ACCESSIBILITY OF AGRICULTURAL CREDIT BY RURAL WOMEN AND THE IMPLICATION ON NIGERIA AGRICULTURAL OUTPUT:

A CASE STUDY OF JEMA'A AND KAURA LOCAL GOVERNMENT AREA OF KADUNA STATE

BY

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DECLARATION

I declare that this thesis titled 'Accessibility of Agricultural Credit by Rural Women and the Implication on Nigeria agricultural Output: A Case Study of Jemaaá and Kaura Local Government Area of Kaduna State' has been written by me in the department of Economics under the supervision of Professor (Mrs) P.S Aku and Dr Ishaya Audu.

The information derived from the literature has been duly acknowledged in the text and a list of references provided. No part of this thesis was previously presented for another degree or diploma at any university.

GRACE HEZEKIAH ISAH 28th April, 2009

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Name of Student Signature Date

CERTIFICATION

This thesis titled 'ACCESSIBILITY OF AGRICULTURAL CREDIT BY RURAL WOMEN AND THE IMPLICATION ON NIGERIA AGRICULTURAL OUTPUT: A CASE STUDY OF JEMAAÁ AND KAURA LOCAL GOVERNMENT AREA OF KANUNA STATE' by GRACE HEZEKIAH ISA meets the regulations governing the award of the degree of Master of Science (Economics) of Ahmadu Bello University, Zaria, and it is approved for its contribution to knowledge and literacy presentation.

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DEDICATION

This thesis is dedicated to God almighty who made my dream a reality.

ACKNOWLEDGEMENT

I am most grateful to the Almighty God for seeing me through this work. My profound gratitude goes to my supervisors, Prof. (Mrs.) P.S. Aku and Dr Ishaya Audu for their intellectual guidance, encouragement and the valuable time they spent supervising this work. My special gratitude to Dr P. Njiforti for his immense contribution towards this work. I am very grateful to Prof Olowonni, Mr Jibrin and Mr Aku for their support and encouragement. My deep appreciation to my husband,Dr Isa for his love and patience during the course of this research my sweet lovely daughters, Joy (Ashamna) and Praise (Zichat), you have been so wonderful. My special thanks to my parents, Mr/Mrs Ishaya Tafarki and Mr/Mrs Isa Alkali and all my sibling particularly Salamatu for your concern and prayers. My sincere thanks to brethrens in my church for their encouragement and prayers.

THANKS AND MAY THE ALMIGHTY GOD BLESS YOU ALL.

ABSTRACT

This study investigated rural women access to agricultural credit and the effect on agricultural output. Primary data were collected through the use of structured questionnaire and Focus Group Discussion (FGD). Two Local Government Areas (LGAs) were selected based on women involvement in agricultural activities. These were Jema'a and Kaura (LGAs). A multi-stage random sampling technique was applied in the selection of eighty (80) women farmers. Each local government areas had (40) respondents. A high percentage of the questionnaires administered during the research were retrieved. A total number of 78 questionnaires out of the 80 questionnaires administered were retrieved, representing 98% response rate. The analytical tools used include among others frequencies, mean, and percentages. The chi-square was also used to test the null hypotheses that there was no significant relationship between socio-economic factors and access to credit and also no significant relationship between amount accessed and output.

The results show that there were two main sources of agricultural credit in these areas. They are formal and informal agricultural credit. It was discovered that 17% of these rural women sourced credit from formal sources (commercial banks/ Agricultural banks) and 83% of them got theirs from informal sources like friends, relatives, NGOs, and personal saving. The women in the study area encountered problems like inaccessibility of credit institution, lack of collateral security, administrative bureaucracy in accessing

formal sources of credit. Problems like insufficient amount and high interest rate posed challenges in accessing informal sources of credit. The study proffered solutions like the establishment of banks in the rural areas, minimization of procedure in getting loans and implementing programmes that will facilitate women access to credit facilities. The cross tabulation/chi-square analysis showed that occupation education and land ownership had influenced on access to agricultural credit. Socio-economic factors like age, family size, farm size had no influence on access to credit. Finally, the chi-square analysis proved that there was a significant relationship between amount accessed and level of output. Women who received higher amount experienced increase in their agricultural output.

