

Examining Government's Effort towards Rice Value Chain in Awe Local Government Area, Nasarawa State

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ABSTRACT

The study examines government's effort towards rice value chain in Awe local government area of Nasarawa State from 2015-2022. Economic liberalism were adopted as theoretical framework. Mixed research methods were adopted in the study. Data were collected from primary source via questionnaires administered to 450 respondents. Five key informants were utilized for qualitative data. The secondary sources include local and international journals, and newspaper. Qualitative data were analysed thematically, while the quantitative data were analyzed statistically using mean and standard deviation. Findings reveal that government efforts towards rice value chain were significant and effective on rice productivity and human development in Awe local government area. The study also found that lack of adequate extension services, poor processing techniques and too much frustration for accessing loans by financial institution are challenges that are affecting optimal implementation of rice value chain in Awe L.G.A, but did not affect the overall government efforts on rice value programmed. Based on these findings, the study recommends that Central bank of Nigeria (CBN) /Nigeria Incentive Risk Based Agricultural Lending System (NIRSAL) should collaborate with Nasarawa Agricultural Development Programmed to provide enough extension workers in order to provide agricultural extension services and equipment.

Keywords: Agricultural production, Government efforts, Value chain, Rice production, Processors, Marketers.

INTRODUCTION

With emergence of oil in Nigeria drew attention from a agricultural business, while at the same time, led to impoverishment of Nigeria due to it mismanagement. Sensing the ill in a mono- based economy, past government's have made efforts to take back the country's lost glory in agriculture. In these efforts, they introduced various agricultural programmes including Green Revolution, Operation Feed the Nation, Fadama 1, and Fadama2, Fadama3. The Several agricultural policies over the years had not succeeding making Nigeria agriculture-base economy, and could not change Nigeria from being and oil-dependent

economy. Accordingly, the factors responsible for the failure was poor implementation of the policies, lack of political will and lack continuity of laudable policies by consecutive government.

In order to encourage agricultural activities in Nigeria, Value Chain Development Programme (VCDP) was introduced as a collaboration between the Federal Government of Nigeria, IFAD and OLAM which is aimed at connecting small scale farmers to markets, land, credit and other agricultural supports to improve productivity. The quality of their produce and their linkage with agro-processor for the purchase of this produce, in turn, support the government's ambition to transform agriculture into a profitable venture for the young generation and boost food security.

Awe Local Government Area of Nasarawa State is one of the target areas due to her arable land. Under VCDP in Awe L.G.A., farmers divide themselves into organize groups, through which they can access land extension services, agric-inputs and essentially everything they need to increase their value and quality standards. Farmers also have a good access to credit as well as receiving training to develop the financial literacy and business administrative skills necessary to engage with market and supply.

In spite the attempt by the Nigerian government in improving agricultural activities, the result is still not satisfactory. This is because the total amount of output of agricultural product, particularly rice, is still not sufficient, and the market price is high. Studies reveal that the various government policy policies such as Agriculture Transformation Agenda (2012-2014), Growth Enhancement Support Scheme (2012), Nigeria Incentive Risk Based Sharing Agricultural Lending (NIRSAL) (2013), Anchor Borrower's Programme (2015), Value Chain Development Programme (2015) Economic Recovery and Growth Plan (ERGP) (2017) aimed to tackle the challenges in the agricultural sector are yet to yield much significant solution ,given the dwindling performances of the sector. Against this background, this study aimed to examine the government efforts towards rice value chain in Awe L.G.A. of Nasarawa State from 2015 - 2022.

The following research question was provided by this study:

What are the government efforts towards rice value chain in Awe L.G.A. of Nasarawa State from 2015 - 2022.

The main objective for this study is to examine government efforts towards rice value chain in Awe L.G.A. of Nasarawa State from 2015 -2022.

The following hypothesis was formulated: there is significant influence between government efforts and rice value chain.

REVIEW OF RELATED LITERATURE

Concept of Rice Value Chain

It is defined as the wide range of agricultural value addition activities required to bring about rice product into different phases of production including farm input supply, milling, storage to final consumers. Rice value chain also refers to the different factors such as input suppliers,

small scale farmers, paddy traders, millers, rice traders, retailers and consumers to improve stages of rice production (IFAD, 2017).

Rice Productivity

Osanyinlusi, "et al" (2016) See rice productivity as degree of rice output in relation to the level of resources employed in a given period of time. Rice productivity is also the rate of flow of output compared with rate of flow of resources such land input used in production process.

