

PERCEIVED BENEFITS OF CONDITIONAL CASH TRANSFER (CCT) PROGRAMME AMONG RURAL HOUSEHOLDS IN KWARA STATE, NIGERIA

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Abstract

This study examined the benefits derived from Conditional Cash Transfer (CCT) programmes among rural households in Kwara State, Nigeria. A Multi-stage sampling procedure was used to select 123 respondents for the study using semi-structured interview schedule. Descriptive statistics was used to analyse data. The result of the findings show that the mean age of the respondents was 50years. About 66% of the respondents were married, with no formal education (62%). The benefits derived from CCT were increased income ($\bar{x} = 4.79$), improved child education ($\bar{x} = 4.69$) and social interaction ($\bar{x} = 4.11$), food availability ($\bar{x} = 4.09$) and skill development ($\bar{x} = 4.04$). Constraints to participation in CCT by the beneficiaries were untimely response to complaints ($\bar{x} = 3.68$), untimely release of funds ($\bar{x} = 3.63$) and underpayment/nonpayment ($\bar{x} = 2.85$). The study recommends that Government should ensure prompt release of funds for the programme and pay the respondents adequately.

Keywords: Conditional Cash Transfer, Beneficiaries, Poverty, Rural.

Introduction

The high rate of poverty is of global concern in developing regions, especially Africa where it poses as a major obstacle to human, economic and national development. This concern necessitated the gathering of world leaders at the United Nations headquarters in New York in September 2015, where the 17 Sustainable Development Goals (SDGs) also known as Agenda 2030 was launched, with poverty reduction emerging as a central focus (Asadullah and Savoia 2018). The gathering was significant due to the persistence of poverty in the region (World Bank, 2016). In an attempt to achieve these set goals, the Conditional Cash Transfers (CCTs) was introduced (Department for International Development, 2015). Amongst other functions, CCTs functions as social assistance tools that are mainly designed to achieve short-term poverty reduction and long-term human capital development (Kakwani, Nanak, Soares, Fabio, Son, and Hyun, 2006). CCTs are programmes that transfer cash, generally to poor households, on the conditions that those households make pre-specified investments in the human capital of their children (Fiszbein & Schady, 2009). These investments are usually health and education related and often requires periodic medical check-ups and school attendance for children.

Nigeria presently has a population of about 200million people, of which over 80million lives below the poverty line with a large percentage domiciled in the rural areas, which makes

them highly vulnerable (National Bureau of Statistics, 2018). The NBS (2018) reported that poverty in Nigeria has been on the increase over the years such that the three decades between 1980 and 2010 witnessed a rise from 27.2% to 69%. In an attempt to tackle rural poverty, the Nigerian government in 2016 rolled out a comprehensive National Social Investment Programme (NSIP) as part of its initiative on poverty reduction. Some of the programmes are: National Social Safety Net Programme which includes National Cash Transfer Programme (NCTP), Youth Empowerment and Social Support Operation (YESSO) and Community Social Investment Project (CSIP) including the National Home Grown School Feeding Programme; Government Enterprise and Empowerment programme; and N-Power. Among the conditions attached to the programmes are the attainment of 80% school attendance for children with parents also making investments in farming activities, petty trading and other economic activities that can improve their standard of living.

Also, compulsory attendance at the monthly training organized by the National cash transfers office is an important condition for payment of stipends. The expectation is that the poorest and most vulnerable Nigerians will get access to social safety nets by 2021 through a US\$500 million credit approved in June 2016 by the World Bank (World Bank, 2016). The Nigerian government further contributed \$1.3 billion of her budget to NASSP to lay the foundation for the establishment of the country's first national social safety nets system (United Nations, 2016). The suite of programmes under the NSIP focuses on ensuring a more equitable distribution of resources to vulnerable populations, including children, youth and women. Since 2016, these programmes combined have supported over 4 million beneficiaries across the country (World Bank, 2018).

While the objectives of CCT broadly relate to poverty reduction and human capital development in poor households and communities, considerable variations exist in the design and implementation strategies of CCTs across States in Nigeria. However, it has some specific objectives and target vulnerable groups such as Orphans and Vulnerable Children, pregnant women, the elderly, disabled or people living with HIV/AIDS. These specific objectives of CCTs programmes are to: encourage the uptake of social services amongst target groups; improve literacy and nutrition intake levels for household members; promote food security; reduce maternal and child mortality amongst others (National Poverty Eradication Programmes, 2017).