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CHAPTER ONE

1.0 GENERAL INTRODUCTION

1.1 BACKGROUND OF THE STUDY

According to Adubi (1998), food and cash crop production in Nigeria has for a long time depended largely on the output of small-scale farmers who are mostly rural women. It was estimated that more than 90 per cent of the total cultivated land in the country was in the hands of small-scale farmers (Agricultural Policy for Nigeria, 1993). They constitute the bulk of agricultural producers and proved close to 95 percent of the food supply in the country, and 87 percent of crop exports. Their landownership pattern was governed by a communal land tenure system of small fragmented holdings. The production input of these farmers consisted mainly of land and family labour: capital investment was generally small and inputs such as fertilizers and chemicals were rarely used. The level of production technology was low. The environment (with little or no basic amenities) and the cultural background (norms and beliefs) in which they operated could not facilitate effective communication and diffusion of agricultural information, and the adoption of new technologies. In addition, opportunities and access to information was limited. Small-scale farmers were mainly subsistence producers, although some had marketable surplus (Olayemi, 1980; Ojo, 1991).

Given this setting and the importance of small-scale farming in Nigeria, the Federal government over the years adopted several strategies in order to boost food production; increase the level, grade and varieties of export crops, produce enough

food for the rapidly growing population an obtain raw materials for the agro-allied industries, etc. the policies introduced include Agricultural Credit Guarantee Scheme, Operation Feed the Nation, Green Revolution, River Basin Development Authorities, National Accelerated Food Production Programme, Guaranteed Minimum Price Scheme , Marketing Board System, etc. furthermore, many of the agricultural development projects (ADPs) in the country were turned to statewide ADPs. This was to eliminate the problems and increase the production of these small-scale farmers. Yet, Nigerian agricultural crops continue to decline and production has not been able to meet the food needs of the country. Consequently, food production per capita has been declining annually. The FAO (1997) in its Food Security Index, classified Nigeria among countries with low levels of food security.

Small-scale farmers produce both cash and food crops, but this study focuses on food production and their economic behavior which is influenced by resource allocation on the farm. This ultimately is the overriding factor that governs the types of crop produced and the level of production achieved. Specifically, it is assumed that small-scale farmers who mostly rural women are rational producers who allocate resource to satisfy their expectations and goals.

An overview of the Nigerian food policy since 1970 shows a policy shift towards using farm technology which has manifested in many rural development programme. Examples include scale irrigation projects and tractorization schemes, efforts were made to introduce technical 'packages' like improved seeds, fertilizers, insecticides and credit to members of the farming community.

The food policy in Nigeria has been self-sufficiency in food crop production. This has been attempted through the introduction and adoption of improved technologies, more efficient utilization of farm resources, reduction in the risks and uncertainties associated with, and the modernization of the structure and organization of food crop production. The specific strategies to achieve this objective include small-scale farmers, the creation of programmes which could ensure that agricultural resources and services are directed to small-scale. This has been done through the network of Agricultural Development Projects (ADPs) which have been created nationwide and their main strategy of reaching out to the farmers has been through improved varieties of seeds, fertilizers, insecticides, tractor-hiring, etc., on which government subsidies will be gradually removed.

Some studies have shown that farmers were efficient but, poor and those strategies have to be introduced to reduce the hazards of risk in production and adoption of improved technologies on the farm. Farmers respond to process and other obstacles to crop production. In addition, the farm information network should be strengthened in order to reduce the observed allocative inefficiency.

Again, in attempt to boost the agricultural sector successive government in Nigeria introduced and established various agricultural credit institutions like the Agricultural Credit Guarantee Scheme Fund (ACGSF) and Nigeria Agriculture and Cooperative Bank (NACB) now known as Nigeria Agricultural Cooperative and Rural Development Bank (NACRDB) among other agricultural policies.

One thing remains clear that is, women are known to produce up to 60% of food consumed and have been described as the backbone of subsistence agriculture in

Nigeria (Osuala 1991). Again, according to (Adawo and Umobang 2003) argued that, almost all active women in rural areas engage in agriculture. Most of them are poor, lack modern education and have few skills (United Nations 1992). Manuel (2007) described rural women as the poorest, most marginalized members of the global village. They suffer from a range of both formal and informal barriers to develop themselves.

