ON CONDITIONAL CASH TRANSFERS (CCTS) AND NUTRITIONAL POVERTY IN ANAMBRA WEST AND DUNUKOFIA LOCAL GOVERNMENTS AREAS OF ANAMBRA STATE, NIGERIA

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ABSTRACT

The persistence of poverty at rural level has been a concern to policy makers across the world. The continued decline of income levels affects households in their ability to improve food and nutrition levels. Policies have thus been introduced to curb the steady rise of poverty in rural areas in Nigeria. Among such is the Conditional Cash Transfer (CCTs) introduced by the Office of the Senior Special Assistant to the President on MDGs (OSSAP-MDGs) in 2011 as an aspect of its Conditional Grants Scheme to Local Government (CGS-LGA Track). Through the CCT, the CGS goes beyond building physical infrastructure in social sectors and dovetails into enhancing welfare of persons at the lowest rung of the economic ladder, particularly at the local/rural levels. CCT has a component of provision of skill-set and funds to the tune of N100, 000 (One Hundred Thousand Naira) mostly in local agro-based businesses. Anambra West local government (LG) (an agrarian area) in Anambra State participated in the 2011 and 2012 rounds of the CCT. This paper adopts a quantitative methodology and comparatively reviews incidence of nutritional poverty between Anambra West and Dunukofia (a LG which did not participate in the CCT). The paper arrives at
the conclusion that despite provision of cash to poor household, there is need to address other structural problems before the implementation of programmes aimed at pushing the poor out of poverty via CCTs.

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INTRODUCTION

The “pathetic” situation which bedevils the people who development economists call “the other half” has received considerable attention since the 1980s. Specifically, the focus of their researches has centred on three key phrases namely: “Gross Domestic Product (GDP) per capita”, “Human Development Index (HDI)” and the “Millennium Development Goals (MDGs).” For this, a Google Books Project survey records that between 1980 and 2006, more than five per cent of books ever published had mentioned these phrase in describing the situation of development among these countries (Jean-Baptise, Yuan, Aviva, & Adrian, 2011). Development experts like Charles Kenny and Andy Sumner, in their analysis of these phrases contends, “…as can be seen in reports, though GDP per capita still leads, but the phrase “Millennium Development Goals” has overtaken “Human Development Index” and as at 2008, appears to be rapidly closing on GDP per capita”(Kenny & Sumner, 2011). Little wonder the conditions for people living in the “other half” of the world have taken over most summits, discussions and debates. An apt picture of these conditions which have attracted all world-over has been painted thus:

… a typical family in a poor rural area of South Asia [or Sub Saharan Africa] is this. The household is likely to consist of eight or more people, including parents, several children, two grandparents, and some aunts and uncles. They have a combined real per capita annual income, in money and in “kind” (meaning that they consume a share of the food they grow), of $300. Together they live in a poorly constructed one- or two-room house as tenant farmers on a large agricultural estate owned by an absentee landlord who lives in the nearby city. The father, mother, uncle, and other children must work all day on the land. The adults cannot expect to proceed beyond a basic primary education. All too often, when they do get to school, the teacher is absent. They often only eat only one or two meals a day; the food rarely changes, and the meals are rarely sufficient to alleviate the children’s persistent hunger pains. The house has no electricity, sanitation or fresh water supply. Sickness occurs often, but qualified doctors and medical practitioners are far away in the cities, attending to the needs of wealthier families. The work is hard, the sun is hot, and aspirations for a better life are continually being snuffed out. In this part of the world, the only relief from daily struggle for physical
survival lies in the spiritual traditions of the people. (Todaro & Smith, 2010)

It is as result of these living conditions which countries in sub-Saharan Africa, Asia and Latin America are constantly faced with that attention towards MDGs as a solution to this has taken center-stage in development discourse. With this, it can be said that the purpose of the MDGs is not merely to change thinking but to also change policies and outcomes. As such, they have been designed to encourage sustainable pro-poor development progress, projects, policies and donor support. Demonstrative of this motivational power which the MDGs, the World Bank from the late 1990s started shifting its approach focus from structural adjustment programme to Poverty Reduction Strategies (Nowlan, 2011). Nigeria, in a bid to reduce poverty, in line with the MDGs introduced the Conditional Grants Scheme (CGS) which became the flagship of development programmes.