The monetary aid is conditioned on carrying out co-responsibilities that enables beneficiaries to enhance their livelihood. The potential of the Conditional Cash Transfer programme towards achieving the sustainable development goal on poverty reduction, hunger and related social concerns are of great interest. Nigeria's CCT programme gives N5,000 to the vulnerable and poorest in the society every month, payable bi-monthly i.e. N10,000 every two months, which translates to 6 payments per year. The programme through this payment is expected to contribute to poverty reduction while also promoting skill development of beneficiaries. The beneficiaries are trained in life skills as well as savings and business development. This is important as the payment is not expected to be for a lifetime. Although, there are reports about the constraints and potentials of the programme, there is a research gap in the assessment of the perceived benefits of the programme on the livelihood of rural beneficiaries. Among the first nine pilot States for CCTs programme in Nigeria is Kwara, where majority of the rural populace are poor and depends on small scale farming.

Since inception, huge resources have been invested in the implementation of the programme with very few studies available on CCT programmes in Nigeria. Most of these studies does not provide empirical evidence but merely qualitative hence, subjective. The effect of CCT on the beneficiary's livelihood has not been empirically proven and this has constituted a gap in knowledge that needs to be filled making this study particularly important. More so, without adequate evaluation, one cannot be sure whether the objectives of the programme were holistically achieved. It is therefore necessary to assess the perceived benefits of the programme on the target beneficiaries.

This study therefore seeks to assess the benefits of the programme on the livelihood of beneficiaries in Kwara State. Specifically, it examines the socio-economic characteristics of the beneficiaries; determine the perceived effect of the programme on their livelihood; and identify the constraints to participation in CCTs programme in the study area.

Hypothesis

Ho₁: There is no significant difference between some selected socio-economic characteristics of the respondents and their participation in Conditional Cash Transfer Programme.

Methodology

The study was carried out in Kwara State, Nigeria. The State is located in the North Central part of the country, between latitude 8°5' – 10° 4' N and longitude 4°55' – 6°5' E, and covers an estimated land area of 36,825 square km with a population of about 2.37 million (NPC, 2007). The State has 16 Local Government Areas (LGAs) and shares national boundaries with Niger, Oyo, Kogi, and Osun States and international boundaries with the Republic of Benin. Kwara State is within the rain forest and the woody savannah areas. The major occupation of the inhabitants is agricultural activities complemented by trade, artisanal, and traditional medicine. The population for the study is all beneficiaries of Conditional Cash Transfer (CCT) Programme in Kwara State. The list of the beneficiaries was obtained from the State cash transfer office in Kwara State. From the list, 144 respondents were selected using multi-stage sampling technique. The first stage involves a random selection of 4 local government areas from the 16 local government areas in the state. The second stage also involves a random selection of 3 villages from each of the selected local government areas while the third stage involves the use of a systematic random sampling technique to select 12 participating households each in all the selected villages. Thus, a total number of 144 beneficiaries were selected for the study. However, 123 questionnaires were retrieved giving a response rate of 85%.

The study used primary data for the study and this was gathered using a semi-structured interview schedule. Descriptive statistics namely frequencies, percentages were employed to analyse data obtained for the study. Chi square was used to examine the differences between the test variables and the generated hypothesis.

Results and Discussion

Socio-economic Characteristics of the Beneficiaries of the Conditional Cash Transfer Programme

The distribution of the respondents according to their socio-economic attributes is shown in Table 1. About 32% were within 41–50 years of age. The mean age of the respondents was 50 years. It indicated that most of the respondents were within their economically active age

range. Furthermore, 63% of the respondents were females, while 37% were males, implying the dominance of female gender in the scheme which may be attributed to the fact that the programme is majorly designed for female headed households. Most (66%) of the respondents were married, with only 1% being single. This indicates that the scheme is a means of catering for the family by the beneficiaries. This result corroborates the view that marriage institution is still cherished and an indication of economic responsibilities of the respondents in caring for their dependents (Adeyemi, Okpo and Ogunti, 2002).