Government Efforts refers to agricultural policies intervention and programme to boost rice production in Nigeria such as

- a. **Nigeria incentive risk base sharing system for agricultural lending (NARSAL)** is a non banking financial institution aim at increase the amount of affordable financing and investment in agriculture sector. NARSAL was established in 2013 by the Central Bank of Nigeria
- b. **Anchor Borrower's Programe (ABP)** is the agricultural programme lunch in 2015 by Central bank of Nigeria (CBN) to help small holder farmers to access loan, farm input and increase agricultural output as well as reduce Nigeria's food trade deficit
- c. **Value chain development programme (VCDP)** is the partnership between federal government Olam international and international fund for agriculture IFAD aimed at connecting smallholder farmers to markets, land credit facilities and other agricultural support to improved productivity. VCDP was established in 2015.
- d. **Economic Recovering and growth plan (ERGP)** is the medium term plan in Nigeria from 2017-2020 to address country's economic recession. The plan was developed base on the social investment programme (SIP).

Theoretical Framework

Economic Liberalism Theory.

This study of government efforts towards rice value chain in Awe L.G.A. is underpinned on Economic Liberalism. The Proponents of Economic Liberalism theory includes Jeremy Bentham, Adam Smith and John Locke. The liberalism theory posits that individual's liberty includes buying, selling, employing trading without state interference or government restriction. According to theory, market is the model of social institution where the function of the state should be restricted to the protection of individuals' life and properties, execution of contracts, and maintenance of minimum common services which would not be embark by private businessmen.

Critiques of the Theory

Tawney (1920) observes that in his acquisitive society, liberalism emphasizes much on the liberty of the property-owning class that do away of all human considerations. Liberalism retains its bourgeois and capitalist character of domination and exploitation of the lower class.

Application of the Theory

Early proponents of Economic Liberalism theory include John Locke, Adam Smith and Jeremy Bentham. The Economic Liberalism Theory explained on how the Nigeria government created and provided enabling environment to private entrepreneurs in agricultural production, as well as providing assistance such as credit facilities, access to modern seeds, modern processing implement, and modern technologies for farming, such as harvester and thrashing machine to improve their productivity and their well-being.

The theory, further explains how government may support managing the economy by giving minimal support that would stimulate capacity of producers, marketers and processors as well as healthy competition. The support to agricultural production in this context is the established value chain development programme where there is a sequence of economic activities, ranging from supplying input, farming, processing and marketing, of which private entrepreneurs was allowed managing.

Empirical Review

Government Efforts towards Rice Value Chain and Productivity

Coke et al. (2018) conducted a study on the assessment of implementation modalities of the Anchor Borrower' Programme in Nigeria. The findings reveal that with the implementation of the policies, rice production grew from 3.1 million hectares in 2015 to 5.9 million hectares in 2018. Implementation anchor programme indicates that 70,000 farmers partake in Kebbi State, while Sokoto and Kogi States had 6265 and 5000 farmers registered; Kaduna State had 60,000 farmers, while Adamawa and Kano States had registered 120,000 and 100,000 farmers respectively. More so, the findings also reveals that Anchor Borrower's Programme implementation stage threw up numerous problems, particularly at the loan disbursement stage. The study observes that several number of farmers complained of not being able to access loan while others were not given the right amount proposed under the programmed. Finally, the study recommends the need for the maintain enlightenment programme on implementation guidelines, review of stakeholder roles, more inclusive participation, initiation of a credible baseline survey and framework for subsequent performance assessment, while commissioning the conduct of enterprise feasibility, through sound financial and economic analysis.

Polycarp (2018) carried out a study on enhancing institutional lending to the agricultural sector by de-risking the value chain by studying the Nigeria Incentive Based Risk Sharing System for Agricultural Lending (NIRSAL). Findings found that there is a wide gap that exists between demand and supply of agricultural production Nigeria, and the gap occurred in the demand and supply of broad range of 2.0 million metric tons of rice. Also, the study shows that Nigeria's agricultural production is heavily dependent on the small scale farmers who adopt manual approaches to farming. The findings shows with emergence Nigeria Incentive Based Risk Sharing System for Agricultural Lending (NIRSAL) indicate small fraction of the small scale farmers had access to finance. The situation under which these subsistent farmers operate include lack of access to technology, high covariant risk, lack of access to farm input, lack of financial literacy and other challenges which culminate in low yields and poor income. The study

recommends the need to put in place an agricultural financing strategy that will boost productivity , increase farmers 'revenue, create job and provide opportunities across the value chain.

Similarly, Kemisola et al. (2018) conducted a study on the impact of growth enhancement support scheme (GESS) on farmer's income in Oyo State, Nigeria. The study shows that farmers association, participation in the past programme and access to credit facilities was statistically significant at 1%, 1% and 10% level of significance respectively in influencing the farmer's decision in participating in the GESS scheme. The finding from propensity score matching (PSM) analysis indicates that impact of the GESS exerts positive impact on the farmer's on-farm income. The finding indicates that growth enhancement support schemes in Oyo State have helped increase farmers' revenue in the state. This suggests that productivity-enhancing agricultural innovation can contribute to raising the revenue farming household, improve poverty reduction and food availability in developing countries. Government and other philanthropy organization should embark on other programme to reduce poverty menace in country .The study concludes that growth enhancement support scheme had significant effect on the farmers' revenue in the area. The study also indicates four variables such as farmers association, past programme participation, previous experience on government intervention programme and credit facilities access that significantly influenced the farmer's participation in the GESS in the area.