. These women lack collateral security for bank loan and have higher risk aversion for development servicing. Hence, women depend heavily on their own sources of income which are farming activities to meet their responsibilities and sustain their farm (Okunade, 2007). Rural women in Nigeria work under very difficult conditions since they use traditional tools and techniques. These tools are not efficient enough to generate the required output. They also do other tedious farm work like marketing and processing of the product. (International Labour Organization (ILO) 1988). This makes it necessary to devise various means of reducing the drudgery of women, enhance their productivity and to improve their ways of life.

The very important way of doing this is the adoption of new and appropriate technology for the women activities. Since the average rural woman is poor and cannot acquire this costly technology, her output is generally small..

It is now clear that for agriculture to play a dynamic role in economic development, it requires substantial capital inputs. Inadequate agricultural credit is seen as a big problem of rural women, therefore credit should be seen as one of the essential factors. It is necessary for commercializing the agricultural production.

Before the emergence of formal micro finance institutions in Nigeria, informal micro finance institution flourished all over the country. They provided savings and credit services to their members. The informal credit institutions still operate under different names, "esusu" among the Yoruba of western Nigeria, "etoto" for the Igbos in the east and "adashi" in the north for Hausas (CBN, 2000). The development of formal credit institutions that administered agricultural credit date back to 1930 in the Northern Region when the native administration gave loans for mixed farming. The Nigerian Local Development Board established by the Federal Government followed later. This institution gave agricultural credits to farmers in all parts of the country. This led to the establishment of the three regional development boards (Northern Region development Board, Western Region Development Board and Eastern Region Development Board). This again was replaced in 1963 by the fund for Agriculture and Industrial Development in the Eastern Region. In the Western Region, the regional finance corporation also took over the disbursement of loan to farmers.

In 1973, the Nigeria Agricultural Bank was established to provide credit to farmers. It was renamed as Nigerian Agricultural Co-operative Bank (NACB) in 1979. Also, the Agricultural Credit Guarantee Scheme Fund (ACGSF) was established to increase the level of credit to the agricultural sector. The Nigerian Agricultural Cooperative and Rural Development Bank Limited (NACRDB) was an amalgamation of the former Peoples Bank of Nigeria, Nigeria Agricultural and Cooperative Bank (NACB) and the Family Economic Advancement Programme (FEAP).

The bulk of Agricultural enterprises in Nigeria are micro in size. The poor who account for over half of the population do not have access to formal banking service.

The CBN survey in 2001 indicates that between 14.1 and 3.5 percent of the total micro finance institution funds went to these sectors, while the bulk, (78.4) went to commerce. Commercial banks traditionally lend funds to medium and large enterprises which are judged to be credit worthy. In other words they avoid doing business with the poor who are mostly the rural women. These women are associated with high risk.

1.2 RESEARCH PROBLEM

There is considerable literature that women produce about 60 percent of food requirement in developing countries, (Osuala, 1991; Malgwi. 2004; Barde, 2003). Low investments in agriculture have been traced largely to banks unwillingness to make credit available to women farmers who are perceived by banks as a high-risk investors. Even where credits are available high lending interest rates make them unattractive to farmers. Rural women are involved in direct farming, processing, marketing etc. Crude implements are still very much employed in their farming business, thereby increase their drudgery and lowers output.

In Nigeria and other developing countries, culture, religion, custom and the institutional background and structures have always hindered the serious role they play in productive activities. The socio-economic and institutional factors have adversely affected women access to credit.

It is generally believed that rural women compare to their male counterpart are having problem in accessing agricultural credit, even though they constitute the bulk of the productive force especially in agricultural production. Most of agricultural institution initiatives in Nigeria have discriminated against women. For instance in an

FOS publication (1996), only men had access to land and credit. Further, in a study by Adawo et al, (2003), out of the total numerous men and women who applied for loan for rearing of animal, 83 percent of the men who applied got and only 17 percent of the women were given. The problem that women face in accessing productive resources is becoming more and more serious. The rural women who constitute the bulk of the agricultural population in Kaduna State are poor and the only alternative for raising capital has continued to elude them. This problem of inadequate finance has made them to produce at subsistence level. Therefore this study intends to investigate why rural women are not accessing agricultural credit and also the impact on Nigeria agricultural output. This is with particular reference to women in Jemaá and Kaura Local Government Areas of Kaduna State.

