

EFFECTS OF THE EUROPEAN UNION MICRO PROJECTS PROGRAMME (MPP6) ON RURAL LIVELIHOODS IN OWERRI WEST, IMO STATE, NIGERIA.

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ABSTRACT

This study analysed the socio-economic effects of the European Union Micro Projects Programme (MPP6) on rural livelihoods in Owerri West Local Government Area of Imo State, Nigeria. Data were collected with the aid of Validated and structured questionnaire administered on 80 randomly selected household heads from benefiting communities of MPP6 projects. These were analysed using percentages, frequency tables, mean and Ordinary Least Square (OLS) regression technique. The results showed that the executed projects in the study area included primary school blocks, health centres and boreholes. The major effects of the projects included evolution of sustainable base for quality service provision to the poor, establishment and strengthening of social cohesion among the local people, instilling of democratic spirit in the people at the grassroots, and reduction of unemployment. The determinants of the perceived effects of the projects included educational level, age, social organization membership and occupation. The smooth execution of the projects in the study area was hampered by inadequacy of skills needed for project identification by the local people, and difficulty in providing initial grant. The study recommended that attention should be paid towards educating the local people on needs assessment and project identification. The scope of activities of the programme should be widened to include agriculture which constitutes the main source of livelihoods of rural people.

Keywords: Livelihoods, Development, Projects, Community.

INTRODUCTION

The concept of livelihood is defined as the capabilities, assets (including material and social resources) and activities required for a means of living (Scoones, 1999). The importance of an individual or a group of people to have a reliable means of living cannot be overemphasized. In a typical rural setting in Nigeria, the majority of the people derive their livelihood directly from agriculture (Ekong, 2003). The condition of most rural communities in Nigeria especially the dearth of infrastructure and the high poverty level of the people have placed severe limitations in their ability to harness available resources for a sustainable livelihood (Nnadi and Amaechi, 2004). In the light of the above, Scoones (1999) argued that the ability to pursue different livelihood strategies is dependent on the basic material and social, tangible and intangible assets that people have in their possession. He further noted that any effort aimed at improving the livelihoods of the rural people should be directed towards empowering them to increase their farming output, or increase their ability to take up off-farm income activities, or move away and seek a livelihood either temporarily or permanently elsewhere, or the combination of the strategies.

The issue of global development and the need for all people to have access to the basic amenities of life have dominated most of the national and international discussions in the recent past. Reports from most countries have revealed appreciable achievements in the efforts to attain the Millennium Development Goals (MDGs) before the deadline of 2015. Unfortunately, reports from Nigeria seemed to indicate the opposite, as most development indicators have continued to remain in the downward spiral since the past decade

(Nebo, 2010; World Bank, 2010). The reasons for the poor performance in the Nigerian's development efforts have been attributed largely to poor and inept leadership, corruption, use of top-down approach in the design and implementation of most interventionist programmes, prolonged neglect of the agricultural and rural sectors of the economy, among others (Aja *et al.*, 2010; Asiabaka, 2010; Nebo, 2010).

However, efforts are currently on top gear to arrest this ugly trend which has been widely described as unacceptable considering the fact that Nigeria is endowed with a huge expanse of arable land, beneficent climate, abundant streams, lakes, forests and grassland, as well as large and active population that can sustain a highly productive agriculture (FAO, 2003). The introduction of the Micro Projects Programme (MPP6) in Nigeria in 2003 was one of such efforts to resuscitate the country's rural communities and thus, place the country in a better pedestal for realizing its development objectives. The MPP6 was implemented in six of the nine states that make up the Niger Delta Region of the country, which is also the crude oil producing region of the country. The states that benefited from the programme included Abia, Akwa Ibom, Cross River, Edo, Imo and Ondo States. Pertinent to note is that the MPP6 was never the only interventionist programme introduced in Nigeria within this period. What makes it special and worth expounding is the approach it adopted. The MPP6 was designed in line with the Community Driven Development (CDD) approach, which has as its goal, to move political, administrative and fiscal power from the top to the bottom. It also aimed at building social capital by harnessing community participation and strengthening incentives for participatory development at the grassroots. In addition, the MPP6 sought to provide support to rural populations in order to improve their living standard in a sustainable manner, through the funding of micro projects in the specific areas of interest. Generally, the underlining assumption of the MPP6 is bottom-top approach, with greater emphasis on popular participation.