The MDGs with set number of indicators to monitor the progress of achieving the target of “eradication of extreme poverty.” These indicators are:

**Table 1.1: MDGs Goal 1. Targets and Indicators**

<table>
<thead>
<tr>
<th>Goal 1: Eradicate Extreme Poverty and Hunger</th>
<th>Indicators for Monitoring and Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target 1:</strong> Halve between 1990 and 2015, the proportion of people whose income is less than one dollar a day.</td>
<td>1. Proportion of population below 1.25 USD (PPP) per day.</td>
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<td></td>
<td>2. Poverty gap ratio</td>
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<tr>
<td></td>
<td>3. Share of poorest quantile in national consumption</td>
</tr>
<tr>
<td><strong>Target 2:</strong> Achieve full and productive employment and decent work for all, including women and young people.</td>
<td>1. Growth rate of GDP per person employed.</td>
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<td></td>
<td>2. Employment-to-population ratio</td>
</tr>
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<td></td>
<td>3. Proportion of employed people living below 1.25 USD (PPP) per day.</td>
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<tr>
<td></td>
<td>4. Proportion of own-account and contributing family worker in total employment.</td>
</tr>
<tr>
<td><strong>Target 3:</strong> Halve between 1990 and 2015 the proportion of people who suffer from hunger</td>
<td>1. Prevalence of underweight children under-five year of age</td>
</tr>
<tr>
<td></td>
<td>2. Proportion of population below the minimum level of dietary energy consumption.</td>
</tr>
</tbody>
</table>

Source: (Sachs, 2012)
These indicators were well-rounded and used to monitor and evaluate MDGs progress on a country-wide level.

The origin of the Conditional Grants Scheme (CGS) in Nigeria is traceable to the debt relief which Nigeria negotiated from her Western debtors in 2005 and to the United Nations Millennium Village Projects (MVPs). The Conditional Grants Scheme is a programme in which State and Local Governments are availed the opportunity to access funds annually from the Federal Government’s share of Debt Relief Gains. According to the MDGs CGS Implementation Manual, the programme is clearly designed by way of making financial grants available to State and Local Governments in a clearly designed conditional partnership agreement where the States and/or Local Governments contribute equal amounts (i.e. fifty percent from Federal Government Conditional Grants and fifty percent as cash counterpart contribution from the State Government and/or Local Government) for the execution of projects in line with the objectives of the MDGs (Office of the Senior Special Assistant to the President on MDGs (OSSAP-MDGs), 2012).

MDGs implementation in Nigeria took the path of Social Safety Nets (SSN) with the content of Conditional Cash Transfers (CCTs) under the CGS to local governments. The idea of SSN is not new to Nigeria (with experiences from NAPEP and other pro-poor programmes) however, with regards to implementation in the MDGs, such programme was only introduced in 2013 after well-rounded poverty mapping and baseline household surveys across Nigeria. (Office of the Senior Special Assistant to the President to MDGs (OSSAP-MDGs), 2013). Furthermore, SSN are based on the World Bank’s empirical evidence that despite pro-poor programmes in developing countries, significant households are not covered and continue in poverty. Such empirical evidence shows that 1.9 billion people in 136 countries benefit from social safety net programmes, and that such programmes help to reduce the poverty gap by 15%, but unfortunately, only 1/3 of the world’s poor are covered by safety nets programmes with the largest gaps in Sub-Saharan Africa and South Asia (World Bank, 2013). Introduction of SSN using the machinery of the MDGs in Nigeria was done after best practices of such programme was shared by Brazil.

In a bid to implement CCTs, OSSAP-MDGs sent technical groups to understudy the BolsaFamilia programme in Brazil and that of some South American countries. Pattern of implementation of CCTs in Nigeria under the MDGs is to attach specific conditions with monies (fondly called safety nets) given to poor households before accessing these safety nets. These could be in the form of ensuring that parents whose children continue and finish basic schooling gets a stipend either monthly or bi-weekly (Zubariu, 2011). Since its introduction in 2013, many states in Nigeria have keyed into this CCTs as a means of reducing poor households within their states. States like Anambra, Kano and Jigawa have worked closely with private organizations and other development stakeholders to meet targets on development via CCTs (Office of the
Senior Special Assistant to the President to MDGs (OSSAP-MDGs), 2013). However considered the CCT is aimed at reducing poverty within local levels in Nigeria.

Generally, poverty indicators have remained the same since 1986. Agriculture and agric-related jobs provide employment for almost 60 percent of the population, primarily for the rural population. Consequently, poverty and the performance of the agricultural sector are closely related in Nigeria. Targeting the rural poor was therefore pivotal to fulfill the objective set by the MDGs and the World Food Summit of 1996 which was to reduce undernourishment to half the present level by 2015 and to eradicate poverty, hunger and achieve food security.