1.3 RESEARCH QUESTIONS

This research is out to answer the following questions.

1. What are the sources and conditions/requirements for getting agricultural credit?
2. What are the socio-economic factors that influence and hinder rural women access to credit?
3. If agricultural credit is made available to rural women what are the likely impact on their output?

1.4 RESEARCH OBJECTIVES

The broad objective of this study is to examine accessibility of agricultural credit by rural women in Kaduna state and the likely impact on agricultural output. The specific objectives of the study are as follows.

i. To identify the various sources and conditions/requirements for getting agricultural credit.

ii. To examine the socio-economic factors that influence accessibility to credit by rural women.

iii. To investigate the possibility of increasing output through agricultural credit.

iv. To make policy recommendations.

1.5 RESEARCH HYPOTHESES;

This research was guided by the following two null hypotheses:

1 There is no significant relationship between access to credit and socio-economic factors, while the H_1 (Alternative Hypothesis) shows that there is a relationship between access to credit and socio-economic factors.

2 There is no significant relationship between the amount accessed and the level of output. H_1 (Alternative Hypothesis) shows that there is a relationship between amount accessed and level of output.

1.6 SCOPE OF THE STUDY

The study covers women farmers in Jema'a and Kaura Local Government areas of Kaduna State. The choice of these areas is not only based on the fact that farming is the major occupation of the people, but is also due to the fact that women in these areas generally have problems in financing their activities.

1.7 JUSTIFICATION OF THE STUDY

This study is important because Nigeria is presently having the problem of food security. Many families are starving. Many farmers lack long term funds which has made it difficult to make appropriate investments. This study is also important because rural women in Kaduna State are vital driving force of food security. Rural women who are mostly poor, needs agricultural credit to aid their production. No matter how hardworking and knowledgeable a woman may be, without credit she cannot adopt improved technologies which can facilitate her task of production, processing, preservation, storage, etc. In essence, credit is necessary in improving the agricultural yields of these women.

The agricultural credit institutions have over the years assumed the role of making credit available to rural women. However, because of the problems associated with accessing credit from these institutions and the small percentages of women who benefit from such credit. The attention of the Federal Government should therefore focus on funding and supporting their activities. It is necessary to find out strategies that will enhance rural women access to credit. Effective credit allocation can in the long run improve agricultural output in Nigeria.

Therefore, this study is important because it will provide an understanding of the problems of rural women access to agricultural credit and ways to solve this problem. It will also provide information for policy makers on how credit scheme can be improved to serve the credit needs of rural women in the study area.

1.8 ORGANIZATION OF THE STUDY

The study is divided into five chapters. Chapter one focused on the general introduction, research problem, objective and the specification of hypothesis, as well as the outline of the chapters.

Chapter two consists of both the theoretical and empirical literature review. Chapter three dwelled on methodology of the research. It contains data sources, specification of analytical model, and discussion of analytical tools.

Discussion of finding, analysis of data, interpretation of result, compilation of data are contained in chapter four. Finally, chapter five is made up of the summary of findings, conclusion and recommendations of the study.

CHAPTER TWO

2.0 REVIEW OF LITERATURE

The purpose of this chapter is to review

(a) Theories of farmers' behavior summarized in the theory of investment and also bank behavior.

(b) Empirical studies on the relationship between agricultural credit and agricultural output.

The theoretical review intends to apply the theories of investment in explaining the behavior of a farmer. This is because farming is a voluntary activity undertaken for purposes of making private profit. Again, theories of bank behavior that examines the transmission mechanism from capital to risk is considered. They include; risk management and portfolio theories.

The studies selected and reviews for the empirical literature are those that explains role of women in agriculture, concept of agricultural finance, source of credit etc.