However, experiences in the past have shown that interventionist programmes could be well conceived, properly designed but during the actual implementation, derailment is observed. While the MPP6 holds enormous promises by mere looking at its design, there is therefore the need to empirically ascertain the level of accomplishment of the set objectives. Against this backdrop, this study tends to fill up this knowledge gap. The specific objectives of the study were to:

- investigate and describe the socio-economic characteristics of the beneficiaries,
- identify and describe different community development projects executed by MPP6 in the selected communities,
- ascertain the effects of MPP6 projects on the communities, and
- ascertain and describe the problems militating against MPP6 projects.

METHODOLOGY

The study was conducted in Owerri West Local Government Area of Imo State, Nigeria. Owerri West is made up of fifteen communities, namely: Avu, Amakohia-Ubi, Orogwe, Ndegwu, Irete, Umuguma, Nekede, Okuku, Ihiagwa, Eziobodo, Obinze, Okolochi, Ohi, Oforola and Emeabiam. It has a total population of 134,936 people and occupies a total land area of 305.18km² (National Population Commission, 2006). It lies within latitude 5°4' and 6°3' North of the Equator and longitude 6°15' and 7°34' East of the Meridian. The study area experiences two major climatic seasons: the rainy season (which last between March and October) and a four month dry season (usually between November and February). The people are Igbos and share similar socio-cultural characteristics with most Igbo Communities in Nigeria. Their major economic activities include farming, trading, food processing, and craft-making.

The sampling employed was multi-stage sampling technique. Four (4) out of the eight (8) communities which have benefited from the project were randomly selected for the study. These communities were Ihiagwa, Emeabiam, Nekede, and Irete Autonomous communities. From each of these communities, the list of household heads was compiled by key informants and community leaders, from where twenty (20) respondents were also randomly selected. Thus, the sample size used for the study was comprised of eighty (80) respondents from the communities in question. The data used were collected from two main sources, primary and secondary sources. The primary data were collected using structured questionnaire, while the secondary data were obtained from previous publications such as journals, conference proceedings, annual reports, etc. The data collected were analyzed using descriptive and inferential statistical tools. The descriptive statistical tools used included percentages, frequency tables and mean, while

ordinary least square regression analysis at 0.05 level of significance was used as the inferential statistical tool, to test the hypothesized relationship; “there is no significant relationship between the socio-economic characteristics of the beneficiaries and their perceived effects of MPP6 projects”. The four functional forms of the ordinary least square multiple regression model were tried and the best fit was selected based on the highest number of significant variables, coefficient of multiple determination (R^2) and the F-value. The model is specified as follows:

$$Y = f(X_1, X_2, X_3, X_4, X_5, X_6, X_7, e)$$

Where

Y = perceived project effect index (indicated number of effects of the projects)

X₁ = Age of respondents (the actual age of respondents was captured in years)

X₂ = Sex of respondents (male = 1, female = 0)

X₃ = Marital status (married = 1, single = 0)

X₄ = occupation (farming = 1, others = 0)

X₅ = Household size (the actual number of persons per household was captured)

X₆ = Formal education attainment (No formal education = 0, Primary = 1, Secondary = 2, Tertiary = 3)

