

**AN APPRAISAL OF THE NATIONAL LIVESTOCK
PROJECTS DIVISION SMALL RUMINANT CREDIT
PROGRAMME IN EKITI AND ONDO STATES OF
NIGERIA**

OJUMU, FLORENCE OLUFUNMILAYO (MRS)
MATRIC NO AEE/95/6882



**A PROJECT IN THE DEPARTMENT OF
AGRICULTURAL ECONOMICS AND EXTENSION,**

**SUBMITTED TO THE
SCHOOL OF POST GRADUATE STUDIES
FEDERAL UNIVERSITY OF TECHNOLOGY,
AKURE, ONDO STATE NIGERIA**

**IN PARTIAL FULFILMENT OF THE REQUIREMENT
FOR THE AWARD OF MASTER OF TECHNOLOGY**

JULY, 2002

ABSTRACT



This study appraised the small ruminant credit programme of the National Livestock Project Division (NLPD) in Ekiti and Ondo States.

The study examined the relationship of NLPD small ruminant farmers' stock and loan sizes with some selected variables, examined their loan-related problems as well as the problems confronting small ruminant production in Ekiti and Ondo States.

Data for the study were collected from 100 beneficiaries that were selected by simple random sampling from the total number of 175 small ruminant beneficiaries from Ekiti and Ondo States.

Analysis of data was carried out using descriptive and inferential statistics. The relationship of stock size and loan size with some selected variables such as family size, age of respondents, extension visit, household income was analysed using Pearson product moment correlation.

The results showed that the stock size correlate positively with the variables while there is no significant correlation with extension visit. The loan size also correlate positively with the same variables. The findings from the demographic variables showed that 56.00% of the beneficiaries were female while 44.00% were male. In addition, 97.98% of the beneficiaries were married. About 97.92% of the borrowers had one form of education or the other.

As the family size increases, the stock size also increases. There were more hands available to take care of the stock. The study also showed that as the age of respondents increases the stock size also increases. The respondents had gained more knowledge and acquired more experience which had assisted them in managing their flocks more successfully. Furthermore, increase in stock size equally brought an increase in the household income.

Findings further showed that before receiving the loan, mean herd size was 3.75 goats. But after loan use, this increased to 10.19.

CERTIFICATION

This is to certify that this project was carried out by Mrs. Florence Olufunmilayo Ojumu, A.E.E/95/6882 of the Department of Agricultural Economics and Extension, Federal University of Technology, Akure.



Prof. S.O. Ewuola
Project Supervisor

2/9/2012

DEDICATION

This project is dedicated to God Almighty who has given me the grace for the successful completion of this study.

And to my dearly beloved husband, Bolaji and children Tijesu, Jesuyanmife, Jasu Oluwapelumi and Jesutofunmi, for their spiritual, financial and moral support.

ACKNOWLEDGEMENT

I really give thanks to God Almighty for His grace and mercies bestowed upon me in the course of my study.

I cannot but also express my gratitude to my Project Supervisor, Professor S.O. Ewuola who out of his tight schedule has taken time to see that the work comes to a successful completion.

He gave adequate instructions on how to go about the project and many times has to go through the manuscript for proper correction. I do really appreciate his concern and all the assistance rendered. May God Almighty continue to prosper him in all his endeavours (Amen).

I wish to express my appreciation to the former Head of Department, Professor P.B. Imoudu, for his contribution and guidance throughout the course of this study.

I am also indebted to Dr. I. Ajibefun who assisted me in carrying out the computer analysis and took time to go through the findings, and gave relevant explanations and advice.

I also thank Professor Esan Aderinola, Professor Biyi Daramola, the current Head of Department for their various contribution towards this project.

I cannot but thank all the members of the Department especially the former Secretary Mrs C.B. Oladeji for their friendly advice encouragement and support in the course of execution of this project.

Finally, my special thanks go to my husband who kept on encouraging me to ensure that the work is completed. I really appreciate his tremendous spiritual, moral and financial support. I also appreciate my children who have been so wonderful and understanding especially Jesuoluwapelumi and Jesutofunmi that were born during the course of this study.

TABLE OF CONTENTS

Title Page	i
Abstract	ii
Certification	iii
Dedication	iv
Acknowledgement	v
Table of contents	vi
List of Tables	ix
List of Figures	xi
List of Abbreviation	xii
 CHAPTER ONE: INTRODUCTION	
1.1 A Review of Nigerian Agriculture	1
1.2 The Importance of Livestock Industry	4
1.3 The livestock Component of Nigerian Agriculture	7
1.4 Livestock Distribution in Nigeria	9
1.5 Problems of livestock Production in Nigeria	9
1.6 Government Efforts to Improve Livestock	11
1.7 Statement of Problem	16
1.8 Objectives	17
1.9 Justification for the study	17
1.10 Limitation to the Study	18
 CHAPTER TWO: NATIONAL LIVESTOCK PROJECT DIVISION (NLPD)	
2.1 Objectives of NLPD	19
2.2 Structure of NLPD	19

2.2.1	Field Services	19
2.2.2	Development and Planning Unit	20
2.2.3	Monitoring and Evaluation Sections	20
2.2.4	Technical Control	21
2.2.5	Training and Extension	21
2.2.6	Administration	21
2.2.7	Finance	21
2.3	The Project Component	21
2.3.1	a Nigeria Agricultural Cooperative and Rural Development Bank	21
2.3.1	b Guidelines for Loans	22
2.3.2	NLPD	22
2.3.3	Extension Services	22
2.4	The Analysis of NLPD Programmes	23
2.4.1	First Livestock Development Projects (FLDP)	23
2.4.2	Second Livestock Development Projects (SLDP)	23
2.4.2	a Credit Package	23
2.4.2	b None Credit Package	29
CHAPTER THREE: LITERATURE REVIEW		
3.1	The Concept of Agricultural Credit	35
3.2	The Role of Agricultural Credit	36
3.3	The Importance of Agricultural Credit	36
3.4	Classification of Farm Credit	37
3.5	Credit policies and Agricultural Development in Nigeria	38
3.6	Sources of Credit to Nigerian Agriculture	39

3.7	Sources of Finance for Livestock Sub-sector	40
3.8	The concept of Small Ruminant Credit	41
3.9	Small Ruminant Management Practices in Ekiti and Ondo State	41
3.10	Nutrition	43
3.11	Health	44
CHAPTER FOUR: RESEARCH AND METHODOLOGY		
4.1	Area Of Study	46
4.2	Sampling Size And Sampling Procedure	46
4.3	Instrument for Data Collection	50
4.4	Data Collection	50
4.5	Measurement of Variables	50
CHAPTER FIVE: RESULTS AND DISCUSSION		
5.1	Demographic Characteristics of the Farmers	52
5.2	Value of Stock size with Certain Variables	70
5.3	Relationship of Loan Size with Certain Variables	72
5.4	Respondents' Problems in Obtaining Credit	74
5.5	Respondents' Other Problems	77
5.6	Suggestions to Government on Farm Credit	80
CHAPTER SIX: SUMMARY, CONCLUSSION AND RECOMMENDATION		
6.1	Summary	83
6.2	Conclusion	84
6.3	Recommendation	86
	REFERENCES	88
	QUESTIONNAIRE	94

LIST OF TABLES

Table 1.1	Agricultural and Livestock Contribution to Gross Domestic Product at 1984 Factor Cost (N BILLION)	2
Table 1.2	Projected Yield of Livestock Products and Protein Supply by 2010	6
Table 1.3	National Herd Population, Take-off Rates and Animal Protein Supply in 1993	8
Table 1.4	Projected Production Targets for Livestock ('000) Metric tones	12
Table 2.1	Livestock Production and Credit Models	24
Table 4.1	Beneficiaries from Ekiti State	47
Table 4.2	Beneficiaries from Ondo State	48
Table 5.1	Age of Respondents	52
Table 5.2	Marital Status of Respondents	53
Table 5.3	Respondents' Number of Wives	54
Table 5.4	Respondents' Number of Children	55
Table 5.5	Number of Children Living and Helping Family	56
Table 5.6	No. of Respondents' Resident Relatives	57
Table 5.7	Respondents' Total Family Size	58
Table 5.8	Status of Respondents' in Society	59
Table 5.9	Education of Respondents	60
Table 5.10	Respondents' major Occupation	62
Table 5.11	Size of Goat Herd Kept by Respondents	64
Table 5.12	Respondent's Total stocks size	65
Table 5.13	Loan Volume Received by the Respondents	66
Table 5.14	Respondents' Annual Income from Sales of Livestock	68
Table 5.15	Pearson Product Moment Correlation Value of Stocks size with some Selected Variables	

LIST OF FIGURES

Figure 4.1	Map of Ekiti and Ondo States	49
Figure 5.1	Distribution of Religion in the Study Area	61
Figure 5.2	Secondary occupation of respondents by Percentage	63

LIST OF ABBREVIATION

FIG.	-	Figure
ACGSF	-	Agricultural Credit Guarantee Scheme
NACB	-	Nigerian Agricultural and Co-operative Bank
NACRDB	-	Nigerian Agricultural Co-operative and Rural Development Bank.
UNDP	-	United Nations Development Programmes.
FAO	-	Food and Agriculture Organization.
NERFUND	-	Nigerian Economic Reconstruction Fund.
SLDP	-	Second Livestock Development Programme
CBPP	-	Contagious Bovine Pleuro Pneumonia.
PPR	-	Pests des Petits Ruminants
NVRI	-	National Veterinary Research Institutes.
ADP	-	Agricultural Development Projects
NAIC	-	Nigerian Agricultural Insurance Company
NLPD	-	National Livestock Projects Division
CBN	-	Central Bank of Nigeria
NAPRI	-	National Animal Production Research Institute
WT	-	Weight
KG	-	Kilogram

CHAPTER ONE

INTRODUCTION

1.1 A REVIEW OF NIGERIAN AGRICULTURE

The importance of agriculture in any country cannot be over-emphasized as this provides the source of sustenance for human lives in terms of provision of food. Apart from the fact that agriculture provides food from crops, livestock and fisheries, it is also the source of raw materials for some industries. In addition to this, it equally provides employment to a substantial number of people in the rural areas.

The provision of adequate food for the populace in developing countries (Nigeria inclusive) is a major problem which has led to so many other problems. Poor and insufficient feeding has led to health problems, social vices and economic problems in the society. Agriculture is therefore a very vital segment of the economy of a nation considering the role it plays in the development of the economy of such a nation. Agricultural development requires a prompt attention in terms of planning, executing suitable programmes as well as making funds available such that the agricultural sector is well equipped to enhance the provision of adequate food (Abegunde, 1987).

Nigeria has a vast land area with a good rainfall pattern that enables the cultivation of different types of crops and rearing of various classes of livestock within the different ecological zones in the country. This has facilitated the dominance of the agricultural sector in the economy, especially in the 1960s. Agriculture has contributed about 70% to the country's Gross Domestic Product (G.D.P.). Table 1.1 Shows the contribution of the agricultural and livestock subsectors to the GDP at 1984 factor cost.

TABLE 1.1: AGRICULTURAL AND LIVESTOCK CONTRIBUTION TO GROSS DOMESTIC PRODUCT (GDP) AT 1984 FACTOR COST (N BILLION)

Activity Sector	1990	1991	1992	1993	1994
Agriculture	27.21	28.43	29.28	30.13	31.04
Livestock	5.17	5.09	5.14	5.17	5.22
Percentage contribution of Agricultural Subsector	30.11	30.05	30.06	30.23	30.74
Percentage contribution of Livestock Subsector	6.57	6.22	6.09	5.95	5.86

Source: Central Bank of Nigeria's Annual Reports and Statement of Accounts 1994.

From 1990 to 1991 there was a slight decrease in the percentage contribution of the agricultural sector from 30.11% to 30.05%, and from 1991 to 1994, there was a gradual increase from 30.05% to 30.74%.

For the livestock sub-sector there was a contribution of 6.57% in 1990. And from 1991 to 1994, there was a gradual decline in the percentage contribution from 6.22% to 5.86%. This is not unconnected to all the problems associated with livestock production. The livestock sub-sector clearly plays a considerable, sometimes under valued role in the socio-economic life of the nation.

As agricultural output started to decline especially at the beginning of the 1970s, agricultural exports fell and food shortages started to emerge. This was shortly after the civil war in the country (1966-1970). The time also coincided with the period of oil boom. Some other factors were also at work, such as the increasing rate of population growth, urbanization, drought, unfavourable external environment and inadequate funding for agricultural development.

The Government, in responding to the situation became more actively involved in agriculture through various innovative agricultural development programmes. Also a widespread intervention of government in agricultural production, input supply and marketing, in addition to adopting credit control and other allocative policies in favour of agriculture has not yielded much impact. Although resources were pumped into agriculture on a large scale, production was not quite commensurate with the efforts hence the production of some of the agricultural commodities has not increased to the desired level. (Ojo *et al*, 1993).

Between 1970 and 1982, agricultural production stagnated at less than 1 percent annual growth rate, at a time when the population growth rate was 2.5-3.0 percent per annum (Ojo *et al*, 1993). There was a sharp decline in export crop production while food production increased only marginally. The food import bill rose from ₦113.88 million annually in 1970-74 to ₦1964.8 million in 1981. Even with this, the per capita calorific food supply declined from the surpluses of the 1960 to a deficit of 38.0 percent in 1981 (Ojo *et al*, 1993).

Sustaining development of programmes is a pre-requisite for improving living standards in Nigeria. The ability of the agricultural sector to fulfill this role has varied widely over the past two decades. (Ojo, *et al* 1993). And due to the foreign exchange short-fall, food and feeds imports were placed under restriction. In fact, outright bans

were imposed on some food imports such as rice and maize in 1985 as well as wheat in 1986. Frozen chicken and vegetable oil imports were also banned. The effect was that while the domestic grain supply improved, per capita food consumption was estimated to be below standard requirements, particularly with regards to protein intake.

The boom of the late 1970s in modern poultry appeared to have slowed down considerably due to the short fall in supply of feed following the ban on maize import. This was accentuated by lack of foreign exchange for the importation of modern poultry equipment and medicaments. Equally, fish output began to decline due to the none availability of fishing inputs which were mostly imported. All these affected the livestock industry negatively.

1.2 THE IMPORTANCE OF LIVESTOCK INDUSTRY

The livestock industry is an important sector of agriculture. It plays a very vital role in providing meat, milk, fish, and eggs for human consumption. These products are proteinous in nature and very important to the processes of life. Protein is the principal constituent of the body and is needed in food for growth and body repair throughout life. According to Ademosun (1992), the Dutch Chemist, Gerald Mulder stated in 1839 that "protein is unquestionably the most important of all known substances. Without it, no life appears possible in our planet". Protein is obtained from both plant and animal but animal protein according to Ademosun (1992) has a higher digestibility and better nutritive value.

It has also been stated that the average adult requires about 60grams of total protein of which 27grams or 45 percent should come from animal sources (Alake, 1993). The average daily animal protein intake in form of meat, milk, eggs and fish per adult in this country is only 10grams, which is only 27% of the total recommended minimum animal protein intake of 37grams per day (Abegunde, 1987).

The need to achieve considerable improvement in the per capita daily animal protein intake is of a paramount importance hence the livestock industry as a subsector within the agricultural sector becomes very important. Besides food supply in the form of meat, milk, eggs and other products, livestock also serves as a source of hides and skins for the local leather industry. The estimated meat supply from various animal sources in Nigeria is contained in Table 1.2.

TABLE 1.2: PROJECTED YIELD OF LIVESTOCK PRODUCTS AND PROTEIN SUPPLY BY 2010 IN NIGERIA.

