketing is used as s case study. The project can be developed like any other agricultural crops in a local government with appropriate crops and procedure.

Case Study

8. Estimate Of Cost For The Development Of A 500 Ha Of Oil Palm Plantation In A Local Government Over A Period Of Four Years

Bush clearing of 500 ha @ N150, 000/ha	-	N 75, 000, 000, 00
Farm layout and parcellation of 500 ha	-	500,000.00
Oil palm seedlings for 500 ha (500 x 150) @ N150 (transportation inclusive)	-	11,250,000,00
Lining and pegging of 500 ha @ N1000	-	500,000,00
4bags of fertilizer/ha for 500 ha @N2,500	-	5,000,000,00
		N92,250,000,00

Revenue Projection /Estimate

- 3.2 tons of palm oil /ha @ N80,000/ton

	(3.2 x 500 x N80,000	-	N128,000,000.00
▪	0.72 tons of palm kernel/ha @ N20,000/ton	-	N 7,200,000.00
			N135,200,000.00
Estimated Income		-	N 135,200,000
Estimated Cost		-	N 92,250,000

Excess of Income over expenditure N135,200,000 less 92,250,000 = N42,950,000

From the analysis above, it follows that with the projected expenditure of ninety-two million, two hundred and fifty thousand naira only (N92,250,000) a total of one hundred and thirty-five million, two hundred thousand naira (N135,200,000) may be realized from the sale of palm oil in the 500 hectares of planted oil palm in a local government area.

About fifty (50) people would also be fully engaged on the farm excluding other people who would be engaged in other ancillary activities as a result of the multiplier effects. This analysis is based on the assumption that the farming operations will be carried out at the right time and that appropriate procedures will be followed. This case study is derived from the experience of the Nigerian Institute for Oilpalm Research, Benin, Nigeria (NIFOR, 2007, Omoti, 2004).

There is the possibility of inter-cropping of the oil palm seedlings with arable crops during the first two years of operation. This will provide additional income to the farmers.

50 (fifty) young farmers will be allocated the 500 hectares in a local government. There are 780 local governments in Nigeria. It is therefore estimated that 50 multiplied by 780 Nigerian Youth will be engaged in agricultural project in a given year. This will have multiplier effects in the generation of employment from various activities of the agricultural development projects.

9. Conclusion

The poverty situation in Nigeria is a paradox because the country is endowed with a lot of natural and human resources which can be harnessed and developed to generate employment and reduce poverty in the land. Consequently, the poverty situation can be and should be tackled effectively. It is noted that the Nigerian Federal Government is desirous to establish more effective programmes that will combat unemployment and reduce poverty. It is being proposed here that such programmes should include agricultural development projects for which the country has abundant resources. Agricultural development projects involve labour intensive activities from which the jobless and unemployed especially the youth can be gainfully engaged to earn effective living income that will take them out of poverty. This paper therefore proposes the development of specific agricultural projects for poverty alleviation in the country.

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