2.1 THEORTICAL LITERATURE

2.1.1THE EXPECTED PROFIT THEORY OF INVESTMENT

The expected profit theory of investment is that which the desired stock of capital investment is assumed to be proportionate to the market value of the firm. The profit of the firm expressed in real terms is defined as total real revenue (total revenue) minus total real cost. However, profits are maximized when firm individually and in

the aggregate firms set marginal revenue equal to marginal cost. Rural women rarely make income (profit) from their farming activities. This is because most of them produce at subsistence level. Hardly do they have enough for commercial purposes. It is important women access credit, so as to facilitate their agricultural production.

2.1.2 THE NEOCLASSICAL THEORY OF INVESTMENT

The neoclassical theory of investment states that the desired stock of capital investment is assumed to be equal to the value of output deflated by the price of capital services. The neo-classical model assumes that capital and labour can be substituted for each other. In short the extreme assumption is made hat there are indefinitely large number of production processes available, so that the ratio of capital to labour used in producing a given output can be varied continuously. It is assumed that an increase in the input of one factor, while the other remains constant, is subject to diminishing returns. This condition can be related to what rural women encounter in agricultural production. Capital is usually substituted by labour. This labour mostly comes from their children. In spite of the readily available labour, these women agricultural output is still at a low level. This is in line with the neo-classical theory. It states that, if a factor is substituted for another, it leads to diminishing return. This implies that both labour and capital should be increased in order to increase the level of agricultural output.

2.1.3 THE ACCELERATOR THEORY OF INVESTMENT

This version of investment theory says that, the desired stock of capital is proportional to output after allowing for variation in capacity utilization. This means that the level of investment planned is related to the size of the change in income

(output) rather than to the level of output. Rural women inaccessibility to credit has limited changes in their output level. Credits usually finance farmers' agricultural activities. This in turn increases agricultural output. If agricultural output of rural women must increase, credit must be made available to them.

2.1.4 RISK MANAGEMENT THEORY

Risk management theories regard the individual bank as a risk –neutral agent that maximizes expected profits while allowing for a particular type of risk (Marcus, 1983). These theories deal with two aspect of risk in banking. They are the credit risk or default risk which is the risk that borrower cannot repay his loan and accrued interest and the funding or withdrawal risk, which is the risk that creditors withdraw their deposits.

In risk management theories according to Jaffee, (1989), the prime-lending rate plays an important role. Interest rates on riskier loans are determined as a mark up that is, an interest rate premium over the prime rate. The rural women are regarded as riskier borrowers. It is believed that their socio economic characteristics like poor education, lack of collateral etc, can influence their loan repayment rate. In practice, the mark up over the prime rate charged a risky borrower may also depend on the degree of competition in the loan market. When the market is highly competitive, the mark up represents only the expected loss due to default. If a bank tried to charge more, competitors would offer a lower interest rate and take away the customer. The absence of perfect competitive market makes it possible for banks to charge risky borrowers a mark up over the prime rate that is, more than the expected loss due to

default. There are few banks in the rural areas. This makes the banks in rural areas not to be highly competitive therefore, these few banks will charge more.

Jaffee furthermore stressed that, the amount of competition in loan markets is different for prime and risky borrowers. For prime borrowers and for highly collateralized loans, the loan markets tend to be highly competitive. Since rural women are regarded as borrowers, banks must determine the degree of risk. In determining the degree of risks the loans market in rural areas becomes less competitive.

There is another aspect of risk management by banks. It is known as the diversification of loan portfolios. Diversification according to Sheldon (1996) plays a key role in how risk-averse banks deal with risky loans. It requires that the portfolio consist of a large number of relatively small loans and the loans have independent risks, that is, the probability of default on a given loans is uncorrelated with the probability of default on the other loans. This principle can affect the amount any rural woman can access. It will therefore, make little impact on output.

2.1.5 PORTFOLIO THEORIES.

Generally portfolio theories are concern with the combination of various investments in a set in order to achieve optimum result (Nwankwo, 1991). According to Nwankwo, the basic idea of portfolio theory is that rational investors should maximize returns and at the same time be aware of the risk of alternative investment. This theory therefore, focuses on risk and returns.