INDICES	POULTRY	GOAT	SHEEP	CATTLE	PIGS	
	Meat	Meat	Mutton	Beef	Pork	Eggs*
1993 herd population ('000)	117,832	34,495	22,104	13,947	4,410	5,891,600
Expansion Number ('000)	100,157	12,073	7,736	4,881	3,528	-
2010 Projected No ('000)	217,989	46,568	29,840	18,828	7,938	16,349,775
Improved productivity (kg)	1.25	7.5	10	144	56	0.05
Projected output in year 2010 ('000kg)	231,613	174,630	149,200	6,5,808	333,424	817,459
Animal protein yield annum by year 2010 ('000 kg)	27,974	17,755	24,623	99,638	31,696	89,920
Production Improvement indices by year 2010						
% expansion herd population	85	35	35	35	80	
% improved take-off rate	85	50	50	25	75	
% improvement in productivity	25	25	25	25	15	
% Rate-off rate	75	50	50	25	75	
Take-Off No. ('000)	185,291	23,284	14,920	4,207	5,954	

Notes:- *Calculated on average of 75 eggs/bird (indigenous and exotic

Total animal protein/annum ('000kg) = 291,426

Animal protein/caput/annum = 1832.8689

Animal protein/caput/annum = 1832.8689

Animal protein/caput/day = 5.021kg

Total, protein supply from livestock products including milk = 5.021kg x 1.06
= 5.322 caput/day.

Population estimated in 2010 as 159 million.

Source: Bukar et al (1996).

Livestock provides opportunity for rural employment either directly in production or indirectly by providing support services such as feed, drugs and other inputs. In addition, livestock provides a lot of internal trade between producing and consuming centers. Useful products obtained from abattoirs such as bone, blood and meat scraps are used as raw materials in the livestock feed industry.

Manure from livestock is used to improve soil fertility and certain types of livestock are useful as work animals in land preparation, crop production and transportation of goods. Certain livestock also play a socio-cultural role as the animal of choice during cultural and religious festivals in the country (Ademosun, 1992)

1.3 THE LIVESTOCK COMPONENT OF NIGERIAN AGRICULTURE

There are different types of livestock reared under traditional and commercial set up within the country. The livestock are cattle, goats, sheep, pigs, guinea pigs, poultry and rabbits. Nigeria had 13.9million cattle, 22.1million sheep and 34.4 million goats in 1993 (Table 1.3). These three ruminant species are together responsible for providing about 80% of the nation's meat supply (Otesile, 1991). According to Otesile (1991), sheep and goats together provide nearly as much meat as cattle, about 37% of the nation's meat supply.

The livestock population in Nigeria as of 1993 is indicated in table 1.3

TABLE 1.3: NATIONAL HERD POPULATION, TAKE-OFF RATES AND ANIMAL PROTEIN SUPPLY IN 1993

ITEMS	POULTRY	GOATS	SHEEP	CATTLE	PIGS	NO OF EGGS
Herd population ('000)	117,832	34,495	22,104	13,947	4,410	5,891,600
Take-off rates (%)	75	35	35	12	75	100
Carcass wt (Kg)	1.0	6.0	8.0	125.0	40.0	0.05
Total product yield ('000kg)	88,374	72,439	61,891	209,205	132,300	294,580
Animal protein yield annum ('000kg)	10,605	10,214	7,365	30,753	12,965	32,403

Notes: Total animal protein/annum ('000kg)

= 104,305, Animal protein/caput/annum

= 1117.95 of: Animal protein/caput/day

= 3.06; Total protein supply from livestock products including milk

= 3.062g x 1.06 = 3.245g/caput/day.

Source: Bukar et al (1996)



1.4 LIVESTOCK DISTRIBUTION

Considering the location of these animals, some are found more in one vegetational zone than the other. For instance, the northern part of the country favours the rearing of cattle more than in the southern parts where it is usually difficult to procure enough expanse of land for cattle production and where tsetse fly transmitted trypanosomiasis (sleeping sickness) disease also limits cattle production. It is believed that the production of sheep and goats is a more viable alternative to cattle production. About 77% of Nigerian households in rural areas keep between 2-10 goats/sheep per household (Matthewman, 1977). The nomadic cattle rearers under the traditional set up from the northern part of the country often move around with their animals in search of green pasture. Goats of the West Africa dwarf type are more adapted to the southern part than the northern part of the country.

1.5 PROBLEMS OF LIVESTOCK PRODUCTION IN NIGERIA

There are several problems militating against livestock production in Nigeria. These problems are as follows;

1. Lack of farm capital and production credit is one of the major problems confronting livestock production. Akinbami (1998) made it clear that it is the lack of credit facilities that has kept many farmers from adopting improved practices of livestock production.

Bank or financial institution related problems including:

- i. Insufficient appraisal of the projects that might lead to the failure of the project and the untimely execution of loan agreement documents, late disbursement, high cost of administrative charges, inadequacy of bank branches in the local areas and requisition for collaterals from the farmers before they can be given credit facilities.

- ii. Inconsistencies in Government agricultural policies, such as changes in interest rates, banning and unbanning agricultural inputs is another problem.
 - iii. Mismanagement of the credit by the farmers, hence leading to poor loan repayment and high rate of default.
2. High cost of livestock equipment, drugs, vaccines, and livestock feeds. There is an inadequate and improper feeds for livestock particularly during the dry season when there is usually shortage of grasses and forages for animal consumption. Hence, animals are driven about in search of lush pastures.
- In Nigeria, the most widely used grain which forms the bulk of most feeds is maize. The level of maize production in the country is so low that it can not even meet the requirement of human consumption. And apart from this, the ban on the importation of grains and other livestock production inputs as a result of the down turn in Nigerian economy has resulted into the high prices of feeds.
- 3. Livestock pests and diseases and problem of securing treatment constitute a great menace to the development and growth of the livestock industry in the country. There are not enough veterinary facilities and personnel to take care of the livestock in the country.
 - 4. Subsistence and poor animal husbandry management. Some farmers do not have good knowledge of animal husbandry hence they encounter management problems. There are not enough livestock extension officers to carry extension messages on improved livestock farming techniques. Ayeni (1991) noted that the key institutional problems are poor extension services and inadequate manpower situation at the farm level.

1.6 GOVERNMENT EFFORTS TO IMPROVE LIVESTOCK

The current level of animal production in Nigeria is extremely low hence the estimated protein intake per individual is well below the recommended level. Ayeni (1991) stated that there exists enormous wastage in potential meat production due to neonatal mortality, inadequate nutrition and poor standard of management and health of livestock. He further added that the time taken to reach market weight, the percentage off-takes and the average market weights of the livestock all compared unfavourably with those in most other parts of the world. He then pointed out that livestock productivity under this prevailing production system needs improvement.

It is noted that successive governments in Nigeria have publicly expressed their abiding interest in agriculture, including livestock production. They had projected production targets for livestock based on their efforts from 1996 to 2010 as indicated in table 1.4.

TABLE 1.4: PROJECTED PRODUCTION TARGETS FOR LIVESTOCK(’000) METRIC TONNES

YEAR	POULTRY	GOAT	MUTTON	BEEF	PORK	EGGS
1996	88	72	62	209	132	295
1997	95	77	66	228	141	317
1998	101	82	70	247	150	341
1999	109	87	75	269	160	367
2000	116	93	80	283	171	394
2001	125	99	85	318	182	424
2001	134	106	90	346	194	456
2001	143	112	96	377	207	491
2004	153	120	102	410	221	528
2005	164	128	109	445	235	569
2006	176	136	116	484	251	611
2007	188	145	124	527	267	657
2008	202	154	132	573	285	707
2009	216	164	140	623	304	760
2010	232	175	149	678	324	817

Source: Bakar et al (1996)

Thus the government seeks to intervene to ensure efficient production, stability of prices and supplies of commodities, promotion of animal and human health. It is evidently clear that the Federal Government over the years has been playing different roles aimed at improving the livestock industry so as to increase the level of animal production. Yet there has not been much impact. The importance of the livestock industry as the major source of animal protein for human consumption, cannot be over-emphasized. The government has therefore continued to strive hard to solve some of

the problems militating against this sector through various policies and agricultural programmes which are designed to encourage the raising of livestock.

The Federal Government established the Agricultural Credit Guarantee Scheme Fund (ACGSF) in 1977 to stimulate the flow of credit to farmers, protect banks against some risks inherent in agricultural lending and to guarantee a refund of 75 percent of defaulted loans net of the amount recovered by banks from defaulting farmers (Ukpong, 1993). The Government also established the Nigerian Agricultural and Co-operative Bank (NACB) in 1973 now known as Nigerian Agricultural Co-operative and Rural Development Bank (NACRDB) to cater for credit and investment needs of Nigerian agriculture.

Ukpong (1993) noted that the Government has been sourcing for credit from international financial institutions for specific agricultural projects. These include the Government World Bank second Livestock Development project under the National Livestock Project Division, Federal Government/United Nations Development programmes (UNDP), Food and Agriculture Organization (FAO), Livestock Grazing Reserve Development and the Nigerian Economic Reconstruction Fund (NERFUND). Under the first project, ₦41,440 million was disbursed to 8,043 small-holder livestock farmers to support their productive activities. Boreholes (about 220) were drilled to provide water and 24 research projects were funded in six Universities and other higher institutions.

From the Central Bank of Nigeria's annual reports and Statements of Accounts (1994), the Federal Government under the World Bank Financed Second Livestock Development Programme (SLDP), Twenty grazing reserves were made functional, while 676 pastoralist families with over 102,112 heads of cattle, were settled. Breeding

improvement programmes, for sheep, goat, cattle and pigs intended to benefit local livestock farmers were also encouraged.

The Federal Government also pursued effective disease and pest control programmes to reduce the incidence of contagious Bovine Pleuro Pneumonia (CBPP) of cattle and Pests des Petits Ruminants (PPR) of sheep and goats. Various chemicals/pesticides together with spraying machines were distributed to states for pest control. For instance in 1994, about 2,263,830 heads of cattle were vaccinated against rinderpest disease while 150,000 doses of New Castle disease vaccines and other drugs were procured from the National Veterinary Research Institutes (NVRI) VOM, Plateau State (CBN, 1994).

Agricultural extension services which were initially provided by the government through the State Ministries of Agriculture and later by Agricultural Development Projects (ADP) have continued to expose farmers to modern farming techniques as well as distribution of certain farm inputs, while research on improved varieties, pests and disease control was vested in established research institutions and Universities. The government also established the Nigerian Agricultural Insurance Company (NAIC) in 1984 to insure farmer's against risks and natural calamities. Furthermore, as part of the Federal Government's continued support to ensure continuous availability of food and animal protein various programmes were established to increase animal protein production and consumption. Among such programmes introduced by the government are "The Agricultural Development Programmes" (1975), "The Directorate of Food Roads and Rural Infrastructure" (1976) "National Livestock project Division" amongst others.

Having considered the significance of the livestock industry in Nigeria and being the main source of animal protein in our diet, the Federal Government established

the National Livestock Project Division (NLPD) in all the States of the Federation to further provide credit for small-scale livestock farmers for increased production. The programme has been in force for about ten years.

One of the objectives of the NLPD is to increase livestock production and consequently farmers' income through:

- i. Improved nutrition for their animals.
- ii. Animal health measures
- iii. Credit for the purchase of animals and farm inputs.

The production system of small ruminants in this country has remained largely traditional being characterized by low input-output phenomenon. The free range/extension system has entailed considerable hazards for the animals as there is no provision for housing. Health-care is minimal or non-existent, breeding is not planned or controlled, feeding is usually inadequate and hence performance of the animals has remained generally low. To fully exploit the full potential and improve the performance of the small ruminant animals there is need to develop effective techniques for better rearing, provide housing, adequate feeds both in quality and quantity. In addition, provision of health-care programme is very important to take care of the primary disease (PPR) which is common in small ruminant. The mortality is very high in the young ones with about 40-50% failing to survive up to 12 months.

As a result of the government interest in small ruminant production, the NLPD, an establishment of Federal Government was designed among other programmes to provide credit and other inputs to farmers to improve small ruminant production in the country.

1.7 STATEMENT OF PROBLEM

The NLPD through NACB has disbursed over 2 million Naira to farmers for the purpose of rearing goats to boost animal production.

However, the current levels of animal production are extremely low (Ayeni, 1991). And this has resulted into inadequate animal protein consumption (Oyinsan, 1991). Thus beef which is the main source of Nigeria's animal protein is no more within the reach of the average man. (Oyinsan, 1991).

The prices of livestock products especially beef, goat meat and poultry products have continued to escalate. Hence, majority of Nigerians leave this out of their menu. In other words, most of our people are not able to include animal protein in their diet any more. Many have come to regard it as luxury rather than an essential. As a result of this, small ruminants have assumed greater importance in recent years considering the fact that not too much is expended to get them raised for consumption and economic purposes.

However, it has been observed too that recently prices of small ruminants have also escalated making the situation worse. In the 80's a mature cow on hoof was sold for about N1,000.00 - N2,000.00. But presently, the market situation indicates that such an animal costs about N15,000.00 - N18,000.00. Some years back, a mature goat cost about N500.00. Presently, such an animal would cost nothing less than N3,000.00. People now turn around for other sources of animal protein such as immature snail, bush rat, termites, periwinkles, etc. All these are being displayed at the market. This implies that some people definitely buy them to supplement the animal protein consumed.

To this end, one therefore begins to wonder if the NLPD's small ruminant credit programmes has benefited the people of Ondo and Ekiti States. If so, where is the

impact of the credit offer for goat production? Did such a credit help farmers to increase their stock (stock size)? Did its use result in increasing the quantity of goat meat available in the market? Were the farmers able to utilize the credit judiciously to provide adequate nutrition, health and improved husbandry practice. In addition, one would also ask if there is any increment in the farmer's income at the end of the programme and the level of loan repayment.

This study therefore proposes to provide answers to some of these questions and others.

1.8 **OBJECTIVE**

The broad objective of this study is to appraise the NLPD Small Ruminant Credit Programmes in Ekiti and Ondo States.

In order to achieve this objective, the study will consider the following specific objectives;

1. To examine the relationship of NLPD small ruminant farmers' stock size with some selected variables, viz family size, age of respondents, extension visit household income and loan size.
2. To examine the relationship of NLPD loan size with selected variables, viz family size, age of respondents, extension visit and household income.
3. To examine the problems confronting small ruminants' production within Ekiti and Ondo States.

1.9 **JUSTIFICATION FOR THE STUDY**

The outcome of this study will reveal the effect of this programme on the society and the level of goat production considering the nutrition, health and the management practices. It will tell about the level of success or otherwise achieved

through the programme. This will enable a realistic and independent assessment to be made.

Since livestock credit programmes are relatively few so far in the country, the outcome of this type of study will contribute immensely to the livestock credit policy modification for future.

1.10 LIMITATION TO THE STUDY

The main constraint to this study is socio economic problem. The study would have considered more than one hundred recipients but for socio economic problems encountered in the course of carrying out this study. These included limited financial resources and logistic facilities.

CHAPTER TWO

NATIONAL LIVESTOCK PROJECT DIVISION (NLPD)

2.1 OBJECTIVES OF NLPD

National Livestock Project Division which started as a unit was meant to implement approved Government policies and programmes especially as they affect the Livestock Sub-sector. NLPD is not a policy formulating organization.

The focus of the objectives of the Federal Government in establishing NLPD is on increasing livestock production and consequently increasing farmers' income through:

- i. Improved nutrition for their animals,
- ii. Animal health measures,
- iii. Credit for the purchase of animals (cattle, sheep, goat, pig and poultry) and farm inputs,
- iv. Settlement of pastoralists on grazing reserves,
- v. Man power development and training,
- vi. Technical assistance to agropastoralists, and
- vii. Research in livestock production.

2.2 THE STRUCTURE OF NLPD

National Livestock Project Division has its Headquarters at Kaduna headed by a Project Manager and assisted by a Deputy Project Manager.

The office has seven sections that are described under the following sub-headings.

2.2.1 Field Services

This is the backbone of the project. The nation is divided into 4 zones headed by an international Expert which later handed over to Nigerians as Zonal Supervisors.

These are:

North Eastern zone, the capital is situated at Bauchi, Bauchi State

North Western zone, the capital is situated at Kaduna, Kaduna State

South Eastern zone, the capital is situated at Ibadan, Oyo State

South Eastern, capital is situated at Enugu, Enugu State

a. Functions of zonal Supervisors

- i. provision of Technical assistance and Supervision
- ii. co-ordination of all the activities in their states within their zones

b. Functions of the State Officers

- i. The State Officer is to co-ordinate activities in their state and liaise with the State Ministry of Agriculture.
- ii. Carry out NLPDs activities at state level.

c. District Officer

The officer is to supervise NLPD programmes at the local levels.

d. Other areas under the Field Services include heavy Equipment Unit, Water Development and the Grazing Reserves.