In Anambra State, although most of the projects implemented using the Conditional Grants in Anambra West Local Government were centered on education, water & sanitation, and health for 2011 fiscal year, the LG again was among the selected few to participate in Conditional Cash Transfers (CCTs) to poor households. Under the administration of Governor Peter Obi and during the first phase of CCTs, Anambra State received a total of four hundred and twelve point five million Naira (NGN 412.5 million), which was used to provide social safety nets to over 2000 poor households in the state (Anambra State Government, 2014). Anambra West LG benefited immensely from this CCT programme. Households from the LG which benefited from the money formed about 43 percent of the total number of communities for the first phase of CCTs. Poor households in communities of Olumbanasa I & II, Abegbu, Iyioara, Ezi-Anam and Oroma-Etiti, among others, formed the major beneficiaries of the CCTs. Apart from physical cash which was handed to the head of each household, the Anambra State Government procured mobile phones for these households which was used to constantly inform these poor households when their monthly stipends were readily available (Nwachukwu, 2012).

This study examines how well did Anambra West (a local government which received CCTs grants) performed compared to Dunukofia local government, another area which did not receive the said grant. The researchers understand that there exist differences between the two regions; however, these areas are mostly agriculture oriented and thus adequate for the study. The research is significant as it answers questions like: Comparatively, which local governments performed better in terms of a reduction in nutritional poverty even after the CGS investment? What were the trends on under-weight infants after the CCTs was implemented? What were trends of under-weight children (2-5years) in both local governments after the implementation of CCTs?What challenges were recorded in implementing CCTs in Anambra State? What lessons can be learnt for the SDGs period?
THEORETICAL FRAMEWORK AND EMPIRICAL LITERATURE REVIEW

This research is anchored on the “Big Push” theoretical framework which provides the theoretical basis and philosophy of grants as a means to push families out of extreme poverty and achieve development. The Big Push is regarded as the general foundation of many other theories concerning the idea of ‘poverty traps’ and escaping such which besets developing economies in the world. The 1940s is recorded as the incipient years this theory as scholars contended that countries can be caught poverty circles (or traps) resulting from low savings and unattractive investment opportunities (Rosenstein-Rodan, 1943). Consequently, the idea of “Big Push” remains one of the earliest theories in development economics, coined by Rosenstein-Rodan in his work titled The Problem of Industrialization of Eastern and South-Eastern Europe. Since the 1940s, this theory has resurfaced and adopted to explain the growing trends of aid-investments in Africa. The shortcoming of this theory is its “over-emphasis” on aid to the detriment of institution-building, capacity development and other aspects, but one cannot deny that finance is pivotal to development objectives.

Poverty is a root cause of undernourishment and malnutrition. In particular, studies like (Smith & Haddad, 1999) have identified key determinants of child malnutrition: per capita and national incomes, women’s education, variables related to health services, healthy environment and per capita national food availability. Cross-country studies like this, usually based on aggregated household level data in arriving at these determining factors. Though this captures broad regional trends, they are mostly used for appropriated and formulating sub-national level policies and programmes. The FAO (2010) insists that while famine might be history, malnutrition is not; with over a billion people are undernourished worldwide showing symptoms of anemia, low BMI (body mass index), and small and thin children.

Banerjee and Duflo in their study showed a worrisome trend among the poor. According to them, when the poor’s income increased instead of purchasing healthier foods they prefer to spend more on the same food with high calorie. They explained this in an Engel Curve where the elasticity of price per calorie is at 0.35 while for overall expenditure is at 0.7. In summary, they concluded that “a poor household who is 10 percent richer spends about 7 percent more on food, and the extra spending is shared in half: half to get more calories, half to get more expensive (better tasting) calories (Banerjee & Duflo, 2011)

Randomized experiments in Kenya, showed that good nutrition in adulthood makes the adult more productive; but good nutrition during childhood is an investment and may improve the wages of the child every year in adulthood for two reasons. Firstly, the long term impact on health (body may not well recover from deficiencies during childhood); and Long term impact through education, as children may learn better if they are well nourished (Miguel & Kremer, 2004).
Studies have shown the success and failures of CCTs in developing countries. More so, these studies have been able to re-shape policy directions and perspectives of CCTs. Bangladesh is considered as one of the countries which has effectively implemented CCTs at most social levels, covering education, health, and agriculture. In a study by (Ahmed, 2013), Propensity Score Matching (PSM), logit and ordered regression was used to investigate the impact of CCTs to improve the enrollment of female secondary school students. However, although culture played a decisive role in the final outcome of the CCT, but the success in rural areas was noticeable.

However considered, CCTs are mostly believed to be an aspect of the social contract between state and its people. The motivation to use them stems from the success recorded at different levels and motivational capacities to drive change in behaviour required for overall development.