In addition, about 62% of the respondents had no formal education, 11% attended primary school, 7% attended secondary schools, while 14% had adult education. Aderonmu (2017) opined that education is an important socio-economic factor, which determines the degree of innovativeness among the beneficiaries. The household size of the respondents ranged from 1 to 10 persons, with modal group of 4 and 6 persons, accounting for 63% of the respondents, with average household size of six persons. Household size is an important socio-economic variable as a large household size may determine the level of food security and poverty among rural households (Asadullah and Antonio, 2018).

Table 1: Distribution of respondents' socio-economic characteristics (n = 123)

Variable	Frequency	Percentage
Age (years)		
≤ 30	12	10.0
31 – 40	15	12.0
41 – 50	39	32.0
51 – 60	33	27.0
61 – 70	18	15.0
≥ 71	6	4.9
Mean Age	50	
Sex		
Male	46	38.0
Female	77	63.0
Education		
No Formal	76	62.0
Quranic	12	10.0
Primary	13	11.0
Secondary	5	4.0
Tertiary	0	0.0
Adult Education	17	14.0
Marital Status		
Single	1	0.8
Married	81	66.0
Widowed	21	17.0
Separated	20	16.0
Household Size		
1 – 3	7	5.70
4 – 6	77	63.0
7 – 9	39	32.0
	123	100.0

Source: Field Survey, 2019

Perceived Effect of Conditional Cash Transfer Programme on Livelihood of Beneficiaries

Table 2 shows the perceived effect of CCT programme on the livelihood of beneficiaries in the study area. Using mean score point of 3.0 as the benchmark for the effect according to their order of agreement as indicated by the information received, respondents strongly agreed that the major influence of CCT programme on livelihood of beneficiaries include increased income (\bar{x} = 4.79), child education (\bar{x} = 4.69), increased social interaction (\bar{x} = 4.11), increased food availability (\bar{x} = 4.09), skill development (\bar{x} = 4.04), employment generation (\bar{x} = 3.85), improve access to medical facilities (\bar{x} = 3.54) and improve savings (\bar{x} = 3.24). The result revealed that the beneficiaries agreed that they have benefitted maximally from the different activities of the programme and that the programme has helped to bring about a significant improvement in their livelihood. The result is in consonance with Aderonmu (2017), who pointed out that many government programmes designed to alleviate poverty has helped to reduce poverty and brought about a significant improvement in livelihood but pointed out policy summersault as the causes of failure of such developmental programmes. Barham, Marcours and Mallucio (2011) also examines the long-term effects of CCT program in Nicaragua, stating that the programme improved the livelihood of over 30,000 poor rural families within six years. Bobonis and Finan (2012) also asserted that CCT programs reduce poverty and improve human development.

Table 2: Perceived Effect of Conditional Cash Transfer Programme on the Livelihood of Beneficiaries

Effect of CCT programmes	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	Score	Mean
Increased income	97	26	-	-	-	589	4.79
Encourages Child Education	82	29	12	-	-	577	4.69
Increased social Interaction	68	30	-	20	5	506	4.11
Increased food Availability	59	42	4	10	8	503	4.09
Skill development	49	57	-	7	10	497	4.04
Employment Generation	52	26	20	25	-	473	3.85
Improved access to Education	53	20	13	14	23	435	3.54
Improved Savings	42	30	5	8	38	398	3.24
Increased own Productive asset	24	26	4	57	12	362	2.94
Increase conflict	38	36	14	29	6	339	2.76

Source: Field Survey, 2019

***(SA – 1, D – 2, U – 3, A – 4, SA – 5)**

** (Mid-point values = 15. Cut-off point = 3.0. Effects with a mean score of 3.0 and above was regarded as having high contribution to livelihood while any mean score below 3.0 was considered as having low contribution to livelihood).