2.2.2 Development and Planning Unit

This section is in charge of planning and Setting targets to be accomplished under the various programme of the project.

2.2.3 Monitoring and Evaluation section

This section is to monitor and evaluate the various activities within the organisation and is charged with the responsibility of timely submission of reports from the field and other sections.

2.2.4 Technical Control

This section handles all the cost recovery programmes, Animal Health package, Livestock feeds and Small ruminants' model.

2.2.5 Training and Extension

It is in charge of developing training plan for the staffs both within and outside the country. This section also identifies NLPD role in Unified Extension system and undertakes training for farmers.

2.2.6 Administration

This involves the general administration of the organization, carrying out performance evaluation reports of the staff and overseeing the staff welfare.

2.2.7 Finance: This section is in charge of the account and finance of the organization, funding and management of imprest, special imprest and internal Auditing.

2.3 THE PROJECT COMPONENT

The following are the institutions involved in the execution of the projects activities.

- i. NACRDB
- ii. NLPD
- iii. State extension

2.3.1 a. NACRDB

The NACRDB is charged with the credit implementation and supervision of the programme. The Bank ensures that the selected beneficiaries complete all necessary credit documentation to enable them benefit from the credit package of the programme.

2.3.1 b. Guidelines for Loans

The NACRDB/NLPD Credit scheme is open to all farmers and offers a variety of Livestock production models suitable for different and varying ecological zones of Nigeria. However, there are certain conditions that applicants must satisfy before qualifying for loan under the scheme (NLPD 1992).

These conditions are:

1. The farmer must be on full time
2. The farmer must be credit worthy
3. The farmer preferably must have some livestock experience
4. The farmer must provide suitable yard for fattening and labour
5. The farmer must have grazing land and be able to provide crop residue.



2.3.2 NLPD

The NLPD Co-ordinates technical activities.

Therefore is responsible for the following-

- Training to improve skill of credit and technical supervisory staff.
- Advise on feed types, sources, feeding rate and other inputs.
- Monitor the purchase and supply of feed to farmers
- Arrange the supply of molasses
- Monitor the purchase and supply items like ear tags.
- Liaise with state veterinary and livestock departments
- Assists in identifying market outlet for finished animals.

2.3.3 Extension Services

The responsibility of NLPD is to provide technical supervision through extension staff. The extension staff visit farmers fortnightly and advise on production problems, monitors health and progress of animals.

2.4 THE ANALYSIS OF NLPD PROGRAMMES

At the completion of the First Livestock Development projects in 1983, the second Livestock Development projects (SLDP) took off in 1987 and ended in 1995. The entire (FLDP) projects was appraised at a cost of N42 million and it attracted International Bank for Reconstruction Development (IBRD) loan of N21 million.

2.4.1 First Livestock Development projects

At the inception of FLDP in 1976, seven (7) states were covered including Bauchi, Borno, Gongola, Kaduna, Oyo, Ogun and Ondo.

There were four (4) main components of FLDP-

- i. Development of Government parastatal ranches
- ii. Development of private ranches
- iii. Grazing reserves development
- iv. Small holder cattle fattening

2.4.2 Second Livestock Development Projects

The second livestock development projects components are as follows:-

- a. The credit package
- b. The none credit package

2.4.2 a. Credit Package

The credit package involves the provision of credit facilities for selected farmers through NACRDB/ NLPD loan scheme for various Livestock Models as indicated in Table 2.1. All the models are flexible in the amount of cash provided as well as the number of stock that can be purchased. Each model has a fixed loan volume which is just a guide and a specified loan period under which the loan is to be repaid. The credit facilities given are:

- i. **Short term** - The loan period last between 3 to 6 months.

- ii. **Medium term** - The loan covers 2 - 10 years
- iii. **Long term** - It last for over 10 years.
- iv. **Investment Loan** - for investment projects.

The various NELPD livestock programmes which loans are given for are indicated in Table 2.1. Each of the programmes are regarded as models and are being identified by different numbers.

TABLE 2.1 LIVESTOCK PRODUCTION AND CREDIT MODELS

	LIVESTOCK MODELS	MODEL CODE
i.	Agropastoralist	32
ii.	Mixed Farmer	26
iii.	Cattle fattening	16
iv.	Sheep fattening	17
v.	Work bull / oxen	30
vi.	Western N'dama	27
vii.	Eastern N'dama	28
viii.	Poultry Layer	11
ix.	Cattle Breeder	10
x.	Poultry Broiler	12
xi.	Urban Diary Producer	09
xii.	Sheep Breeder	07
xiii.	Goat Fattener	15
xiv.	Pig Fattener	18
xv.	Work bull/oxen breeder	35
xvi.	Secondary Cattle Fattening	31

Source: National livestock project division.

1. **Agropastoralist/mixed farmer (Loan Period 5 years)**

Inadequate and improper feeding of livestock especially during the adverse weather condition (dry season) is one of the major problems hampering livestock production in this country. In the past supplementary feeds had been used to a limited extent at a subsidized rate to livestock farmers. Today the cost of these feed supplements has become too high to justify its use. Alternative source of dry season protein rich feed has been sought, hence, the development of this model. Moreover the pastoralists are increasingly aware of the need to settle and integrate their livestock with crop production.

2. **Small holder fattening scheme**

A loan of N10,000.00 is given through NACB to enable them purchase 3 or 4 lean bulls, fatten them on crop residues and supplementary feeds and sell them after a period of 4 months. The supplementary feed consists of balance ration made up of the following by - products such as wheat offal, molasses, groundnut cake, brewer grain, cotton seed cake and palm kernel cake.

On repayment of loan, the farmer has the opportunity to repeat the cycle.

3. **Southern goat breeder model (loan period 3 years)**

Goats contribute significantly to the economy of Nigeria. Goats by virtue of their early maturity, short reproductive cycle, high fecundity i.e Best Producers of double and multiple kidding; more environmental adaptability and low investment cost provide a vast opportunity for solving the national animal protein requirement. At present Nigerian's 22 Million goats also with 7.5 million sheep, supply 33% of the total meat requirement of the nation. According to FLD estimates 5.15 million goats are found in the southern humid and sub-humid zones of the country, mostly of the dwarf

breed. They are kept by the small holder mixed farmers who allow them to free grazing as in the west or pen them as in the intensively cultivated areas in the east.

a. Constraints

The main constraints to increasing dwarf goat production in the South are malnutrition and diseases especially PPR (Pest des petit Ruminants).

b. Objectives

The basic objective of the Goat Breeder Model (GBM) is, therefore to remove the above constraints and increase production through improved nutrition and an animal health package, thereby increase farmer's income. A loan of N10,000.00 is given to each farmer for purchase of about 10 goats and drugs because of its low investment requirement.

4. Poultry (layers) loan period 1 year

The project is expected to offer loan to small scale commercial egg producers to establish layer farms, mostly in the southern states.

This project would help small commercial egg producers who had given up production due to lack of credit and appropriate feeds. The programme is meant to resuscitate as many farmers as possible whose houses and equipments are under utilized. Each participant would come into production with about 150 layers for egg production.

The total investment for this model would be N20,000.00 while the farmers contribution would be with the fund and he would renovate his building, replace some equipments purchase 150 day old pullets and purchase feeds and drugs. The farmer would repay the loan in 2 years.

5. Broiler Poultry Model (Loan period 1 year)

The Broiler model is implemented all over the country but will need to be within areas where there is great demand for the production. With the development loan of N15,000.00 and his contribution of N800.00, the beneficiary is expected to do the followings:-

1. Construct a broiler house of minimum floor area 28m²
2. Purchase poultry equipment
3. Provide watering facilities like drums, buckets
4. Purchase feeds and empty veterinary services
5. Produce 150 day old chicks.

The birds will be reared on deep litter. The NLPD will procure and supply all the inputs to the farmers while NACB will reimburse NLPD for inputs supplied to the farmer.

6. Small holder pig fattening

Pigs contribute immensely to the economy of Nigeria especially in the southern zone of the country where majority of the people are Christians. That is why Federal Government of Nigeria under NLPD deemed it fit to incorporate Pig farmers in their Programmes. Pig which is easily maintained needs no special buildings. The building for pig is simple house with dwarf walls and fenced open yard is adequate. Pig will multiply within a very short period due to its high fecundity. The farmer should get ready the building and the equipment before loan is disbursed to him/her.

A loan of N10,000.00 is disbursed to selected farmers through NACB to enable them purchase 10 weaner pigs and sufficient feed to grow them to slaughter weight. With the N10,000.00 loan and his contribution (N836.00) the farmer is expected to accomplish the following.

1. Purchase 10 weaner of pigs of approximately 25 kg live weight, and about 8 weeks of age.
 2. Purchase 2.3 tonnes of suitable pig feed.
 3. Inputs will be procured and supplied to the beneficiary by NLPD.
- Fattened animals should be sold in open market.

7. **Western Nsa'dama breeder model**

During the first Livestock Development Programmes animals were imported and distributed to Western Livestock Corporation (WLC) ranches in Oyo, Ondo and Ogun States, and these animals were to be breed and sold to local farmers.

Under the current second livestock development programmes, the main objective is to increase the trypanotolerant breeds of cattle in the humid zone by making available medium term credit and technical supply.

8. **Work Bull/Oxen**

A loan of N10,000.00 was given to beneficiaries to purchase 4 bulls and fattened. Two will be retained as work bull while the remaining two would be sold and the half of the loan is repaid within 6 months while the remaining is paid over 3 years.

9. **Urban dairy producer (Loan Period 4 years)**

This model is designed to improve milk production of a small herd of 14 heads with 5 breeding cows. A loan of N5,000.00 is given to develop 2 hectares of land for fodder bank. This is to provide pastures for the animals especially during the dry season and supplementary feed.

10. **Cattle breeder (Loan Period 4 years)**

The loan was designed for the crop farmer to start a breeding unit from the purchase of two (Preferably in calf) heifers and should leave him with small herd unit of 4-5 head at the end of the 4 years period. The loan package includes the

establishment and fencing of a 2 hectare fodder bank which will last for 4 years as part of the arable rotation. To accelerate cash flow the model also allows for the short term loan of N10,000.00 for cattle fattening.

2.4.2 b. None Credit Package

Goat breeder model - treatment

This is a non credit model. The farmer is assisted to establish cheap and regular sources of high quality supplementary feed. It is an animal health and nutrition package to increase the productivity of the mixed farmers' goats. Goats are the major sources of animal protein especially in the Southern humid Zone of Nigeria. About 6.6 million out of 22 million goats in Nigeria are found in humid Southern Zone, and they have resistance to trypanosomiasis.

1. Animal Health Care

Disease, a major problem facing goat farmers particularly in the Southern humid zone of Nigeria, is a dynamic process which develops as a result of interactions between the causative agent and the host.

a. ANIMAL DISEASES

Animal diseases constitute a very important aspect in any livestock farm. Ruminants are exposed to infection and infestation with Endo and Ecto-parasites. These parasites may cause mortalities or bring about tremendous losses in productivity. According to Obi (1988) the most important parasitic diseases of ruminants in Nigeria are blood parasitism caused by Trypanosome and Babesia species followed by helminthiasis as well as tick, lice, fleas and mange mite infestations.

These blood parasites as well as blood sucking helminthes bring about a varying degree of anaemia in sheep and goats. Endo-parasites like *Fasciola* species cause extensive damage to the liver. Such livers are condemned as unfit for human consumption at meat inspection. Animal suffering from these parasites do not gain as much weight as they ought to and are weak. They may have pot belly (ascites) or swelling below the lower jaw (submandibular oedema). Death may result if treatment is not administered. Ecto parasites of sheep & goats are tick, lice, fleas, mange and mite. These cause itching and animal respond by scratching the body against the wall or any hard object. Hair loss commonly results while encrustation are seen in cases of mange. All these result into damaging their hide and skin.

The major respiratory and viral diseases encountered in sheep / goats are pneumonia. Affected animals may be seen coughing and with discharge from the nostrils atimes, in addition to difficult and or fast breathing in several cases, affected animals are just found dead overnight. Otesile (1991).

"Kata" or "peste des petis ruminants" (PPR) is another viral disease affecting sheep and goats. It is a major health problem. The disease is characterized by sores in the mouth, diarrhea, nasal discharge and cough. It is very devastating, although goats of the Southern humid zone are trypanotolerant but they suffer from pest des petits ruminants (PPR) which can result in mortality level of 8% in kids. To protect goats against virus and bacterial disease, vaccination are carried out at prescribed times of the year such as the PPR vaccination. Goats are also given some deworming (drugs) periodically to get rid of worm infestation. Dipping of goats at

regular intervals or spraying them with chemical solution in order to get rid of external parasites.

It is the duty of the goat farmers to prevent diseases as much as possible through proper management and hygiene. It is more economically sound to prevent the disease than to allow the disease to spread. Taking steps to keep the animals health is likely to cost less than to cure them.

b. **NUTRITIONAL PROBLEMS:**

This could result to the following

- a. Poor and stunted growth: When the animals are poorly fed it result in to poor stunted growth. In pregnant animals it leads to abortions.
- b. Acidosis: Is a metabolic disease of ruminants. It occurs more in sheep than in goats. It is characterized by rumen immobilization. Sunken eye, staggering, coma eventual death. It occurs when there is sudden shift from high roughage to high concentrates.
- c. Feedlot bloat: It is characterized by distension of paunch on the left side, protrusion of anus, respiratory distress, cyanosis of tongue. It occurs when livestock are fed with high concentrate low roughage rations for about 60 days or longer.
- d. Choking: Occasionally feed become lodged in the oesophagus of animals causing them to choke. Animals may choke on such feeds as cotton seed, finely ground feeds, affected animals drool saliva from the mouth and make frequent attempt at swallowing.
- e. Hardwire Disease (traumatic gastritis) is a condition that results from swallowing foreign material from feed, usually metal (nail, wire, screw

pins etc.) In most cases the object is found in the reticulum. Sometimes the materials may puncture the reticulum lining and pass into the body cavity. Common symptoms of the disease are loss of appetite, slow and stiff movement and arched back. Decreased rumen motility and chewing.

- f. Ergot poisoning; Ergot is a parasitic fungus which replaces the seeds in the heads of grasses and cereal grains. It appears as a purplish-black, banana shaped dense mass. Ergot poisoning may produce paralysis of limbs and tongue. It can cause disturbance of digestive system and it can also lead to abortion.
- g. Overeating disease (Entero toxemia): The disease is caused by toxin produced by the bacteria, *Clostridium perfringens* but is triggered by high energy rations or excellent pastures. Affected animals do not have appetite, they become sluggish, their head is thrown over the back and they walk in circle. This invariably leads to death.
- h. Nitrate poisoning. Affected animals are characterized by accelerated respiration, pulse rate, loss of appetite etc.
- i. Water deprivation – Water dehydration accompanied by concentration of sodium and other ions in the brain cells may cause fatal cerebral oedema if testing and animals are suddenly given fresh water.
- j. Deprived appetite – It is a situation where animals tend to feed on just anything especially on polythene sheets etc.

2. Development of grazing reserves

The NLPD is encouraging and assisting pastoralist to settle within grazing reserves, gazetting of which is done by the states with the help of NLPDs survey team.

Grazing reserve boundaries are demarcated and necessary legislation is made to give graziers legal rights to settle, improve their productivity and live in peace with the crop farming community.

3. Supplementary feeds

During the dry season there is usually the scarcity of natural grasses and browse plants for animal consumption. Added to this scarcity is the high cost of animal feeds. To alleviate these problems NLPD is encouraging livestock farmers to establish fodder banks, feed gardens and alley farms. NLPD also purchases and sells to Livestock farmers at cost recovery rate the following supplementary feeds through out the country:

Cotton seed cakes

Molasses palm kernel meal

Dried brewers grains

Molasses, salt licks.