X₇ = Social organizational membership status (None member = 0, ordinary member = 1, financial member = 2, committee member = 3, executive member = 4)

e = error term

RESULTS AND DISCUSSION

SOCIO-ECONOMIC CHARACTERISTICS

The socio-economic characteristics of age, sex, religion, education, marital status, household size, occupation, farming experience, annual income and social organization membership were analyzed (Table 1). The result revealed that the majority (62.50 %) were farmers with up to 16-20 years farming experience, and most of whom were married (86.25 %), and fell within the ages of 51 – 60 years (31.25 %) A good number of them were members of social organizations (76.25 %) and had basic formal educational training(40.00 %). Their annual income fell within N100,001 – N200,000.00 (52.50 %). The mean annual income, household size, age of respondents, years of farming experience, and years of formal education were N162, 600.00, 4, 48.6, 17, and 9 years respectively. This implies that participants were mostly low income, aged farmers, who had little formal educational training. The result is in agreement with the findings of other studies on the socio-economic characteristics of rural dwellers in Nigeria (Ekong, 2003; Nnadi and Amaechi, 2004).

Table 1: Distribution of respondents based on socio-economic characteristics (N = 80)

Variable	Frequency	Percentages (%)
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Age(yrs)			
<21 – 30	4	5.00	$\bar{X}=48.6$
31 - 40	17	21.25	
41 – 50	17	21.25	
51 – 60	25	31.25	
>60	17	21.25	
Total	80	100.00	
Sex			
Male	50	62.50	
Female	30	37.50	
Total	80	100.00	
Religious Affiliation			
Christianity	65	81.25	
Islam	10	12.50	
Traditionalist	4	5.00	
Indifferent	1	1.25	
Total	80	100.00	
Marital status			
Married	69	84.25	
Single	5	6.25	
Divorced	5	6.25	
Widowed	1	3.25	
Total	80	100.00	
Household size			
1 – 3	33	41.25	
4 - 6	44	55.00	
7 – 9	3	3.75	$\bar{X} = 4$
Total	80	100.00	
Occupation			
Farming	50	62.50	
Business/Trading	6	7.50	
Civil service	5	6.25	
Others	19	21.75	
Total	80	100.00	
Years of farming experience (yrs)			
<10	5	6.25	
11 – 15	15	18.75	
16 – 20	50	62.50	$\bar{X}=17$
21 – 25	8	10.00	
26 and above	2	2.50	
Total	80	100.00	
Annual income (₦)			
1,000 – 100,000	16	20.00	
100,001 – 200,000	42	52.50	
200,001 – 300,000	14	17.50	$\bar{X}= ₦162,600$
Above 300,000	8	10.00	
Total	80	100.00	
Years of formal education (yrs)			
6 and below	18	22.50	
7 – 12	52	65.00	$\bar{X}=9$
13 and above	10	12.50	
Total	80	100.00	
Social organization membership			
Members	61	76.25	
Non-members	19	23.75	
Total	80	100.00	

Source: Field survey data.

• COMMUNITY DEVELOPMENT PROJECTS BY MPP6

Table 2 indicated that the projects executed in Owerri West L.G.A. by the MPP6 included construction of Primary School Blocks (62.50 %),

building of Health Centres (31.25 %), and sinking of bore-holes (6.25 %). The dominance of primary school blocks may be attributed to the retinue of dilapidated primary school infrastructure in the area and the high premium placed on human capital development by the organization. The

dearth of hospitals and the desire for easy access to improved health care may be instrumental to the rating for health centres. However, the low rating for pipe-borne water could be adduced to the prevalence of self-owned bore-holes and the presence of rivers and streams for alternative water supply. Water supply is not necessarily a problem in the area.

instilling democratic spirit in the people at the grassroots. The establishment of social cohesion among the people was rated 75 percent, while reduction of unemployment had 50 percent. Only very few (12.35 %) felt that MPP6 contributed in developing technical and managerial potentials of the people. The participatory approach adopted by MPP6 provided opportunity for the local people to contribute in efforts to improve their welfare. These results further buttress the importance of the consensus reached at the United Nations Convention on the Rights of the Child (1990), which affirmed that participation is the process of sharing decisions which affects one's life and the life of the community in which one lives; it is the fundamental right of citizenship and the means by which democracies should be measured.