Micheal et al .(2019) carried out a study on agriculture sector value chain and government programme in Nigeria, its issues, challenges and prospects. The study reveals that contribution of the recent Nigerian government's agricultural programmes (such as Anchor Borrower Programme (ABP), Agricultural Promotion Policy (APP), Economic Recovery and Growth Plan (ERGP) etc, and impact on the agricultural value chain system in line with structural transformation of the sector and Nigerian vision 2020. The study agrees strategist upgrading various segments of the agricultural value chain and argues that Nigeria's Agriculture requires huge re-investment and innovative concept to increase and create value addition across the most profitable area of value chain. The authors present evidence and data from the CBN and Nigerian Bureau of Statistics (NBS) to estimate the impact of government agricultural policies on the value chain system. The study concludes and recommends that several number of recent government policy interventions such as Agricultural Transformation Agenda, Agricultural Promotion Policy and Economic Recovery and Growth Plan aimed to tackle the challenges in agricultural sector are yet to yield much significant solution. Given the dwindling performance of the sector.

METHODOLOGY

The study adopted survey research design in the collection of data. This design collected primary data through structured questionnaire and interview.

Area of Study

The area of the study is Awe L.G.A. of Nasarawa State. Awe L.G.A. was created by Gen. Murtala Muhammed/ Gen Obasanjo military regime in 1976 in then Plateau State. Awe L.G.A. is now located in Nasarawa State. Nasarawa State was established by Gen. Sani Abacha's administration in 1996. Major economic activities of Awe have been agricultural activities. Major Residences are small holder farmers who produce for both domestic and commercial purposes.

Population/sample Size

This study adopted census techniques because of the manageable number of the subject. The population of the study is 455 out of which rice producers were 257 rice farmers, 73 rice processors, and 120 rice marketers from 30 cooperative societies. Two staff of the CBN officials and three Nigeria Incentive Risk Base Agricultural Lending System (NIRSAL) officials was interviewed. Therefore, the study adopted entire members of the population as subject of the study.

Method of Data Collection

The method of data collection for this study is based on two main sources, namely: survey and documentary sources. The survey method was carried out through questionnaire that was administered to 450 rice producers, while structured interview was used for critical stake holders (the CBN officials and Nigerian Incentive Risk Base). Then the documentary method consists of journal articles, government document, and published literature on the subject matter. The qualitative were data thematically analyzed and the quantitative data were analyses through descriptive statistics.

Results

Table 1.1: Response Rate

Instrument	Frequency	Percentage
Totalofnumber Questionnaire Distribution	450	100%
TotalofnumberQuestionnaireRetrieved	350	78%
Totalofnumber Questionnaire Used	350	78%

Sources: Researcher 2024

Demographic Characteristics of the Respondents

The demographic characteristics of the respondent consist of the gender and specialization of respondent. Gender made up of Male comprises of 227 while Female 123 and specialization of the respondent made up farmers 197, marketer 95 while processor 58. This to describe the demography of respondents.

Reliability Test

To ascertain the reliability of the instrument, the study used the Cronbach's alpha (α). The Cronbach alpha (α) is an appropriate method for testing the reliability of questionnaires that used the Likertscale. The rule of thumb for the used Cronbach alpha is that, the lower limit for Cronbach alpha is 70% (0.70) to have reliability. The test of reliability is calculated using the statistic package for social sciences (SPSS) 26. Therefore, variable items were tested and found that effect.

Table 1.2: Reliability test on the instrument items

Items	Cronbach'sAlpha
I am aware of the Nigerian incentive risk-based agriculture sharing lending system (NIRSAL) policy.	0.842
I am aware of the Anchor Borrower's Programme (ABP)	0.725
I am aware of the value chain development Programme (VCDP)	0.793
I am aware of the economic recovery and growth plan	0.785
I have access to credit facilities	0.708
The programme has improved my production, processing and marketing	0.844

The reliability test table above shows the result of reliability of questionnaire on government efforts towards rice value chain in Awe LGA. The results indicate that all items were reliable with the minimum threshold of 0.708 to a maximum of 0.844 Cronbach's alpha.