4. Research programme

National Livestock Project Division research programme envisages applied livestock research through co-ordinated efforts of national and international research institutions like National Animal Production Research Institute (NAPRI) and International Livestock Centre for Africa. The research findings will provide necessary information and statistics on a regular basis which can be used by the Federal and State Governments for planning and policy making.

In addition to the projects enumerated earlier the following animal production projects will be undertaken.

- i. Sheep multiplication unit
- ii. Trypanotolerant cattle multiplication unit

- iii. Poultry multiplication unit
- iv. Pig multiplication unit
- v. Rabbit multiplication unit
- vi. Jersey N'dama dairy project
- vii. Rural milk processing facilities.

5. **Livestock producers**

Support to livestock producers are given by means of clearing, fencing, surveying and development of access roads and water facilities.

CHAPTER THREE

3.1 THE CONCEPT OF AGRICULTURAL CREDIT

Agricultural Credit could be defined as the acquisition of and control over funds at a cost, for a specified time period. When the contract ends the control ceases and the funds revert to the creditor. (Imodu and Famoriyo, 1986). Agricultural Credit was further reviewed as "aids in form of Capital and Materials" which enables the farmers to increase their farm production and related agricultural activities. Agricultural Credit refers to the process of obtaining control over the use of money, goods and services in the present, in exchange for a promise to pay at a future date (Adegeye and Ditch, 1985). They emphasized that with agricultural credit, a lender forgoes the use of his money, it's equivalent in the present, by extending credit to a borrower who promises to repay on terms specified in the loan agreement.

Blaisdell also regarded the temporary transfer of assets or wealth from a person who has to another one who does not have as credit Ewuola (1985). Furthermore, he considered it as a means of transferring, temporarily, purchasing power of capital goods from one person to another. He also noted capital as a stock of wealth employed for production of goods and services.

According to Ewuola (1985), Nelson *et al*, considered credit as one of three non-equity capitals which can be used as supplement to an existing equity base formed by savings, gifts and inheritance. He also indicated that Nelson *et al*, defined credit as embracing confidence in the future solvency of the borrower and agreement.

Gee, opined that some regard credit as when goods, services or money are acquired at a given time with an undertaking to make payment at some later date (Ewuola, 1980).

3.2 THE ROLE OF AGRICULTURAL CREDIT

Agriculture credit plays a very vital role in the agricultural development of a country. The idea is that agricultural development is a process that involves adoption by farmers (particularly small farmers) of new and better agricultural practices (Famoriyo and Nwagbo, 1981).

Patel (1972) and Oni (1978) indicated that most of these new practices have to be purchased, while few farmers have the financial resources to finance the purchases.

It is being noted by Singh (1976) that the society seemed to react more favourably to demand by large farmers than those of small farmers because of their credit worthiness though all classes of farmers (large, medium and small) require credit.

3.3 THE IMPORTANCE OF AGRICULTURAL CREDIT

The importances of credit according to Nwankwo (1981) are as follows:

- i. Credit creates and maintains adequate size or expansion of operation, to make advantage of economies of scale.
- ii. It increases efficiency which makes it possible to substitute one resources for another.
- iii. Credit may be used to adjust to economic or market condition or technological development and also to protect against adverse conditions.
- iv. Credit helps to provide continuity of farm business and is used for investment in research and development for the acquisition of farm technology.

Credit, which is derived from the Latin word "Credo" which means "I believe". According to Idowu (1998) Credo has been interpreted by Famoriyo and Igben to mean the belief of the lender in the ability and willingness of the borrower to fulfill his financial obligations.

He also stated that credit is defined by Ogunfowora, Esan and Olayide, Nelson and Imoudi as a "Monetary or Financial aspect of Capital which can take such forms as:

- i. Money in cash or bank drafts.
- ii. In kind as a biological and physical capital purchased and supplied to products.

According to Miller (1977) credit is found to be a process of obtaining the right of the use of money, goods and services with agreement to repay in future date. This agreement could be in the form of Promissory Note, Legal documentation, and Pledging of Estate property.

Miller's (1977) assertion on credit was supported by Igben (1973) by saying that "Credit or Loanable fund permits the purchasing of services, money or goods in the present based on the promise to pay for them at some time in the future....., thus providing a means for temporary transfer of assets or the use of such assets from a man or an Organization who has them to a man or Organization that has not" (Idowu 1998).

Oshuntokun (1975) also define Agricultural Credit as "the sum total of the arrangement through which cash and kind inputs are made available to a farmer producer who repays such inputs in the form stated in the repayment scheduled with due interest".

3.4 CLASSIFICATION OF FARM CREDIT

Farm credits could be classified on the following basis: purpose of loan, type of enterprise; type of borrowers, type of loan; use of loan; security; repayment arrangement, form of disbursement; degree of supervision expected productivity of the project financed (Ewuola, 1980).

Credit can also be classified according to the purpose for which production credit is sought. There are three main purposes for which production loan can be acquired.

They are:-

- a. Credit purely used to finance the acquisition of farm machineries and equipment.
- b. Credit used for the purchase of seeds, livestock disease and pest control, fertilizers and payment for hired labour; and
- c. Credit used for the purchase of land, irrigation system and technology (Ewuola, 1980).

3.5 CREDIT POLICIES AND AGRICULTURAL DEVELOPMENT IN NIGERIA

For many years, the urge to foster agricultural growth and development, among other things has often compelled government to intervene in the economy.

Among the key areas of intervention include extension, input supply, credit and marketing services. In particular, it is the general belief that the provision of cheap credit is a pre-requisite or pre-condition for technological changes. As such governments of most developing countries have often fostered the growth of institutional financial markets mainly to provide credit facilities to farmers on concessionary terms. Despite this effort, there is evidence that the performance of agriculture is poor in most of these countries while agricultural loan portfolios are weak.

The concern for agricultural credit manifests itself in the set of policies and institutions put in place to promote it. The policies ranged from regulations and

controls of formal financial institutions to the provisions of incentives and establishment of specialized lending agencies (Balogun and Otu 1991).

3.6 SOURCES OF CREDIT TO NIGERIAN AGRICULTURE

Two broad categories of credit sources exist for Nigerian farmers. These are the informal and formal sources. The informal credit sources include those lending from relations, friends, merchants, local money lenders etc and such local arrangement like "esusu", credit institution pledging of crops and or land which represent a kind of indigenous mortgage whereby owner occupier of land gives possession and use of land to a pledge creditor in return for a cash advance. (Famoriyo and Nwagbo, 1981) According to Famoriyo and Nwagbo, (1981) "Esusu" is an arrangement in which fund is created by a group of individuals who make fixed contributions of money at fixed intervals with the total amount contributed by all members at a time handed over to each member on a rotational basis (Famoriyo and Nwagbo, 1981). These informal sources of credit are none governmental and are directed by the wills of the owners of the Institutions; hence the interest rate charged on any loan to the borrower is at their discretion.

The formal credit sources for agriculture include the Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB), the Commercial and Merchant Banks, Agricultural Credit Guarantee Scheme (ACGS), the Cooperative Societies and the Agricultural Development Programme which gives credit more in kind rather than in cash (Imoudu and Famoriyo, 1986).

In 1985 a survey conducted jointly by the Central Bank of Nigeria and the World Bank showed that 14.3 percent of the farmers, most of whom were small holders sampled in five states, utilized formal credit institutions while 26.9 percent made use of informal credit (Famoriyo and Imuodu, 1988).

The major problem associated with non-formal credit institution is the very scarce and unreliable supply hence the credits become very expensive (Imoudu and Famoriyo, 1986). About 90 percent interest rate is charged by money lenders (Miller, 1977). The formal credit institution is associated with various processes and procedures which do not allow the fund to be released in good time and this does not encourage farmers. In the formal credit institutions and the commercial banks are always reluctant to give credit for agricultural production over alleged low productivity of agriculture as well as high risks involved in agricultural production (Imoudu & Famoriyo, 1986).

3.7 SOURCES OF FINANCE FOR LIVESTOCK SUB-SECTOR

Different sources of finance are open to agricultural production in general and livestock production in particular. The government has relied on several types of policy measures which have become a major source of finance for agriculture. These include:

- i. The establishment of institutional credit granting organs and extension of credit to preferred sectors at concessionary rates of interest.
- ii. Budgeting allocations and other fiscal measures.
- iii. Encouragement of Savings Mobilization.
- iv. Provision of incentives to induce foreign investments in Agriculture; and
- v. Subsidies/payment in kind

The Central Bank of Nigeria (CBN) is a very significant source of agricultural finance guided by existing laws and regulations, the CBN contributes funds to the coffers of institutions that finance agriculture. Under the 1979/80 credit guidelines to Commercial and Merchant Banks, the CBN is authorised to collect these bank amount

by which they fail to meet their credit targets to agriculture and to channel part of the funds to the NACRDB.

3.8 THE CONCEPT OF SMALL RUMINANTS

Cattle, sheep and goats belong to the ruminant animal species. This species is divided into two major groups: the large and small ruminants animals. Sheep and goats are classified as small ruminants while cattle constitute the large ruminant.

Ruminant animals are important in any agricultural systems. They are able to convert plant materials into proteinous food such as meat and milk as a result of the mixture of their digestive system. These proteinous food materials are required by man all over the world for balanced diet. The work of Preston and Leng (1987) on the efficiency of food conversion of ruminant animals shows that while pigs and poultry require 2 - 4kg of grain to produce 1kg of live weight, ruminant on a crop residue based diet would need only 1-2kg of supplement to produce 1kg of live weight gain, Ologun (1991).

3.9 SMALL RUMINANT MANAGEMENT PRACTICES IN EKITI & ONDO STATES

Traditional farming system in most cases incorporates livestock into its farming. These farming systems have, over the years, undergone gradual changes.

The studies mentioned above show that majority of house-holds keep sheep and goats under the traditional village management system as a supplement to crop production. This system has been described by many authors including Oyenuga (1967) and Upton (1987).

Despite the fact that small ruminants are only "a low-labour-input and low priority adjunct to traditional farming", (Oyenuga, 1967), they are ubiquitous in rural and urban areas. And being trypano-tolerant, they greatly out-number cattle in this region and are more important in terms of total livestock units. (FAO, 1966, Mathewman, 1977). The situation is the same in Ekiti and Ondo States as sheep and goats outnumber cattle by the ratio of 30:1. (Ologun 1991). Most families keep small ruminants. The average per owner is only about 3-4, with goat predominating. Indeed in some villages there are no sheep (ILCA, 1979; Okali, 1979; Mathewman, 1980).

In essence, the traditional village goat/sheep management system is a sedentary free range management system characterized by the following:

- Small herd size (2-20)
- Low capital input
- Poor application of known or proven animal husbandry techniques such as breeding, feeding, reproduction and health controls.
- No genetic selection, and most farmers buy females to let them loose in the village herd with the hope that such females would have a male outside.
- Poor veterinary care.
- Producers are not specialized (Goats or sheep rearing is usually a secondary enterprise).
- Number of animals kept cannot provide any decent standard of living but only act as emergency money supply.
- No records and no farm budgets.
- Low productivity and low monetary returns (Ologun, 1991).



3.9 NUTRITION

For any livestock production enterprise to be successful there must be an adequate nutrition in terms of the quality and quantity given. Small ruminants thrive on roughages mostly those from improved pastures of natural grass land. The contribution of research towards the development of small ruminant production has been in the areas of nutrition and health. Research work has been varied out on the assessment, agricultural and industrial by products and the use of crop residues as feed supplements.

According to Gbakinro, Ademosun *et al.* had carried out various studies on the effect of stage of maturity on the chemical composition, yield and nutritive value of some grasses and legumes using sheep/goats. Sumberg *et al.*, had indicated that there had been limited grazing trials with sheep and goat (Gbakinro, 1992). Gbakinro (1992), claimed further that grazing trials are rather difficult with small ruminants because of the problem of fencing and keeping the animals in a particular paddock. He also said it had been observed by Carew *et al.*, that goats spend more time on browsing than grazing. In addition, he cited that Clayton also recognized the existence of browse species which had potential as livestock feed in the northern parts of Nigeria.

Information on the chemical composition of herbage crops and browse commonly eaten by goats has been supplied by Mecha and Adegbola. They found that, generally, browse possess a higher crude protein and lower crude fibre than grasses. This was also followed by intake and digestibility studies using the small ruminant (Gbakinro, 1992). Carew *et al.* studied the grazing and browsing behaviour of sheep and goats in the rain-forest and derived savanna zones under village condition. He stated that browse is important in providing plant protein, minerals and vitamins and also supply shade for grazing animals (Gbakinro, 1992)

In addition to browse, alternative feeds for small ruminants include the use of agro-industrial by-products and crop residues. The feeding value of some of these agro-industrial by-products and crop residues has been investigated within the last few years. Mba *et al.*, (1976), investigated the utilization of citrus by-products in the diets of goats of the West African Dwarf and Red Sokoto Breed. Investigation revealed that diets containing high citrus fibre and Nitrogen free extract would require protein supplement to enhance its nutritive value.

Other products which have evaluated and adopted as routine feed ingredients include cocoa husk, cassava by-products, rice bran, coconut meal, cotton seed meal etc. Based on the research efforts at the National Animal Production Research Institute (NAPRI), it has been possible to make recommendations as to the level of use of these various agro-industrial by-products and crop residues in the various production classes of sheep and goats (NAPRI, 1984).

Also mineral supplementation is a vital aspect of livestock feed. Mineral deficiency symptoms have been recorded with grazing animals in Nigeria and these symptoms have been corrected by supplementation Gyang and Sarror (1979). Smith *et al.*, (1981) have demonstrated potassium deficiency in some pastures around Ile-Ife in South Western part of Nigeria.

3.10 HEALTH

Inadequate and poor health measures (programmes) for our livestock ruminants inclusive is one of the greatest constraints towards the intensification of small ruminant production in Nigeria. Small ruminants are exposed to infections and infestation with ends and extoparasites. Such parasites may cause mortalities or effect tremendous losses in productivity.

According to Obi, (1988) the most important parasitic diseases of ruminants in Nigeria are blood parasitisms caused by *Trypanosoma* and *Babesia* SP; helminthiasis as well as tick and mange mite infestation.

He also added that all these cause varying degrees of anaemia in ruminants while the ectoparasites damage their hides. The endoparasites also cause extensive damage to the internal organs especially at the point of their locations, hence condemning such organs and making them unfit for human consumption.

An example is the case of *Fasciola* SP, causing extensive damage to the liver and at meat inspection such livers are usually condemned Obi, (1988).

The major respiratory and enteric viral diseases of ruminants in Nigeria are foot and mouth disease, rinderpest and pest des petit ruminants (PPR) in sheep and goats. Bourdin (1983), stated that PPR is the most destructive viral disease amongst small ruminants. Tissue culture rinderpest vaccine (TCRV) has been adopted to protect sheep and goats against PPR. (Adu and Joannis, 1982).

Akerejola (1980) reported that Coccidial infection was responsible for unthriftiness and death recorded with small ruminants.

CHAPTER FOUR

RESEARCH METHODOLOGY

4.1 AREA OF STUDY

The study covered Ekiti and Ondo states. These states are situated in the Southwestern part of Nigeria. Ekiti state shares boundary with Kwara, Ondo and Osun states while Ondo state shares boundary with Ekiti, Kogi, Ogun, Osun and Edo states. These states lie between latitudes $5^{\circ}45''$ and $8^{\circ}15''$ North of the Equator and longitudes $4^{\circ}30''$ and $6^{\circ}00'$ East of the Greenwich Meridian.

Part of Ondo and Ekiti states are located in the rain forest zone while some other parts are located within the derived savannah. The annual rainfall of these states is about 1800mm-3600mm. The temperature ranges between $22-35^{\circ}\text{C}$ and humidity is high throughout the year.

The major occupation within these states is farming in cash crops such as cocoa, palm oil, kola-nut, timber rice and arable crops such as cocoa, palm oil, kolanut, timber, rice and arable crops. There are different types of religions but there seems to be more Christians than any other religion in the states. A number of the people are involved in one form of education or the other. There are also a great number of people in these states that are engaged in one business or another.