Constraints to Participation in Conditional Cash Transfer Programme

The result in Table 3 reveals the constraints to participation in CCT programme. The major constraints faced by beneficiaries in participating in CCT programme include untimely response to complaints ($\bar{x} = 3.68$), untimely release of fund ($\bar{x} = 3.63$), underpayment/Non-payment ($\bar{x} = 2.85$), poor attitude of cash officers ($\bar{x} = 2.57$), and incompetency of cash officers ($\bar{x} = 2.56$). This implied that the expected goal of the programme which is poverty reduction could be hampered when funds are not released to beneficiaries as and when due. The result is consistent with the findings of Dakyes and Mundi (2013) who pointed out that bad attitude from government personnel and officials are the reasons most government's poverty eradication programmes fail in Nigeria. In similar vein, Ike and Uzokwe (2011) asserted nonchalant attitude of government officers, inconsistency in government policies and untimely release of funds were the major constraints militating against participation in government developmental programmes in Nigeria. Furthermore, Akujuru and Enyioko (2019) also reported non-payment of stipends to beneficiaries as and when due as one of the key constraints to participation in social safety programmes.

Table 3: Constraints to Participation in Conditional Cash Transfer Programme

Constraints of CCT programmes	Very Severe	Severe	Less Severe	Not Severe	Score	Mean Point
Untimely response to complaints	97	13	13	-	453	3.68
Untimely release of funds	88	30	5	-	446	3.60
Underpayment/ Non-payment	43	39	21	20	351	2.85
Poor attitude of payment officers	29	38	30	26	316	2.57
Incompetency of Payment officers	20	36	60	7	314	2.56
Conflict with payment Officers	36	29	23	35	312	2.54
Illiteracy	14	12	53	39	237	1.93
Extortion by Payment Officers	4	12	53	54	212	1.72

Source: Field Survey, 2019

VS = 4, S = 3, LS = 2, NS = 1

**(Cut-off point = 2.5. constraints with a mean score of 2.5 and above were regarded as severe while any mean score below 2.5 was considered as not severe).

Test of hypothesis

Relationship between some selected socio-economic characteristics and their participation in Conditional Cash Transfer Programme

As shown in Table 4, there is significant relationship between some selected socio-economic characteristics of the respondents such as Sex ($\chi^2=31.521$, $P= 0.000$), Education ($\chi^2=98.121$,

$P= 0.000$), Age ($\chi^2=18.248$, $P= 0.044$), and participation in CCT programme. Therefore, the null hypothesis is hereby rejected. The result on age is in consonance with the submission of Fiszbein and Schady (2009) who found age to be positively associated with participation of rural people in poverty alleviation programmes. The result also agrees with the findings of Dakyes and Mundi (2013) who found that education was an important aspect in participation in poverty alleviation programmes by rural people. Rural women are most of the times interested in participating in poverty alleviation programmes of the government than their male counterpart. This is supported by Kouame and Koumenan (2012) who showed a direct correlation exist between sex and participation in rural development programmes. The result of table 4 therefore shows that socioeconomic characteristics of the respondents had positive influence on their participation in the programme.

Household size ($\chi^2=16.234$, $P= 0.277$) was found not to be significant with the participation of beneficiaries in the programme. It can be concluded that household size is not a determinant factor in participation of beneficiaries in the programme.

Table 4: Chi square analysis showing the relationship between some selected socio-economic characteristics and their participation in CCT programme

Socio-economic Characteristics	χ^2	Df	P-value	Decision
Age	18.248	11	0.044	S
Sex	31.521	1	0.000	S
Education	98.121	2	0.000	S
Household Size	16.234	12	0.277	NS

Level of significant $P < 0.05$, Df – degree of freedom, NS – not significant, S – significant

Source: Field survey, 2019

Conclusion and Recommendations

It can be concluded from this study that the conditional cash transfer programme have improved the livelihood of the beneficiaries in the study area. The study has been able to reveal an increase in income, encouraged child education, increase social interaction, and improvement in the livelihood of the beneficiaries in Kwara State, Nigeria. Based on the findings of the study, the key recommendations are:

- (i) There should be proper monitoring of the activities of payment service providers in order to ensure that beneficiaries get payed as and when due and not underpaid for any reason.
- (ii) Government should ensure timely release of fund for the programme so as to ensure that beneficiaries get paid on time.
- (iii) Payment service providers, cash transfer facilitators and other officers having direct contact with beneficiaries should be trained and retrained on how best to manage complaints and grievances from the beneficiaries so as not to be considered incompetent.

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