• **PERCEIVED EFFECTS OF MPP6 ON RURAL LIVELIHOODS**

Table 2 further shows that majority of the respondents (93.75 %) felt that MPP6 contributed towards evolution of sustainable base for quality service provision to the poor in rural communities. A total of 87.50 percent believed that MPP6 contributed towards

Table 2: Distribution of Respondents based on type of projects executed in their community and perceived effects of MPP6 projects. (N = 80)

Responses	*Frequency	Percentage (%)
Project types		
1. Construction of primary school blocks	50	62.50
2. Building of health centre	25	31.25
3. Boreholes	5	6.25
Total	80	100.00
Perceived project effects		
1. Contributed towards evolution of sustainable base for quality service provision to the poor	75	93.75
2. Contributed in establishing social cohesion among the community members	60	75.00
3. MPP6 instilled democratic spirit on the people at the grassroots	70	87.50
4. Reduced unemployment	40	50.00
5. MPP6 helped to develop technical and managerial potentials of the people	10	12.25

Source: Field survey data.

* = Multiple responses.

• **PROBLEMS OF THE PROJECTS**

Data in Table 3 show that inadequacy in skills needed for project identification by the rural dwellers as the problem had the highest rating (50.00 %), in the same manner, difficulty in providing initial grant (47.50 %), indifference and

poor co-operation among community members (43.75 %), and ignorance of project potentials (2.50 %), were the other problems perceived to be militating against MPP6 projects in the study area. On cross-examining the beneficiaries on the difficulty posed by the matching grant, two-third of the respondents (66.7 %) indicated that so many

communities were denied the projects as they composed mainly of subsistence farmers. Others, 33.3 percent expressed displeasure with the rigid framework for participation especially the insistence on the matching grant, pointing out that waiver and concession should be allowed in extreme cases of poverty. Also, when asked questions on the reasons behind the indifference among the community members, 75 percent indicated poor literacy levels, 60 percent indicated poverty and the pre-occupation with means of

subsistence, while 50 percent expressed that the approved projects in the area do not have immediate effect on livelihoods. On further probing, the respondents indicated that the criteria for benefiting from the projects included provision of counterpart fund, proposal indicating viability of projects, and functionality of community associations. These have serious implications for intervention and advocacy in the future.

Table 3: Distribution of Respondents according to the perceived problems militating against MPP6 projects and criteria for approving projects. (N = 80)

Perceived problems	*Frequency	Percentage (%)
1. Lack of skill needed for project identification by the rural dwellers	40	50.00
2. Difficulty in providing initial grant	38	47.50
3. Indifference and poor co-operation among community members	35	43.75
4. Ignorance and poor understanding of the potentials of the projects to be implemented	2	2.50

Source: Field survey data.

* = Multiple responses

• **RELATIONSHIP BETWEEN THE SOCIO-ECONOMIC VARIABLES AND PERCEIVED EFFECTS OF MPP6 PROJECTS**

Table 4 shows that the double log model provided the best fit and was thus used in describing the relationship. The F-value was 7.306 and the number of significant variables was four. The coefficient of multiple determination (R^2) was 0.87061. The result implies that about 87 percent of the variation in the perceived effects of MPP6 projects by the respondents was accounted for by the joint action of the independent variables investigated. The co-efficient of educational level ($t = 9.846, p < 0.05$), social organization membership ($t = 4.938, p < 0.05$), occupation ($t = 2.300, p < 0.05$) and age ($t = 2.202, p < 0.05$) were significant, implying that these variables were important factors influencing people's perception of the effects of MPP6 projects in the study area. The result further implied that increasing level of education increased the people's level of perception of the effects of MPP6. Education favours facts and rationality. The result is in agreement with the findings of Ekong (2003). Also, increasing level of organizational membership favoured increased perception of the