4.2 SAMPLING SIZE AND SAMPLING PROCEDURES

The beneficiaries, selected by simple random sampling, were found in the following Local Governments Areas (LGAs), viz Ado Ekiti, Ekiti West, Ido/Osi, and Ikere – Ekiti all of Ekiti State while in Ondo State, the beneficiaries were

found in Akoko North East, Akoko South, Akure South, Bolorunduro, Ifedore, Ondo and Owo Local Government Areas.

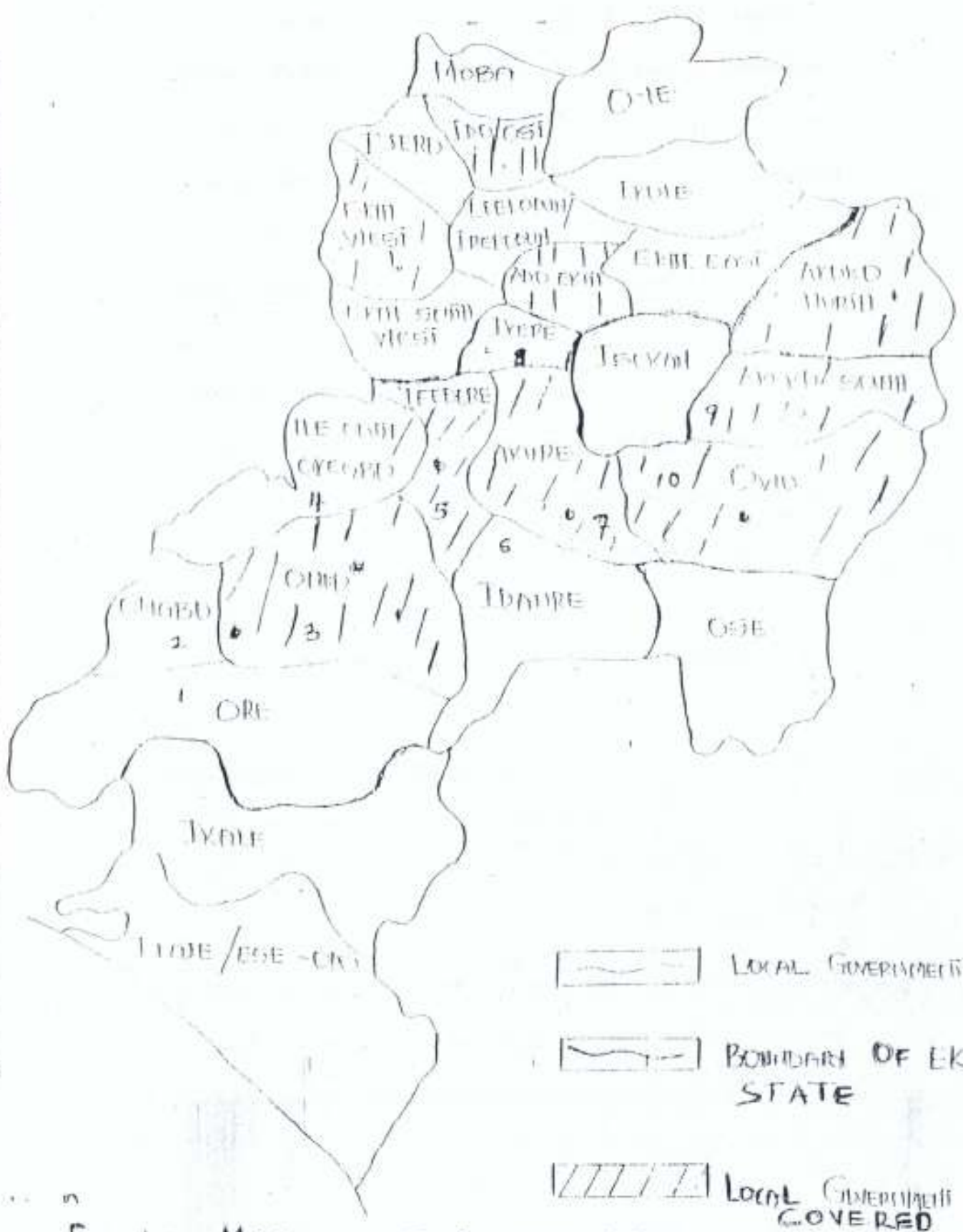
A sampling frame containing the names of individual borrowers for small ruminant projects prepared out of all the beneficiaries was obtained from the National Livestock Project Division Akure. From the total of 399 livestock farmers, 175 were small ruminant beneficiaries. Out of which 100 farmers were selected by simple random sampling. There are 41 and 59 recipients from Ekiti and Ondo states respectively. There are more recipients in Ondo states than in Ekiti State due to certain factors. The most important factor is due to the location of the credit institution NACB and NLPD at Akure in Ondo state. This enhanced more of the urban farmers to benefit in the programme.

Table 4.1: **BENEFICIARIES FROM EKITI STATE**

EKITI STATE	NUMBER OF BENEFICIARIES
L.G.A	
Ado-Ekiti	26
Ido/Osi	5
Ekiti West	8
Ikere-Ekiti	2
SUB TOTAL	41

Table 4.2 **BENEFICIARIES FROM ONDO STATE**

ONDO STATE L.G.A	NUMBER OF BENEFICIARIES
Akoko North East	2
Akoko South	3
Akure South	30
Bolorunduro	1
Ifedore	8
Ondo	1
Owo	14
SUB TOTAL	59
TOTAL	100



4.3 INSTRUMENT FOR DATA COLLECTION

A structured, pre-tested interview schedule was used. The schedule contained both close-ended and open-ended questions. The schedule was divided into three sections. Section one given information on relevant demographic variables of about the farmers. Section two also gives information on the sources of credit to farmers and administrative matters about the institutions involved (NACRDB & NLPD). And section three centers on goat management which involves pattern of housing, feeding, stock size, health/medical intervention and lastly farmers' income.

4.4 DATA COLLECTION

Both primary and secondary data were used in this study. The primary data were collected directly from the respondents benefiting from the loan. This was achieved through the use of a well structured interview schedule. The interview schedule was administered to the respondents.

Primary data were collected from oral interviews and information from publications. These were used to supplement.

4.5 MEASUREMENT OF VARIABLES

A. DEMOGRAPHIC CHARACTERISTICS

The following variables were measured

- i. Age in years
- ii. Highest educational level of respondents – Non-literate, primary school education, secondary school education, teachers' education, technical education, polytechnic education, university education.



- iii. Marital status – single, married, divorced, widowed.
- iv. Family size – Husband, Number of wives, children and relatives.
- v. Social status – Oba, Chief, Government official, religious leader, ordinary citizen.
- vi. Primary occupation – farming, non farming.

B. STOCK SIZE:-

Total number of goats kept by the respondents

C. LOAN SIZE:-

The amount of loan the respondents obtained from NLPD measured in Naira.

CHAPTER FIVE

RESULT AND DISCUSSIONS

5.1 DEMOGRAPHIC CHARACTERISTIC OF THE FARMERS.

5.1.1 AGE:

The respondent's ages ranged between 29 and 56 years with a mean of 42.71 years. (Table 5.1) Respondents between ages 36-40 years, which represent 35.16%, made the modal range. This was followed by those of ages 31-35 years claiming 19.78% of the borrowers and by those of ages 41-45 years attracting 18.68% of the respondents. Thereafter, there was a sharp decline in the number of respondents involved from ages 46-50 years 6.60% of the respondents. Ages 51-55 years represent 5.50% and above 55 years also claim 5.50%.

Table 5.1: AGE OF RESPONDENTS.

Age	Frequency	Percentage
Up to 30	8	8.78
31-35	18	19.78
36-40	32	35.16
41-45	17	18.68
46-50	6	6.60
51-55	5	5.50
Above 55	5	5.50
Total	91	100.00

Mean = 42.71 Range: 29 to 56 years

Source: Field Survey, 1999

The above shows that not many youth were involved in livestock farming industry. As farmers are getting older, there is a corresponding decrease in the number of farmers involved. These agreed with the findings of Ajayi-Obe, Ewuola and assertions by Oyatoye and Awoyemi that farmers are aging out of the productive life (Idowu, 1998).

5.1.2 SEX

From the study male respondents represented 44% while female respondents made up 56%. There were more female keeping livestock (goat) than males. The reason might perhaps be that women tend to be more at home than men by nature of the role they play as wives and mothers. Therefore, it affords them the opportunity of having the time to rear livestock.

5.1.3 MARITAL STATUS

The study found that 97.98% of the respondents were married while the divorcees and widows claimed 1.01% each. None were single (Table 5.2).

TABLE 5.2: MARITAL STATUS OF RESPONDENT.

Marital status	Frequency	Percentage
Married	97	97.98
Single	0	0
Divorced	1	1.01
Widowed	1	1.01
Total	99	100.00

Source: Field survey, 1999.

This shows that the singles seem not to be interested in goat rearing perhaps because of the involvement it entails in time and efforts.

5.1.4 NUMBER OF WIVES

Data obtained from the study showed that 70.58% (Table 5.3) of the population of the respondents were married to one wife each while 26.47% married 2 wives each and 2.9% had 3 wives each.

TABLE 5.3: RESPONDENTS NUMBER OF WIVES

No of wives	Frequency	Percentage
1	24	70.59
2	9	26.47
3	3	2.94
Total	36	100.00

Range = 1 to 3

Source: Field survey, 1999

It is surprising that a large majority restricted themselves to only one wife knowing the cultural attraction of Yoruba men to polygamy.

5.1.5 NUMBER OF CHILDREN

Respondent's number of children varied from 1 to 10 children with the mean of 4.01 children (Table 5.4). 21.05% of the respondents had 2 children each closely followed by those having 5 children which claim 20% of the respondents. Then followed those having 3 children covering 15.79% and by those having 4 children which represented 13.70%, 94.70% had 6 children while

10.52% had 7 children and 1.05% had each 8 and 10 children respectively. Mean number of children was 4.01.

Table 5.4: RESPONDENTS NUMBER OF CHILDREN

No of Children	Frequency	Percentage
1-2	27	28.42
3-4	28	29.49
5-6	28	29.47
7-8	11	11.57
9-10	1	1.05
Total	95.00	100.00

Mean = 4.01 children Range 1 to 10 children

Source: Field survey, 1999.

The study showed that the children are available to provide some form of assistance in rearing the livestock.

5.1.6 NUMBER OF CHILDREN HELPING

The study reveal respondents' number of children helping the family varied from 1-4 with a mean of 2.69 children (Table5.5) 33.32% of the respondents had children each living and helping with the raising of the livestock (goats) while 31.90% had 2 children assisting with the goat rearing. 18.84 had 3 children while 15.94% had a child each.

TABLE 5.5: NUMBER OF CHILDREN HELPING THE FAMILY

No of Children \helping	Frequency	Percentage
1	11	15.9
2	22	31.9
3	13	18.8
4	23	33.3
Total	69	100.0

Mean = 2.69 Range 1 to 4 children

Source: Filed survey, 1999.

The study showed that not all the children are involved in taking care of the livestock. Table 5.4 indicated that total number of children ranged from 1 to 9 with a mean of 4.01. In Table 10 the total number of children leaving and working with their parent on the farm only ranged from 1 to 4 with a mean of 2.69. This only shows not all the children are leaving with their parents and helping on the farm.

Some of the children could be leaving with the relations of their parents. It could also mean that some of these children haven finished their schooling and have gone to the cities to look for job. And it could also mean that some of the parents too not wanting their children to inherit farming have encouraged their children to go to school.

5.1.7 RESPONDENTS' RELATIVES

The number of relatives staying with the respondents varied from one to five with the mean being 1.79 (Table 5.6) The study revealed that 58.14% of the respondents had two (2) relatives with them as relations to assist in taking care of the livestock, 34.88% of the respondents had one relative while 3.49% of the respondents had 5 people.

TABLE 5.6: NUMBER OF RESPONDENTS RESIDENTS RELATIVES

No of Relatives	Frequency	Percentage
1	30	34.88
2	50	58.14
3	3	3.49
4	-	-
5	3	3.49
Total	86	100.00

Mean = 1.79 Range 1 to 5

Sources: Field survey, 1999

It is discovered that the percentage of the respondents having 5 relatives living with them was very low. This might be due to the economic hardship which does not favour having so many people around considering the economic implication.

5.1.8 TOTAL FAMILY SIZE

The study showed that respondents total family size varied from 5 to 17 members with the mean being 8.57 (Table 5.7). 77.00% of all respondents had 6-10 members while 15.00% had up to 5 members, 7.00% had 11 - 15 members

and only one respondent had above 15 members. A total of 92.00% did not keep families larger than 10 members.

TABLE 5.7: RESPONDENTS' TOTAL FAMILY SIZE

Total family size	Frequency	Percentage
Up to 5	15	15.00
6-10	77	77.00
11-15	7	7.00
Above 15	1	
Total	100.00	100.00

Mean = 8.57 Range 5-17

Source: Field survey, 1999

Large families provide helpers who team up to form family labour to increase household's production enterprises, 77.00% of the respondents had 6 to 10 total members in the family which represented about $\frac{3}{4}$ of the respondent. This is contrary to the discoveries of Idowu (1998) where only 26.00% of the respondents had 6 to 10 members. Having 6 to 10 members in family seems to be on the high side when one considers a nucleus family which most of the time is not more than 6. The reason for this high figure is not unconnected with our culture, which encourage couple building up on extended family and also on polygamy.



5.1.9 SOCIAL STATUS OF RESPONDENTS

A large proportion of the borrowers financed (39.00%) were citizens.

This was followed by 32.00% representing family heads

(Table 5.8) Next to this were Government Officials forming 22.00% Local chief 6.00% and religious leaders 1.00% of the respondents. No Obas were involved.

TABLE 5.8: STATUS OF RESPONDENTS IN SOCIETY.

Status in society	Frequency	Percentage
Oba	-	-
Chief	6	6.00
Government officials	22	22.00
Religious leaders	1	1.00
Village head		
Family head	32	32.00
Citizens (Ordinary)	39	39.00
Total	100	100.00

Source: Field survey, 1999

The study indicates that the borrowers were not restricted to a particular class of the society but cut across the various social classes in the society. The NLPD loan scheme especially for livestock is commendable as it provides financial assistance to the low center populace.

5.1.10 EDUCATION

All the respondents that took part in the goat breeding programme of the NLPD had one form of Education or the other. 2.08% had none formal education while the remaining 97.92% had formal education. (Table 5.9). 61.46% had technical education, 20.83% had primary school education. Those with secondary school education were 7.29% while 5.21% had university degree.

TABLE 5.9: EDUCATION OF RESPONDENTS

Education	Frequency	Percentage
No education		
None formal	2	2.08
Pry school	20	20.83
Sec. Modern	3	3.13
Sec. School	7	7.29
Tech/Nursing	59	61.46
Poly OND/HND		
University first degree		
Total	96	100.00

Source: Field survey, 1999

This study agrees with the finding of (Idowu, 1998) that there is a high level of educated farmers among the NLPD loan beneficiaries. Olomola(1988) and others have documented the importance and the relevance of farmers' education to farm productivity. The educational background of farmer determines his productivity and also his ability to understand, access and

evaluate any information received on new innovations, techniques and processes being disseminated by extension.

5.1.11 RESPONDENTS' RELIGION

The majority of the borrowers (84.00%) were Christians (Fig. 5.1). This was followed by Muslims (13.00%) and traditionalist (3.00%). There were no free thinkers.