**METHODOLOGY AND SOURCE OF DATA**

The methodology which this paper uses to answer the above research questions and achieve its objective dwells mostly within quantitative analysis. By adopting this methodology, the research undertakes a comparative analysis of relevant secondary data sources to answer the research question. Furthermore, for clarity, the research presents key answers with descriptive statistics. The research therefore relied mostly on the following data sources:

- Interviews with officials in Anambra State Conditional Grants Scheme Project Support Unit (PSU)
- Interview with OSSAP-MDGs Technical Assistants (TAs) in Anambra West and Dunukofia Local Governments.
- Interviews non-state actors that participated in monitoring the CCTs investments in Anambra State.
- Reviewing documents on poverty and nutrition in Anambra State provided by the Anambra State Bureau of Statistics.
- Reviewing of documents on CGS investments in Anambra State provided by the state PSU.

**FINDINGS**

**Presentation of Data**

Although most of the projects implemented using the Conditional Grants in Anambra West were centered on education, water & sanitation, and health for 2011 fiscal year, the LG was among the selected few to participate in Conditional Cash Transfers (CCTs) to poor households. CCT, as discussed in the previous section, has been a medium set-up by OSSAP-MDGs to ensure Nigeria achieved its poverty reduction targets before 2015. Under the administration of Governor Peter Obi and during the first phase of CCTs, the state received a total of four hundred and twelve point five million Naira (NGN 412.5 million), which was used to provide social safety nets to over 2000 poor households in the state (Anambra State Government, 2014). Anambra West LG benefited...
immensely from this CCT programme as this can be seen from the amount of money invested in this LG. Households from the LG which benefited from the money formed about 43 percent of the total number of communities for the first phase of CCTs. Poor households in communities of Olumbanasa I & II, Abegbu, Iyioara, Ezi-Anam and Oroma-Etiti, among others, formed the major beneficiaries of the CCTs. Apart from physical cash which was handed to the head of each household, after a well-rounded needs survey, the Anambra State Government procured mobile phones for these households which was used to constantly inform these poor households when their monthly stipends were readily available (Nwachukwu, 2012).

**Figure 4.1: Nutritional Poverty in Anambra West LGA (2010-2013)**

![Nutritional Poverty in Anambra West LGA (2010-2013)](image)

Source: Researcher’s computation based on figures from Anambra State Statistical Year Book and NMIS Website.

This goes to show that emphasis on the CGS-LGA Track in one LG did not significantly push it closer to meeting the MDGs before 2015. An attempt to evaluate the employment-to-population ratio for LGs in Anambra State might be difficult as data, surveys and information on this is difficult to actually ascertain. Consequently, for the purpose of this research, evaluation would be based on overall progress made by Anambra State in employment using aggregated data from the National Bureau of Statistics (NBS) and qualitatively evaluating progress on MDGs based on CGS-LGA Track projects. Overall, the picture painted by Nigerian policy makers as at 2014 is that the Nigerian economy has continued to create jobs at a steady rate. Furthermore, the growth which the country has also recorded in the last three years has contributed significantly to generating new jobs thus reducing unemployment across the states of the Federation.
Figure 4.2 Nutritional Poverty in Dunukofia LGA (2010-2013)

Source: Researcher’s computation based on figures from Anambra State Statistical Year Book and NMIS Website.

Discussion of Results

From data available to evaluate the success of the CCTs in Anambra West LG it appears the LG was not “pushed” to achieve its target of halving the proportion of people suffering from hunger in the LG. By considering the number of under-weight children recorded after child-birth (in Fig 4.1) it was seen that this target was still far-fetched as at 2013. For instance, in the year CCTs was introduced, although registered birth dropped sharply to 723 (in 2012) from 2323 (in 2011), the number of under-weight children (at birth) and the percentage of under-weight children at birth rose steady at about 15 per cent each year. Data collected from Harmonized Nigeria Living Standards Survey (from 2008-2013) and the National Demographic Health Survey (2005 – 2013) further emphasized these trends in the LG.\(^25\) In addition, the number of under-weight children between the ages of 2-5 years in Anambra West, maintained a steady growth rate of 17 percent rate of the population which is against the target of 6 percent set before 2015 (Heberer, 2014)

A comparison of ‘nutrition poverty’ between Anambra West and Dunukofia LG reveals virtually the same trend in both LGs and more worrisome was that Dunukofia was not shortlisted and she also did not participate in the 2010 rounds of CCTs in Anambra State. However, data implies that her nutritional poverty status bears the same trend with Anambra West LG (See Fig 4.2). Dunukofia LG recorded a decline in the number of registered births, but the percentage of under-weight children at
birth and that of under-weight children between the ages of 2-5 years maintained 14 and 17 percent respectively within the same year when CCTs were implemented in other local governments in Anambra State. Although this is beyond the target percentage levels, the fact remains that no change was presented in both LGs despite one benefiting in cash transfer to poor households.