effects of MPP6 on rural livelihood. Social organization provides for social needs of man and furnishes forum for collective discussion of problems for best solution. The studies of Ekong (2003) and Ugboaja (2011) found significant relationship between organizational membership and adoption of innovations in agriculture. The perceived effects of MPP6 on rural livelihoods increased as the respondents became more of farmers. Farming is the major livelihood activity of rural people (Nnadi and Amaechi, 2007). The higher the number of farmers involved, the higher the perceived effects of MPP6 on rural livelihoods since almost every rural dweller is a part time or full time farmer. Also, as the ages of the respondents increased, their perception of MPP6 on rural livelihoods increased. Increasing chronological age entails increasing encounters with life situations. Thus, increased age furnishes increased experiences. This would aid references to similar situations, drawing analogy and abreast of issues. This result corroborates the findings of Nnadi and Amaechi (2007), and Ekong (2003).

On the other hand, the coefficient of sex ($t = 0.342$), marital status (0.644) and household size ($t = 1.404$) were not significant, implying that they are not important factors influencing the perceived effects of MPP6 projects on rural livelihoods.

Table 4: Analysis of relationship between socio-economic variables and perceived effects of MPP6 projects.

Explanatory Variables	Linear function	Exponential function	Semi-log function	Double-log function
Constant	5.072	4.256	1.597	10.251
X ₁ (age)	-2.96E-04 (-0.008)	0.187 (0.162)	-3.30E-03 (-0.322)	0.017719 (2.202)**
X ₂ (sex)	02.282 (-0.557)	0.07719 (2.202)**	0.116 (0.824)	0.098284 (0.342)
X ₃ (marital status)	9.484E-02 (1.658)	-41E-02 (-0.690)	0.354 (2.006)**	0.106530 (0.644)
X ₄ (occupation)	-488E-02 (0.109)	1.058 (1.658)	3.249E-02 (0.35)	-0.485657 (-2.330)**
X ₅ (household size)	-2.77E-02 (-0.660)	0.141 (0.419)	-1.41E-02 (0.690)	0.194605 (1.404)
X ₆ (Educational level)	-2.77E-02 (0.879)	1.776E-02 (0.91)	-4.78E-03 (0.548)	0.644276 (9.846)**
X ₇ (Organization membership)	-4.83E-02 (-0.094)	0.194605 (1.404)	-5.82E-02 (0.410)	0.625747 (4.938)**
R ²	0.050	0.007	0.070	0.87061
R ² adjusted	-0.049	-0.035	-0.027	0.85604
F- value	0.504	0.156	0.721	7.306
No of variables	7	7	7	7
No of observations	80	80	80	80

Source: Field survey data

Lead Equation = Double log function

CONCLUSION AND RECOMMENDATIONS

The European Union Micro Projects Programme (MPP6) has impacted positively on the socio-economic conditions of the people in the study area. The major effects were felt in the areas of educational infrastructure, health care provision and rural water supply. The participatory/bottom-up approach adopted by the programme helped in establishing and strengthening social cohesion among community members, instilled democratic spirit in the local people, and reduced unemployment among other things. Despite these achievements, the execution of the MPP6 projects in Owerri West L.G.A was hampered by problems such as inadequacy of skills needed for project identification by intended beneficiaries, difficulty in providing initial grant and poor co-operation among community members. As a way of improving the programme, this study hereby recommends the following:

1. The European Union Micro Projects Programme as well as other similar interventionist programmes should consider as a priority the importance of educating local people on the techniques of needs assessment for project identification. This is important because

wrong choice of projects is tantamount to wasting scarce resources and could polarize community relationship.

2. The counterpart fund condition for participation in MPP6 should be made flexible to accommodate extreme cases of poverty and vulnerability.
3. There is the need to widen the scope of the European Union Micro Projects Programme to include direct investment in agricultural production. This should include; provision of credit facilities to rural farmers, provision of processing and storage facilities, fertilizers and improved crop and livestock breeds, construction of rural feeder roads, and rural electrification. This is necessary because agricultural production remains the major economic activity of the rural people in Nigeria.

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