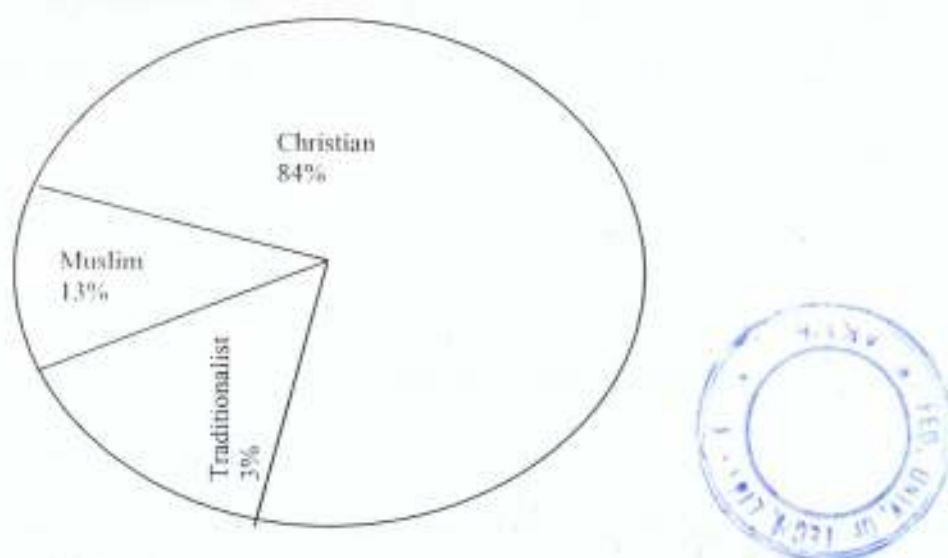


Fig. 5.1: Distribution of religion in the study area.

Source: Field survey 1999

The study showed that goat production being one of the various livestock activities in the state was not restricted to a particular religion. This only implies that goat production is highly acceptable in the society considering the fact that it is used as a source of meat for the various religious festivities.

5.1.12 MAJOR OCCUPATION

The study revealed that 18.00% of the respondents were full fledge farmers while the remaining 82.00% were involved in various work of life (Table 5.10)

TABLE 5.10: RESPONDENT'S MAJOR OCCUPATION

Major occupation	Frequency	Percentage
Farming	18	18.00
None farming	82	82.00
Total	100	100.00

Source: Field survey, 1999

The above finding implies only 18.00% of the respondents are mixed farmers. That is a situation where a farmer grows crops and rears livestock with it. It also shows that few people are into farming. This might be due to the fact that a lot of people prefer to go to school and get white-collar job than to become a farmer. While the remaining 82.00% of the respondents are involved in some other jobs. This means that apart from their normal job, they still find time to raise livestock as a result of the food valued and economic importance.

5.1.13 OTHER OCCUPATIONS

Apart from the respondents' major occupation, some of them were involved in some other jobs. About 58.89% of them were involved in trading 35.65% carried out some farm work while 4.44% were involved in artisan and one person was involve in a civil service (Fig. 5.2)

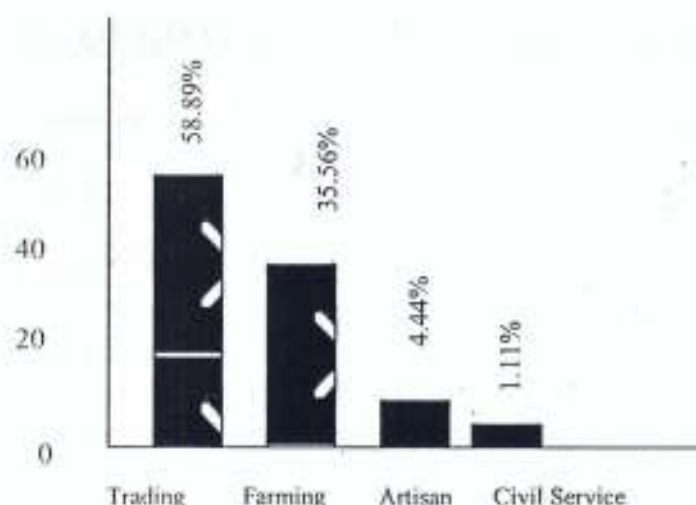


Fig. 5.2: Secondary occupation of respondents by percentage.

Source: Field survey, 1999

The study revealed that apart from the people's major job they tend to do some other work so as to increase the income of the family and hence try to make ends meet.

5.1.14 WHETHER RESPONDENTS OWN LIVESTOCK FARMS

Almost all the respondents had goat farms before loan. Only one person initially did not have any until the person became a beneficiary.

5.1.15 RESPONDENTS' SIZE OF GOAT HERD KEPT

The estimated size of goat owned by the respondents ranged from 6 to 20. Mean was found to be 11.60 (Table 5.11). Most of the respondents 54.08% had between 11-15 goats while 42 respondents representing 42.86% had 6-10 goats each, 3.06% had 16-20 goats.

TABLE 5.11: SIZE OF GOAT HERD KEPT BY RESPONDENTS

Goat Number	Frequency	Percentage
0-5	0	0
6-10	42	42.86
11-15	53	54.08
16-20	3	3.06
Total	98	100

Mean 11.60

Range 6 to 20

Source: Field survey, 1999

The size of the goats herd is relatively small compared with the size of cattle rears, which sometimes number up to 50 or more though under the traditional set up. There are quite a number of factors that determine the size of the livestock production. These include the resources available at the farmer's disposal, application of livestock production technology, and availability of good nutrition, disease control and good husbandry.

5.1.16 RESPONDENTS' TOTAL STOCK SIZE

Before credit, total stock size ranged from 1 to 15 with a mean of 3.75. Before obtaining the loan, 80.61% of the respondent had between 1 and 5 goats which formed the modal range while 18.37% of respondents had between 6 and 10 goats. About 1.02% of the respondent had between 11 and 15 goats. Having received the loan, the stock size ranged from 6 to 21 with mean of 10.19 (Table 5.12), over half (58.00%) of the respondents now had between 6 to 10 goat while

41.00% of the respondent had 11 to 15 goats. And only one person had above 16 goats.

TABLE 1.12: RESPONDENTS' TOTAL STOCK SIZE

Before Loan			With Loan		
Stock size	Frequency	Percentage	Stock size	Frequency	Percentage
1-5	78	80.61	1-5	0	0
6-10	18	18.37	6-10	58	58.00
11-15	1	1.02	11-15	41	41.00
16 or more	0	0	16 or more	1	1.00
Total	97	100	Total	100	100

Mean: 3.75

Mean 10.19

Range 1 to 15

Range 6 to 21

Source: Field Survey, 1999

The study showed that quite a large number of people (80.61%) had between 1 and 5 goats before obtaining the loan. The reason could be that respondents lacked the financial capability to purchase more than 5 goats. Only 18.37% had between 6 to 10 goats and one person had above 16 goats. This also implied that this set of people had invested more on the goat project, which had brought about the higher number.

The study in addition revealed that having received the loan there was an increase in the stock size (6 to 21 goats) and the mean of 10.19 as against 1 to 15 and 3.75 as the range and mean respectively. The increase

in stock size is likely to be the result of the additional fund received. Coupled with good animal husbandry.

5.1.17. LOAN VOLUME

The study found that mean loan volume received by respondent was N9,549.00 ranged from which N4,000.00 to N15,000.00 (Table 5.13) . The majority (75.00%) of the respondents received between N10,000.00 and N10,999.00.

In addition, 22.00% of the respondents also got N8,000.00 to N8,999.00 each. Only one person each got a loan below N8,000.00, N9,000.00 to N9,999.00 and above N11,000.00 for goat rearing.

TABLE 5.13: LOAN VOLUME RECEIVED BY THE RESPONDENTS

Amount Range	Frequency	Percentages
Below N8,000.00	1	1.00
N8,000-8,999.00	22	22.00
N9,000-9,999.00	1	1.00
N10,000-10,999.00	75	75.00
N11,000.00 and above	1	1.00
Total	100	100.00

Mean: N9,549.00

Range: N4,000.00 to N15,000.00

Source: Field Survey, 1999.

The study showed that the NLPD loan are for farmers operating on small scale, hence the farmers are more likely to be rearing few animals. Such small

loans do not have collaterals and sometimes farmers tend to view them as “National cake” since the amount involve is not much.

With the recent inflation in the cost of various livestock inputs, the loan volume given is no longer likely sufficient to procure and manage the animals. To this effect government has recently increased the loan amount to N50,000.00 .This amount is not being given to a first time beneficiary. Farmers are usually given something lower (between N15,000.00 to N20,000.00) As the farmers repays the loan is reviewed upward gradually until it gets to N50,000.00 , depending on the credit worthiness of the farmers concerned.

5.1.18 RESPONDENTS' ANNUAL INCOME FROM SALES OF GOATS

Before credit the respondents' annual income ranged from N800.00 to N16,000.00 with a mean of N2, 323.00 (Table 5.14). Few of the respondents 14.94% had between N501.00 to N1,000.00 while 51.73% of respondents had N1001.00 to N2,000.00. 12.64% of the respondents had N2001.00 to 3, 000.00 as their annual income while 14.94% had N3,001.00 to N4,000.00 as their annual income. 2.30% also had between N4001.00 and N5,000.00 as annual income. The modal range was N1001.00-N2,000.00. Only 1.15% had between N7,001.00 to N8,000.00 and 2.30% of the respondents had above N10,000.00 as the annual income.

With Credit: Having received the loan, the respondents annual income ranged from N2,000.00 to N20,000.00 with the mean being N5,355.00 (Table 5.14) very few of the respondents (1.04%) had between N501.00 to N1,000.00. 14.58% had between N1,001.00 to N2,00.00. 6.25% had N2,001.00 to

N3,000.00 as the annual income. 19.79% had between N3,001.00 to N4,000.00 as their annual income. In addition 17.71% of the respondents had an annual income of N4,001.00 to N5,000.00.

Also, 22.92% of the respondents has an annual income of N5,001.00 to N6,000.00 which represent the modal range. Total respondents of 3.13% has an annual income of N6,001.00 and N7,001.00. In addition, 4.26% of the respondents had N7001.00 to N8,000.00 and the 5.21% had N8,001 to N9,000.00 as annual income. Only 2.08% had N9,001 to N10,000.00 and 5.21% also represented those with their annual income being over N10,000.00

TABLE 5.14: RESPONDENTS' ANNUAL INCOME FROM SALES OF LIVESTOCK

Before Loan			Income with Loan		
Income(N)	Frequency	Percentage	Income(N)	Frequency	Percentage
N501-N1000.00	13	14.94	N501-N1000.00	1	1.04
N1001- N2,000.00	45	51.73	N1001- N2,000.00	14	14.58
N2001- N3,000.00	11	12.64	N2001- N3,000.00	6	6.25
N3001- N4,000.00	13	14.94	N3001- N4,000.00	19	19.79
N4,001- N5,000.00	2	2.30	N4,001- N5,000.00	17	17.71
N5,001-N6,000.00	0	0	N5,001-N6,000.00	22	22.92
N6,001-N7,000.00	0	0	N6,001-N7,000.00	3	3.13
N7,001-N8,000	1	1.15	N7,001-N8,000	2	2.08
N8,001-N9,000.00	0	0	N8,001-N9,000.00	5	5.21
N9,001-N10,000.00	0	0	N9,001-N10,000.00	2	2.08
Above N10,000.00	2	2.30	Above N10,000.00	5	5.21
Total		100	Total		100

Mean N2,323.00

Mean: N5,355.00

Range N800.00 to N16,000.00

Range N2,000.00-N20,000

Source: Field Survey, 1999

It is observed generally that income generated before receiving the loan was small. This is probably because the majority of the farmers had a small flock size. However there was an increase in the range of the income (N2,000.00 to 29 N20,000.00) and the mean (5,335.00) as against the initial range of N800.00 to N16,000.00 and a mean of N2,323.00. 14.94% of the respondents that were receiving an income of N501.00 to N1001.00 before the loan had greatly reduced to 1.04% which suggested that there was a marked increase in the income generated most likely as a result of the loan received which enabled the farmers to increase their stock. 51.73% of the respondents receiving N1001.00 to N2,000.00 before the loan, had graduate into receiving more income.

Although 14.89% of the respondents still had income of N1001.00 to N2,000.00 which suggested that this set of respondents had not made any increase in their income. This could be due to the fact that despite the loan, they had to expend more money on the management of their stock or lost some of their animals which had accounted for not being able to make more income. And some of them might have given out their stock to people as gifts, or even killed some of the animals for him home consumption which they had not attributed Naira value to.

However there is positive and significant correlation between the stock size and the household income. The correlation co-efficient $r=0.258$ indicate that both variables moved in the same direction. As stock size increased, the household income also increased.



5.2 VALUE OF STOCK SIZE WITH CERTAIN VARIABLES

A pearson correlation analysis was done with some selected variables to find out the relationship between these pairs of variables in Table 5.15. The finding are stated and discussed below.

TABLE 5.15: PEARSON PRODUCT MOMENT CORRELATION
VALUES OF STOCK SIZE WITH SOME SELECTED VARIABLES

(N=100)

List of variables	"r" value	Remark
1. Family size	0.279	**
2. Age of respondents	0.75	***
3. Number of times extension officers visited beneficiaries	0.089	Ns
4. Income size	0.258	**
5. Loan size	0.321	***

* Statistically significant 0.05% at 5% level

Statistically significant 0.01% at 1% level

Statistic0ally significant 0.001% at 5% level

NS = Not significant

5.2.1 FAMILY SIZE AND STOCK SIZE

Family size and stock size correlated positively ($r=0.279$). This value was significant at 1% level. This implies that stock for household increases as household size increases. The increase in the family size, provides more hands in taking good care of the stock.

5.2.2 AGE OF RESPONDENT AND STOCK SIZE

The correlation valued for this pair of variables is $r=0.75$. Given the positive correlation, it implies that the older respondents had larger stock size than younger respondents. I.e as the age of respondents increases the stock size tend to increase. This result could be due to the fact that with time animals will grow to maturity and start to produce off-springs, thereby leading to expansion of the stock size. The older are more experience goat farmers and this helps them to have larger stock sizes.

5.2.3 EXTENSION VISIT AND STOCK SIZE

The correlation of extension visit and stock size was $r=0.089$. This valued is not statistically significant at 5% level. The a priori expectation is that households with higher stock sizes should normally receive more extension visits from the extension officers giving livestock management advice. This in turn is expected to lead to better care of the animals and hence improvement in Quality and size of the livestock owned by the respondents. But the finding from this study did not support this expectation.

5.2.4 STOCK SIZE AND HOUSEHOLD INCOME

The analysis shows a positive correlation between stock size and household income, ($r=0.258$). This value was significant at the 1% level. As stock size increase, the household income also increases. It implies that the farmers have more stock to be disposed which bring more income.

5.2.5 TOTAL LOAN SIZE AND STOCK SIZE

The correlation analysis shows that there is positive correlation between loan size and stock size ($r=0.321$). This value is significant at the 1% level. As the size of loan goes up, the stock size will also go up.

This direct relationship between loan size and stock size is expected as the loan is supposed to be invested in stock expansion.

5.3 RELATIONSHIP OF LOAN SIZE WITH CERTAIN VARIABLES

The relationships between loan size on the one hand and family size, age of respondent, Extension visits and farmers' income on the other were examined. Table 5.16 presents the findings.

TABLE 5.16: PEARSON PRODUCT MOMENT CORRELATION VALUES OF LOAN SIZE WITH SOME SELECTED VARIABLES.

(N=100)

List of variables	"r" value	Remark
1. Family size	0.281	**
2. Age of respondent	0.233	*
3. Extension visit	0.347	***
4. Income	0.240	*

* Statistically significant 0.05% at 5% level

Statistically significant 0.01% at 1% level

Statistically significant 0.001% at 5% level

NS Not significant

5.3.1 FAMILY SIZE & LOAN SIZE

The correlation value of $r=0.281$ between household size and loan size is a positive relationship, indicating that as the family size increases, loan size also increases. This is not unexpected as agricultural loans are usually used to meet both product and household consumption purposes. Therefore, the larger the family size the higher will be volume of loan demanded.

5.3.2 AGE OF RESPONDENTS & LOAN SIZE

These two variables have a correlation coefficient of $r=0.233$, indicating that there is direct relationship between age of respondent and size of the loan. Hence, the higher the age, the larger the loan volume. The NLPD/NACB loan is a revolving one. When a farmer repays his loans he is entitled to renew the loan. And there is usually an increment over what he had received the age will have increased the time the loan is being renewed.

5.2.3 EXTENSION VISIT & LOAN SIZE

The correlation value between the two variables ($r=0.347$) indicates that there is an (inverse) direct relationship between the number of extension visits and loan volume.