Implications for Policy Direction
The current research attempted to uncover possible reasons why in spite of CCT investments, trends in nutritional poverty remained unchanged across some local governments. Among challenges discovered include the following:
Firstly, within the period when CCT was implemented in Anambra West (and other participating local governments), concerns were raised by Anambra State Project Support Unit (PSU) with regards to limiting the role of the CGS office. It was suggested that the implementing States should saddle the responsibility of administering CCT funds; and the capturing of data of poor households (Ogbu, 2018) (Eze, Pondell, & Agu, 2015). Secondly, concerns were expressed as to the medium of transferring funds to benefiting households via e-wallet payment systems. The fact that benefiting households were mostly located in rural areas with poor telecommunications coverage posed a challenge to beneficiaries. More so, Poor commercial bank branch coverage and financial inclusion in rural areas also militated against the collection of funds intended for beneficiaries.
Noting the concerns of State, CCT policy makers, like the director of the CCTs Programme also raised concern to objectivity in data collection of poor households in the State; citing challenges faced during the selection of participating local governments in the CGS-LGA track, it was observed that some local governments lobby their State governments to be selected in CGS-LGA track (Zubariu, 2011). The question remains as to what might happen if such responsibilities are handed to States to select poor households. Defending the Federal government’s selection process, CCT policy makers insist selection based on available data from the Nigerian Bureau of Statistics, National Planning Commission and the National Population Commission. Furthermore, the World Bank and other development partners had assisted the conduct of numerous baseline surveys across the country and such data on areas with poor households were housed on various platforms to assist policy development.
With regards to fund administration, scholars like Osita Ogbu have pointed to challenges in CGS funds disbursement. As such, the strict financial regulations of the CCT, housed with the Federal government might not go down well with States. It is the view of this paper that such funds can be housed within States, but with better monitoring by the CGS unit and perhaps other public institutions (Ogbu, 2018).
In a bid to sound more drastic, this paper is of the view that a change in approach for CCTs implementation might be necessary if nutritional
poverty needs to be reduced in Anambra (and Nigeria). There might be more to CCTs than providing funds for agro-based communities while monitoring the agro-business. Other factors which need to be considered include: the cost of food, transportation of food, what the poor actually spend the additional money on among many others. John Strauss had put forward the “nutritional-productivity” hypothesis which suggests that prices of food, household demographic characteristics actually affect nutritional levels and consumption. In line with this, the paper suggests a consideration of partnership with private nutritional companies (like Nestle, Cadbury, etc.) In Sierra Leone, such partnership was explored with Nestle to infuse necessary food supplements in the day-to-day consumption poor households. Apart from the fact that these food are everywhere in the rural areas, CCTs can further motivate people to spend their additional incomes on such popular foods. Success of this can improve significantly overall health and nutrition of newborns and under-five children across Nigeria. The CCTs can while providing support to agro-based businesses in rural areas, motivate better consumption patterns which can on the long-run improve statistics on poverty for the SDGs.

CONCLUSION

The importance of the CCTs as a content of the CGS-LGA track can never be overemphasized. However, since the MDGs ended in 2015, and nutritional poverty targets were mostly not achieved, therefore there is the need to re-evaluate programmes geared towards reducing nutritional poverty in Nigeria. The failure of Anambra West LG to present better statistics in nutritional poverty might not be entirely a fault of the State, or programme implementation system as a combination of factors like project planning and evaluation, bureaucracy and institutional capacities hindered achievement of said targets. However, simple but small well-rounded efforts like key nutrition partnerships with private companies as suggested in this paper, might actually assist Anambra (and Nigeria) bid to reduce nutritional poverty. Apart from developing better partnership with private nutrition companies to provide (and/or) subsidize double fortified foods, creating of better engagement levels between the state and Federal government to administer funds while enhancing capacities to record data might have significant impact on the success of CCTs in Anambra and Nigeria. From the data stand-point, this would allow for proper policy re-evaluation and adjustment even during the period of programme implementation like the CCT. Since the SDGs are already in-play, the need for urgent attention to current nutritional levels across Nigeria on levels of data collection, public private partnerships, and improved institution collaboration as these are necessary to ensure targets of the SDGs are achieved.
REFERENCES