DATA ANALYSIS AND DISCUSSION OF FINDINGS

Table 1.2: Descriptive Statistics on Government Efforts toward Rice Value Chain in Awe LGA

Items	M	SD
I am aware of the Nigerian incentive risk-based agriculture sharing lending system (NIRSAL) policy.	4.17	0.652
I am aware of the Anchor Borrower's Programme (ABP)	4.27	0.572
I am aware of the value chain development Programme (VCDP)	3.99	0.831
I am aware of the economic recovery and growth plan	3.90	1.002
I have access to credit facilities	4.03	0.857
The programme has improved my production, processing and marketing	4.33	0.614

The descriptive statistics in the above table shows the result of the government's efforts towards Rice Value Chain in Awe LGA. The findings reveal that all the statements show mean scores above the range of 4.1-5.00 which implies strongly agree. The result shows that the government's efforts towards rice value chain in Awe LGA are significant. The result indicates that the programme has improved my production, processing and marketing is the most significant which has the highest M=4.33 SD=0.614.

This corroborate with first and second informant who stated that the programme has improved my production, processing and marketing. then I am aware of Anchor Borrower's programme (ABP) $M=4.27SD=0.572$ while I am aware of Nigeria Incentive Risk Based Agriculture Lending System (NIRSAL) $M= 4.17, SD=0.652$, and I have access to credit facilities $M=4.03SD=0.875$, followed by I am aware of Value Chain Development Programme (VCDP) $M=3.99 SD=0.831$ and finally I am aware of Economic Recovery and Growth plan (ERGP) $M=3.90 SD=1.002$.

Also underpin by the first, second, fourth and fifth informants stated that aware of all government programme and efforts toward rice value chain in Awe local Government such efforts are credit facilities, input such as fertilizer, chemicals, pump-machine, improved seedlings, tractors, harvesters, and modern processing machine. Results on the general note reveal that, all the mean of the questionnaires statement are in high zone of significance. The findings also indicate that majority of the respondents who are farmers; processors and marketers are in agreement with the statement. The Economic liberalism theory within the frame of this study and assumption of the theory, it is obvious that the theory is apt for economic liberalism. Theory posits that individual's liberty includes buying, selling, employing trading without state interference or government restriction. According to theory, market is the model of social institution where the function of the state should be restricted to the protection of individuals' life and properties, execution of contracts, and maintenance of minimum common services which would not be embark by private businessmen.

The finding of the objectives agree with the assumption of the theory to confirm that Nigeria Government through Central Bank of Nigeria and NARSAL provided enabling environment to entrepreneurs across rice value chain in Awe local government by given them all the necessary support such as credit facilities, input such as fertilizer, chemicals, pump-machine, improved seedlings, tractors, harvesters, and modern processing machine. In the same vein, Coke, et al (2018) conducts study on the assessment of implementation modalities of the Anchor Borrower' Programme in Nigeria. The findings reveal that with the implementation of the policies, rice production grew from 3.1 million hectares in 2015 to 5.9 million hectares in 2018. The study again indicates that 70,000 farmers partake in Kebbi State, while Sokoto and Kogi States had 6265 and 5000 farmers registered; Kaduna State had 60,000 farmers, while Adamawa and Kano States had registered 120,000 and 100,000 farmers respectively.

The study observes that several number of farmers complained of not being able to access loan while others were not given the right amount proposed under the programmed. Finally, the study recommends the need for the maintain enlightenment programme on implementation guidelines, review of stakeholder roles, more inclusive participation, initiation of a credible baseline survey and framework for subsequent performance assessment, while commissioning the conduct of enterprise feasibility, through sound financial and economic analysis. Similarly, Micheal et al (2019) carried out a study on agriculture sector value chain and government programme in Nigeria, its issues, challenges and prospects. The findings revealed that contribution of the recent Nigerian government's agricultural programmes (such as Anchor Borrower Programme (ABP), Agricultural Promotion Policy (APP), Economic Recovery and Growth Plan (ERGP) etc, and impact on the agricultural value chain system in line with structural transformation of the

sector and Nigerian vision 2020. The study agrees with the strategies use in upgrading various segments of agricultural value chain and argues that Nigeria's Agriculture requires huge re-investment and innovative concept to increase and create value addition across the most profitable area of value chain. The authors present evidence and data from the CBN and Nigerian Bureau of Statistics (NBS) to estimate the impact of government agricultural policies on the value chain system.

CONCLUSION AND RECOMMENDATIONS

The main objective of this study is to examine the effect of government efforts towards rice value chain in Awe L.G.A. The study reveals that government efforts towards rice value in Awe L.G.A. had significant effective in providing assistance to rice producers such as fertilizer, chemical, improved seedling, modern technology/ working implement, training of rice producers, credit facilities/loans etc. The null hypothesizes shows that there is a significant relationship between government efforts towards rice value chain in Awe L.G.A.

In line with the finding, the study recommended that:

The Nigerian government should provide enough improved seedlings, chemicals, enough credit facilities, and fertilizers accessible to private entrepreneurs in Awe LGA.

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