5.3.4 HOUSEHOLD INCOME & LOAN SIZE

The correlation coefficient of ($r=0.240$) between household and loan size shows that they have positive relationship. This is a priori expectation because higher volume of loan will result in higher level of investment and higher level of investment would lead to higher income, all thing remaining constant.

5.4 RESPONDENTS' PROBLEMS IN OBTAINING CREDIT

Respondents had various problems obtaining, the NLPD loans. Some of the problems enumerated by respondents are in Table 5.17.

Table 5.17: RESPONDENTS' PROBLEMS IN OBTAINING CREDIT

Problems	Frequency	Percentage
Untimely disbursement	52	52
High interest rate	43	43
Long processing period	37	37
Cumbersome Loan Procedure	36	36
None availability of Loans	28	28
Insufficient Loan	24	24
Frequent visits to NACB	20	20
Source: Field survey, 1999		

5.4.1 UNTIMELY DISBURSEMENT

The above implies that the problem of untimely disbursement which affected 52% of respondents is a very serious one. Although quite a lot of reasons could be responsible for untimely disbursement, sometime the problem might be with the farmer who fails to bring in all the necessary documents having received loan approval. And at the same time the institutions involved in giving out the loan have to go through some beaurocratic procedure which takes quite some time. When loans are not disbursed at the expected time, it brings a set back at the target of the farmers. In a situation where a farmer is targeting a particular market time. For example, a particular festive period, failure to get the

loan at the appropriate period and to commence on the project will hinder the farmer in achieving his goal.

Untimely disbursement often leads farmers into diverting the loan to other projects beside its original purpose. When farmers do not receive their loans at the expected time, there is the temptation of using the loans for some other purposes. Untimely disbursement can also lead to default.

5.4.2 HIGH INTEREST RATE

In addition, the study also revealed that 43.00% of the respondents indicated high interest rate as another problem. The NACRDB charges an interest rate of 16.00% over loans given. Interest charged per annum is added to the principal thereby increasing the mount of money to be paid back (This is a compound interest).

In order to ease the burden of high interest rate, the NACRDB usually gives a grace period (moratorium) during which interest is not charged on the loans. This usually covers a few months after receiving the loans. It is hoped that during that period the project would have commenced.

5.4.3 LONG PROCESSING PERIOD

Long processing period was admitted by 37.00% of the respondents as a problem. Farmers often lament that the workers of the credit institutions involved waste a lot of time in making available the documents needed to executive the loan agreement. At the same time, farmers may also be responsible for the delay by failing to bring their guarantors in good time to execute the agreement papers.

5.4.4 CUMBERSOME LOAN PROCEDURE

The study showed that 36.00% of the respondents also said that the entire procedure regarding the loan is a cumbersome one. This is probably because of the various procedures involved. These include Collection & submission of loan application form:

- (ii) Submission of passport photographs and tax clearance
- (iii) Inspection of the project site
- (iv) writing of technical and credit reports
- (v) Approval of the form
- (vi) Execution of loan agreement papers.
- (vii) Disbursement.

However some of these can drag on and on for fairly long time.

5.4.5 NON-AVAILABILITY OF LOANS

The study further showed that (28.00%) of the respondents indicated that funds were sometimes not available at the lending institutions to disburse. This was due to the none release of funds by the government to the lending institution at the appropriate time, hence making it difficult to disburse any loan to the farmers.

5.4.6 INSUFFICIENT LOAN

In addition, 24.00% of the respondents also indicated that loan was not sufficient. The NACRDB/NLPD has fixed loan volume for the various livestock projects. Over the years, the loan volume has been reviewed. It is between N10,000.00 to N50,000.00 presently. Usually a first time a farmer receive about

N10,000.00. After utilizing the loan and is fully repaid it is then renewed and the volume is increased on a gradual basis. Whatever the farmer receives, he is expected to contribute to the loan. This is by providing the necessary physical structures needed so that the loan amount will be sufficient to procure the livestock only.

5.4.7 VISIT TO NACRDB

Some of the farmers claimed that they made too many visits to NACRDB before they could get their loans. Farmers coming from distant places often complained about this. This might be due to the expenses incurred in transporting themselves to NACRDB.

5.5 RESPONDENTS' OTHER PROBLEMS

There are other problems encountered by the respondents in goat production. These problems are indicated in Table 5.18

Table 5.18 RESPONDENTS' OTHER PROBLEMS

Problems	Frequency	Percentage
High Cost of inputs	57	57
Inadequate finance	51	51
Animal disease	48	48
Nutritional problems	40	40
Accidental losses of Animals	28	28
Thefts of Animals	23	23

Source: Field survey 1999

5.5.1 HIGH COST OF INPUTS

The study showed that high cost of inputs attracted the highest percentage (57.00%). The inputs were in terms of feedstuff, drugs, vaccines and building materials.

A wide variety of materials were used as feedstuff. These included forages, concentrates, supplements and various agro-industrial by products. In a major policy shift in 1983, the Federal Government placed an embargo on the importation of animal products and feed stuff. This had a drastic reduction on feedstuff importation. And it resulted into rise in the major energy and protein concentrates such as maize, guinea corn, fishmeal etc. Table 5.19 indicates the present prices of some feed ingredient.

Table 5.19: **PRICES OF VARIOUS FEED INGREDIENTS, 1985-1996**

	1985	1986	1987	1988	1995	1996
Maize	650	560	750	1500	10000	20000
Sorghum	Na	Na	300	1200	Na	Na
Wheat offals	130	160	350	Na	Na	6000
Maize bran	Na	Na	Na	650	4500	10000
Fishmeal	1000	930	4000	5500	80000	160000
Groundnut cake	450	600	1800	1500	11000	42000
Palm kernel cake	110	180	220	400	4000	6000
Bonemeal	105	200	270	300	8500	15000
Oyster shell	130	260	150	200	5000	8000
Rock salt	260	260	850	700	Na	30000
Soyabean	550	800	1000	1800	15000	50000

Source(s): Aletor (1999); Na =not available

Drugs and Vaccines used to treat and prevent disease in ruminants are quite expensive. The present market situation shows that most of these drugs are imported, and the high cost is not unconnected with the high exchange rate.

Vaccines that are relevant in prevention of diseases especially in sheep and goats are not readily available. Some of these vaccines fails to get the expected result when used due to problem of improper storage especially after reconstitution. It is quite expensive to provide adequate storage. And the use of tap water as diluents usually inactivates the vaccines due to the effect of the chloride content. The use of magnesium sulphate solution as diluents improves the stability of the vaccines (Obi, 1988).

Building materials needed in constructing pens to house the animals are also expensive.

5.5.2 INADEQUATE FINANCE

The study showed that 51.00% of the farmers expected that the NLPD/NACRDB loans should be such that will cater for all their needs involved in the programme. But the farmer was expected to contribute to the project by providing physical structures (housing for the animals). A sum of N2,000.00 was the loan volume when the programme started in 1988 to procure 10 goats for breeding. The loan has been reviewed upwards to the tune of N50,000.00 presently considering the current inflation and the present economic situations. This is to enable the farmer to meet up with the various demands involved in rearing the animals.

5.5.3 ANIMAL DISEASES

The study revealed that 48.00% of the respondents indicated that an animal disease is another problem affecting goat production.

5.5.4 NUTRITIONAL PROBLEMS

The study showed that 40.00% of the respondents indicated that a nutritional problem is another important problem affecting goat production.

5.5.5 ACCIDENTAL LOSSES OF ANIMAL

Another problem indicated is the issue of losses of the animals through accident (28.00%). It is very common to see carcasses of goats along the high ways as the animals are being knocked down by vehicles. And sometimes these animals are maimed by entering into traps set down probably in the farm or where animals are not wanted. NLPD tend to emphasize on provision of pens or housing facilities so as to reduce the rate at which the animals roam about hence bringing these problems of accident to the minimum level.

5.5.6 THEFT OF ANIMAL

And lastly 23.00% of the respondents observed that their animals were being stolen. Usually, sheep and goats enjoy roaming about freely in the surrounding. It is in the course of this free movement that they are being stolen in the neighbourhood.

5.6 SUGGESTIONS TO GOVERNMENT ON FARM CREDIT

The respondents made some suggestions to government on how to improve on farm credit. Some of these are enumerated in Table 5.20.

TABLE 5.20: RESPONDENT SUGGESTIONS TO GOVERNMENT ON FARMCREDIT

Suggestions	Frequency	Percentage
Increase loan volume	76	76
Reduce interest rate	63	63
Provision of inputs	58	58
Establish more financial institutions	55	55
Disbursement to be timely	13	13

Source: Field survey (1999)

5.6.1 INCREASED LOAN VOLUME

The study showed that 76.00% of the respondents advised the government to increase the loan volume. When the loan volume is increased, it will enable the farmers to expand their projects. Farmers will be able to procure more animals and will also have more resources at their disposal to manage their projects.

5.6.2 REDUCED INTEREST RATES

Some of the respondents 63.00% indicated that government should reduce the interest rates. Presently NACRDB charges an interest rate of 16.00%. This was considered high by the farmers. If the interest rate is reduced, it will motivate farmers to borrow money for livestock projects. And at the same time, it will improve the profitability of the projects since the amount to be paid back as interest on the loans is reduced.

5.6.3 PROVISION OF INPUTS: Some of the respondents, 58.00% advanced government to provide needed inputs. The government is been advised to provide adequate inputs for the farmers most especially in the area of health.

5.6.4 ESTABLISHMENT OF MORE FINANCIAL NSTITUTIONS: The government is advised to establish more financial institutions in the rural areas. This will encourage people in the rural areas to have access to loans for livestock production.

5.6.5 PROMPT DISBURSEMENT

Disbursement to farmers should be timely. As this will enhance the success of the programme, it will also motivate the farmers not to default.

CHAPTER SIX

SUMMARY, CONCLUSION AND RECOMMENDATION

6.1 SUMMARY

The study covered Ekiti and Ondo states. Through simple random sampling 100 small ruminant beneficiaries were selected from a total of 175 small ruminant livestock farmers which took part in the NLPD credit program. A total Number of 41 beneficiaries came from 4 different local government areas, viz Ado-Ekiti, Ido/Osi, Ekiti West and Ikere Ekiti in Ekiti State. The remaining 59 beneficiaries came from Akoko North East, Akoko South, Akure South, Bolorunduro, Ifedore, Ondo and Owo local government areas of Ondo state.

Considering the demographic variables of the respondents, the following findings were made from the study. The ages of the beneficiaries of the NLPD small ruminant programme ranged between 29 and 56 years with a mean of 42.71 years.

It was discovered that 44% of the respondents were male while 56% were female. Nearly all the respondents were married while there were no singles involved. Only 1.01% was divorces and widows each.

The study also showed that a greater part of the men (70.58%) involved were married to one wife.

The respondents' number of children varied from 1 to 10 with the mean of 4.01. The number of children living and helping the family varied from 1 to 4 with a mean of 2.69 children.

Number of respondents' relatives also varied from 1 to 5 with the mean being 1.79. It is only about 3.49% of the respondents that had five (5) relatives with them as relations assisting in their livestock farm.

Respondent's total family size varied from 5 to 17 members with the mean of 8.57. A total of 77.00% of the respondent had 6 to 10 members in their families.

A large proportion of the borrowers were ordinary citizens. Borrowers included Government Officials, religious leaders, and family heads. About 97.92% of the borrowers had one form of education or the other.

The majority of the borrowers (84.00%) were Christians. There were also few Muslims and traditionalists.

From the study only 18.00% of the respondents were full time farmers while the others 82.00% were engaged in various other works of life.

The estimated size of goat owned by the respondents ranged from 6 to 20 with the mean of 11.60.

Respondent's total stock size before obtaining the loan ranged from 1 to 15 with the mean of 3.75 while the stock had increased from 6 to 21 with the mean of 10.19 on receiving the NLPD loan.

Respondents' annual income ranged from N800.00 to N16,000.00 with the mean of N2,323.00 before receiving the loan. On receiving the loan, the annual income of the respondents had increased to range of N2,000.00 - N20,000.00 with the mean of N5,355.00.

6.2 **CONCLUSION**

The following conclusions were made from the study. Considering the ages of the respondents, not many youth are involved in goat production in Ekiti and Ondo States.

There are more females than males in goat production. Almost all goat keepers are married.

Monogamy is more popular among the male goat keepers in the study area. The study also showed that not all the children living with the parent are helping on the farm.

Most of the respondents' relative had up to two (2) relatives staying with them and assisting on the farm. The present economic hardship does not favour having so many people around.

Total family size:- Over 75% of the respondent had between 6 to 10 members of the family. It is probably not unconnected with our culture which encourage couple building up on extended family. Therefore people in the area give good weight to taking care of extended family members.

Social status: The study showed that borrowers were not restricted to a particular class of the society but they cut across the various social classes in the society.

Education:- A large number of the borrowers were literate. It shows that the people within this area embraced education. This has enhanced the farmers performance in terms of accepting, understanding, and utilizing new innovations and techniques disseminated by extension.

Respondents' Religion:- It is revealed from the study that goat production is not restricted to any particular religion. It is highly acceptable in the society.

Major occupation: It is discovered that only very few of the respondents were full time farmers. This shows that few people take to full-time farming while a large number of people prefer other kinds of occupation as main occupation and take to farming as a minor occupation.

Size of goat herd kept by respondents was small. This shows that goat production is still on a very small scale compared with other livestock such as poultry and piggery which are being reared in large number that is on commercial basis.

Respondents' total stock size was very small before the loan and increased with the loan. This revealed that respondents were able to obtain more goats having received the loan. Respondents use their loans for stock size increase. There was an increase in the respondents' annual income sequel to the receiving of the loan. This is not unconnected with the increment in the stock number which when the farmer disposes brings an increase to his income.

From the study, the NLPD Small ruminant credit programme has benefited more of the urban dwellers than the rural farmers. The beneficiaries are highly located at the state capitals and their immediate environments. More so the level of the education of the people involved also indicated that the respondents are more of urban dwellers whose primary occupation are not predominantly farmers.

6.3 **RECOMMENDATIONS**

1. NLPD should increase her coverage and ensure that farmers at the grass roots level have access to the program.
2. The government through NLPD/NACRDB should encourage youth and women folk in rearing goats by provision of inputs, in terms of drugs, vaccines and other commodities needed for livestock production at a subsidized rate
3. More livestock extension agents should be employed that will assist in transferring new livestock extension techniques to livestock farmers, and will equally facilitate more frequent supervisory visit for effective credit utilization



4. Livestock credit should be provided for goat farmers at the right amount at the right time as this will equally encourage many more people to participate in the programme.

REFERENCES

- Abegunde, T.O. (1987): "Second Livestock Development project western zone"
An addresses delivered at the seminar on second Livestock Development
Project, April 22-24, 1987 Ilorin, Kwara Hotel.
- Adeyeye, A.J and Dittoh, J.S(1985): Essentials of Agricultural Economics.
Published by impact Nigeria Ltd. Pp. 147-162
- Ademosun, A.A. (1992): "Livestock production in Nigeria: Perspective and
Prospects" A lecture delivered at the Ondo State Farmer's Congress
workshop, Akure. August 27, 1992
- Adu, F.D and Joannie, E.T (1982): "TCRV in the control of PPR in small
ruminants in Nigeria". Proceedings 3rd International conference Goat
Production Disease. P.296.
- Alake, J.O (1993): "Proposals for Dry Season fattening Scheme for small
Ruminants in Ondo State". Paper presented at the Ondo State Council of
Agriculture meeting, April 1-2, 1993
- Aletor, V.A. (1999): "Agricultural Development in Nigeria: The Livestock
Perspective". An invited paper for the 12th National Conference of the National
Association of Livestock Husbandry Scientists and Technologists of Nigeria.
- Akerejola, O (1980): "Observation on clinical diseases diagnosed in sheep at Ahmadu
Bello Veterinary Hospital, Zaria Nigeria". Bulletin Animal. Health Production
Africa 28: pp 17-19
- Akinhami R.F. (1998): "Credit Availability and Utilization. A case study of small scale
farmers in Ikale Local Government Area of Ondo State". Unpublished B. Tech.
Project, FUT, Akure, Nigeria.

- Ayeni, M.A (1991):** "Small Ruminants management and Diseases" An address delivered at the workshop of Nigeria Vet. Med. Association Ondo State Branch; Akure, April 18, 1991.
- Balogun, E.D. and Otu, M.F. (1991):** "Paper on Policies and Agricultural Development in Nigeria". Journal of Economic and Financial Review, CBN Vol. 29 June 1991. Pp 138-139.
- Bourdin, P. (1983):** "History, epidemiology and economic significance of PPR in West Africa". Proc. Inter. Workshop PPR Sheep and goat ILCA, Ibadan, PP. 10- 11.
- Central Bank of Nigeria Annual Report and Statement of accounts.** For the year ended 31 December 1994.
- Bukar S.; Adamu A and Baksh J.S. (1996):** National Agricultural Research Strategy Plan, Edited . Pp 269, 271, 272
- Central Bank of Nigeria Annual Report and Statement of Accounts.** For the year ended 31 December 1994.
- Central Bank of Nigeria Annual Report and Statement of Accounts 1994** Pp 72-73.
- Ewuola, S.O. (1980):** "Determinants of Loan Recovery, A Study of Ondo State Agricultural Credit Corporation". An unpublished M.SC. This is in the Department of Agricultural Extension, University of Ibadan.
- Ewuola, S.O. (1985):** "An Analysis of the Effectiveness of Small Holder Farmer Credit Programme in Ondo State". A Thesis Ph.D, University of Ibadan, Feb. 1985.
- Famoriyo, O.A and Nwagbo, E.C. (1981):** "Problems of Agriculture and Agriculture Finance in Nigeria". Proceedings of a Seminar Organized by the CBN April, 1981.



- Famoriyo, O. A. and Imodu, P.B. (1998):** "A critical Evaluation of Agricultural Credit Financing in Nigeria". African Review of money, Finance and Banking, Pp. 37-35.
- Food Agricultural Organization (1966):** Agricultural development in Nigeria, 1965-1980 F.O.A. Rome.
- Gbakinro, O.B. (1992):** "Small Ruminant Production in Ondo State". An unpublished Undergraduate Project, Department of Animal Production and Health, Federal University of Tech. Akure PP 95.
- Gyang, E.D and Sarror, D.I. (1979):** "Cobalt Supplementation of Yankasa sheep in Zaria, Northern Nigeria". (A Preliminary report). Bulletin of Animal Health Production, Africa 27: 195-198.
- Idowu, O.O. (1998):** "Agricultural Credit Utilization and Recovery: A case study of National Livestock Project Division in Ondo State". An unpublished M. Tech Thesis in the Department of Agricultural Economics and Extensions, University of Technology, Akure.
- Imodu, P.B and Famoriyo O.A (1986):** "An Assessment of Approaches to Credit Availability" in Nigerian Agriculture. Invited paper presented at the Third Nat. Conference of Farm Management Association of Nigeria. (FAMAN) held at ARMTI, Ilorin, August 24-27, 1986.
- International Livestock Centre for Africa, (1979):** "Small Ruminant Production in Humid Tropics". System Study No. 3 ILCA, Addis Ababa.
- Mba, A.U.; Oruru E.A. and Oyenuga, V.A. (1976):** "Digestion and utilization of citrus by-products by two breeds of West African Dwarf goats". Nigerian Journal Animal Production 3: Pp 162-171.

- Mathewman, R.W (1977): "A Survey of Small Livestock Production at the village level in the derived Savannah and lowland forest zones of South -West Nigeria". Study No 24, Dept. of Agric and Horticulture, University of Reading.
- Mathewman, R.W. (1980): "Small Ruminant Production in the Humid Tropical Zone of Southern Nigeria". Tropical Animal Health Production. 12:Pp 234.
- Miller, L.F. (1977): Agricultural Credit and Finance in Africa. The Rockefeller Foundation, 1977.
- NAPRI (1984): "Highlights of Research Achievements on Animal feeds". National Animal Production Research Institute. Science Technology. Brief, Lagos.
- NIJD - (no date): Livestock Production and Credit Models. Extension Hand Book.
- Nwanko, G.O. (1981): Agricultural Finance Policy and Strategy in the 1980's in M.O. OJO, CC. Edordu and J. Ayo Akingbade (EDS). Agricultural Credit and Finance in Nigeria., problems and prospects. Published by Central Bank of Nigeria October,. 1981. Pp.571-572.
- Obi, T.U (1988): "Strategies for Disease Prevention in Ruminants" Paper presented at the workshop of Nigerian vet. Med. Association Ondo State Branch. at Akure, July 11-15, 1988.
- Ojo, M.O.; Balogun, E.D and Eybuomosun, G.O. (1993): "Sustaining Agricultural Production in a deregulated Economy". Journal of Economic And Financial Review, CBN Vol. 31 No. 2 June, 1993.



- Okali, C. (1979):** "Socio-economic information for ILCA's Small ruminant programme in the Badeku and Eruwa areas, Oyo State, Nigeria". Humid zone programme working paper No. 1 ILCA, Ibadan.
- Olayide, S.O. (1972):** A Quantitative Analysis of Food Requirements, Supplies and Demands in Nigeria 1968-1985, University of Ibadan Press, Ibadan, Nigeria, Pp 113.
- Ologun, A.G. (1991):** "Small Ruminants Management And Disease". Paper presented at workshop of Nigerian Vet. Med. Association, Ondo state Branch. at Akure. April 18, 1991.
- Olomola, A. (1988):** "Credit control policies for improved agricultural financing in Nigeria, problems and prospects" Paper presented at the 5th Annual national Conference of FAMAN.
- Oni, S. A. (1978):** "The Nigerian Food Problem: It's dimensions and Project for Solutions" A lecture delivered at the College of Education, Ikere Ekiti, Now Ekiti State.
- Oshuntokun, T.O. (1975):** "The Cost of Credit". Summary Record of the Four-Day-Course for Credit Supervisors of the Western State Agriculture Credit Corporation. Department of Agricultural Extension Services. University of Ibadan.
- Otesile, E. B. (1991):** "The Impact of Disease on the productivity of sheep and goat". Paper presented at workshop of Nigeria Vet. Med. Association, Ondo State Branch at Akure. April, 1991.
- Oyenuga, V.A. (1967):** Agricultural Nigeria: An Introduction". FAO, Rome.

- Oyinsan, O. (1991): "Management and Disease of Small Ruminants". An address at the workshop of Nigeria Vet. Med. Association, Ondo state Branch. at Akure. April, 1991.
- Patel, A. U. (1972): "Bridging Scientific Agricultural and Institutional Returns to the Farmers Level. An Experiment in Badeku Village". An unpublished report in the Department of Agricultural Economics and Extension, University of Ibadan.
- Singh, R. (1976): "Utilization of Credit received by the Farmers from a larger size Cooperative Credit Society". Indian Journal of Extension Education, Vol. XII Nos 1 and 2 Pp 69.
- Smith, O.B.; Kasali, O.B.; Adeyanju, S.A.; Adegbola, A.A. (1981): "Mineral nutrition of tropical livestock. Potassium deficiency in the borine. A case report in Nigeria". Journal Nutritional Science 1: Pp 162-165
- Ukpong, G.E. (1993): "Some Strategies for the Development of Nigeria's Agricultural Sector in the 1990s". Journal of Economic and Financial Review, CBN, Vol. 31, No. 2, June 1993 Pp. 86-109.
- Upton, M. (1987): "Goat Production in the Humid Tropics. Actual and potential Contribution to Agricultural Development". Goat production in the humid tropics. Keynote Address: processing of Workshop at University of Ife, Ile-Ife, Nigeria 20-24 July 1987 Pp 11-20.

DEPARTMENT OF AGRICULTURAL ECONOMICS AND EXTENSION
FEDERAL UNIVERSITY OF TECHNOLOGY, AKURE
AN APPRAISAL OF THE NATIONAL LIVESTOCK PROJECT DIVISION
(NLPD) SMALL RUMINANT CREDIT PROGRAMME IN EKITI AND
ONDO STATE OF NIGERIA

INTERVIEW SCHEDULE:

This questionnaire is designed to obtain information which will help to appraise the effectiveness of small Ruminants Credit Programme by the National Livestock Projects Division of the Federal Ministry of Agriculture, Water Resources and Rural Development, Akure to livestock farmers in Ekiti and Ondo States through the Nigerian Agricultural and Cooperative Bank, Akure. Any information obtained will be used only for academic purposes.

I shall be very grateful, for sparing some few minutes of your time to answer the following questions:

DEMOGRAPHIC VARIABLES

1. Name of Town/Village: Date:
2. Local Government Area:
- 3a. Your age: years (b) Sex: Male: Female:
- 4a. Marital status: (check one): Married: Single:
 Divorced: Widowed:
- b. If married, state number of wife/wives:
- c. Number of children: Number of children living with and helping
you on your livestock farm:
- d. Other relatives living with and helping you:
5. What social status do you hold in your community (check one)?:
Oba: Chief:

Government official: Religious leader:

Village head: Family head:

Ordinary citizen:

Others (specify):

1. Indicate the highest educational standard you attained.

2. Religion (Check one):

Christianity: Muslim: Traditionalist:

Free thinker: Others (specify):

3. your major occupation:

4. any other occupation you engage in (check as appropriate):

(a) Civil service: (b) Trading:

(c) Artisan: (d) Farming:

10. (a) Do you own a livestock farm? Yes: No:

(b) Do you keep goats? Yes: No:

(c) Number of acres/hectares (are) :

11. Estimate the size of your goat herd by number of animals kept:

12. How did you acquire the land for your goat farm? (check one):

(i) Rent: (ii) Bought: (iii) Leased:

(iv) Inherited: (v) Family: (vi) Gift:

(vii) Community:

b. If rented, how much do you pay on rent annually?

N / year

c. Is the livestock farm (or part of it) insured at present? (

Yes: No:

d. If insured, for what value? N

13. From which source did you learn about the loan scheme of the NLPD/NACB?
- (i) Friends: (ii) Relatives:
- (iii) Government Officials: (iv) NACB's Advertisement:
- (v) Cooperative societies:
- iv. Mass media (a) Newspaper: (b) Radio:
- c. Television: (vii) Others (specify):
14. Are you a member of any of:
- a. Farmers Union: Yes: No:
- b. Cooperative Society: Yes: No:
- c. Farmer's Congress: Yes: No:
- d. Farmer's Group: Yes: No:
15. Name the Union, Society, Congress or Group: (i)
- (ii) (iii)

SECTION TWO

SOURCES OF CREDIT

- 16a. Have you ever borrowed for livestock purposes before?
- Yes: No:
- b. From what sources have you borrowed for livestock production before? (You can check more than one):
- i. Nigerian Agricultural and Cooperative Bank (NACB):
- ii. Commercial Bank:
- iii. Relatives, friends, money-lenders, traders, etc: i.....
17. How much did you borrow from National Livestock Project Division, NLPD, Akure, in

	Cash	Kind	Total
1990	N.....	N.....	N.....
1991	N.....	N.....	N.....
1992	N.....	N.....	N.....
1993	N.....	N.....	N.....
1994	N.....	N.....	N.....

Administrative Matters

18. When did you apply for the loan? Month Year;
19. When did you fulfil all the requirements for the loan? I.e. when you submitted all the necessary forms, photographs and presented both guarantors for investigation?
..... Month: Year
20. Did you collect your loan at once? Yes: No:
OR in instalments? Yes: No:
21. When was the first instalment of your loan given to you?
..... Month Year
22. In what form was your loan disbursed to you? (Check only one).
- Cheque (through bank)
- In Kind
- Combination of cheque and kind
23. Considering your needs then, do you think the disbursement of the loan was timely or late?
I. Early: (ii) Just timely: (iii) Late:
24. How many times did you visit the NLPD/NACB's office, Akure before you got your loan?:

25. Can you estimate what it cost you (transport):
Per trip: N..... On the whole: N.....
26. How many times did the Credit Officer(s) and the Livestock Officer(s) from NACB and NLPD visited your livestock farm before and after you got the loan?
.....
27. What were the purposes of the visit? (mark as appropriate):
- (i) Preliminary livestock arrival
 - (ii) Advise before livestock arrival
 - (iii) Advise after livestock arrival
 - (iv) Advise on grassland establishment
 - (v) Advise on harvesting/culling of livestock
 - (vi) Marketing of livestock produce
 - (vii) Not Official
28. How many times have credit officials visited you to demand repayment of the loan to date?
29. How was the loan expected to be repaid (check one):
- (i) By instalments
 - (ii) Lump sum:
 - (iii) Don't know:
 - (iv) Any how as conversant
30. Are you always given receipt for all monies you pay to the credit staff.
Yes: No:
31. Do you pay back your loan by (check one): (i) Cheque.....
(ii) Cash: and (iii) Cheque and cash:.....
32. Does the NLPD help you to market your produce or find market for it?
Yes:

SECTION THREE:-

(A) MANAGEMENT PATTERN/ HOUSING AND FEEDING

Name the goat breeds you keep:

33. Where did you purchase your stock (goats) from ?
34. How many animals (goats) were you able to purchase with the NLPD loan?
35. How many goats were you having before you got the loan and after? Before loan: with loan:
36. What type of Management system do you employ before the loan?
- (a) (i) Intensive (ii) Semi-intensive.....
- (iii) Free range:
- (b) After the loan ? Intensive.....
- Semi-Intensive: Free range:
37. Where do you house your stock? Before loan with loan
- | | | |
|-------------------------------|-------|-------|
| (i) Constructed pen | ..... | ..... |
| (ii) Back yard | ..... | ..... |
| (iii) Corridor | ..... | ..... |
| (iv) In uncompleted apartment | ..... | ..... |
| (v) Kitchen/pantry | ..... | ..... |
38. Did you provide the feed for your goats before and after receiving the loan?
(Yes/No) Before:..... with loan:
39. What type of feed did you give them before and after receiving the loan:
Before:..... with loan:
- (i) Grains (ii) Forage (iii) Household left overs
- (iii) All of the above



40. Did you give mineral supplement (salt lick) before and after you got the loan?
Before: With loan:
41. Did you provide water for your animals regularly before and after you got the loan? Before: with loan:
42. Did you allow your animals to go out for grazing before and after you got the loan? Before: with loan:
43. Did you cut forages for your animals? Before:
After:
44. Did you have an established forage garden before and after you got the loan?
Before: After:

(B) STOCK SIZE

45. How many kids were added to the stock before: With loan: through birth per year.
46. Were there any mortality recorded before: with loan:
47. State the most important causes of mortalities.

(C) HEALTH MEDICAL INTERVENTION

48. Which of the following did you do regularly?

	Before loan	with loan
a. Deworming		
b. PPR Vaccination		
c. Ectoparasite treatment		

49. How many times in a year did you carry out these routine treatment?

a. Deworming	.....	.....
b. PPR Vaccination	.....	.....

c. Ectoparasite treatment.....

50. How frequently (number of times per year) did you contact the Veterinary before and after you got the loan? Before with loan

51. When you observed any of the animals sick what did you do?
Before loan:..... With loan:.....

(D) FARMERS' INCOME

52. What was your average annual income from your stock?
Before:..... with loan:.....

53. Have you made any appreciable profit over the programme? Yes

54. About how much on the average did you realize per year on the goat production per year? Before:.....

55. How many goats were you slaughtering for domestic consumption per year?
Before:..... With loan:.....

56. About how many goats were you giving out free of charge per year?
Before:..... With loan:.....

57. About how many goats did you use for ceremony or sacrifice per year?
Before:..... With loan:.....

58. What was the average price of a goat? Before:..... With loan:.....

59. Estimate your annual expenses on your goat farm?
Before:..... With loan:.....

SECTION FOUR PROBLEMS AND SUGGESTIONS

60. Please state problems you had in obtaining loan from NLPD:

- (i)
- (ii)

(iii)

(iv)

61. Please state problems you still have in your goat production now.

.....

.....

62. Suggest what you would like government to do concerning farm credit in your area:

(i)

(ii)

(iii)

(iv)