The portfolio problem of the bank is the choosing of a collection of investment that when taken together have desirable characteristic with respect to risk and

expected returns. This behavior of banks can influence their investment in the agricultural sector. Agriculture is a risky venture especially when agricultural problems like bad weather condition, poor storage facilities, pest etc manifest during cropping season. .This may be the reason while the key players in the agricultural sector (women) are not adequately accessing bank credit. Jaffee,(1989) put forward four factors that should be considered in portfolio selection:

1. Financial and capital assets with higher expected rates of returns should be generally preferred. In terms of financial liabilities, lower rates of interest should be preferred for financing purchases of goods and assets,
2. Assets with lower levels of risk should be generally preferred,
3. Portfolios usually should be diversified, that is, should consist of a relatively large number of individual assets that can substitute another in the long run,
4. Portfolios generally should include some liquid assets that can be rapidly sold at fair prices to raise money.

Jafee, (1989) continued that the banks portfolio policy should be to invest in market instruments and while doing this, they should be committed to making the maximum return, while trading same off with risk. These recommendations generally advocates for profitable investment. Mechanized farming is a profitable venture where banks can comfortably invest in. If rural women must make progress in agriculture, credit must be made available to them by banks.

2.2 EMPIRICAL LITERATURES

2.2.1 THE CONCEPT OF CREDIT AND AGRICULTURAL FINANCE.

In agricultural finance, the term credit, loan and borrowing have often been used interchangeably and are assumed to refer to the process of obtaining control over the use of money, goods or services in the presenting exchange for a promise to repay at some future date (Miller, 1977). On this score, the lender is assumed to forgo the use of the money or its equivalent currently making a loan or extending credit to the borrower who promises to repay on the term specified in the loan agreement or debt instrument (Miller, 1977). The obvious implication of this is that the borrower obtains money to use for current production or consumption purposes before saving to repay at some future date.

Finness (1975) defined credit as the means of which entrepreneurs are enabled to acquire commodities against a promise to repay later. Credit, he further argued is predicted upon confidence in the sense that the request for a loan is usually met on the basis of a promise of repayment by the borrower at a stated time and under given condition of repayment under these circumstances, it is argued that the lender is assumed to have surplus purchasing power and the borrower a deficit, with the borrower acquiring and using the surplus belonging to the lender.

2.2.2 IMPORTANCE OF CREDIT IN TRANSFORMING AGRICULTURE.

Whatever rural women engage in, be it farming or rural manufacturing or even both as is most often the case, they require capital to start off and sustain the venture. In most Nigerian rural communities, such capital is generally derived from two sources; either through belonging to a contribution club with rotatory take-out (Esusu). The existence

of the rotational credit have been reported by Ijere (1977), either the Esusu or village money lenders. However, most women prefer and accumulate capital for any venture through their membership in Esusu clubs. But because take-outs are usually inadequate to finance any worthwhile project and sustain it they generally would belong to two or three esusu clubs. Most women are reluctant to avail themselves of credit from village money lenders because of their prohibitive lending terms unless they are in completely fix and no alternative. On the other hand, because most rural women are illiterate large percentage are ignorant about banks and their credit facilities. But even if they are aware of such facilities, it is highly unlikely that they would benefit form such knowledge because they would not have collateral. Since banks are commercial houses and not philanthropic organizations, they have not been anxious to give credits in what they consider high-risk cases without collateral. With regards to this, there was an experimental opening of the Peoples Bank established 1989 by the Federal Military Government (Olukosi, 1988). According to World Bank Publication (1974), agricultural credit is the key to modernization of agriculture. Not only does it remove financial constraint of the rural women but it may also facilitate adoption of new technologies that would otherwise be slowly adopted. (Norton and Alwang 1993) said that the emphasis placed on the role of credit in agricultural development is not misplaced because credit is essential for a country to move from traditional to dynamic agriculture.

The importance of credit has often been associated with the need for capital accumulation Famoriyo (1980). Farmers need Improved technology, unfortunately, rural women do not have enough cash to hire or buy new technology such as ploughs,

oxen etc. consequently women's productivity is often low (Mwaipopo 1994). Thus, credit is critical to the significant increase in output of the farmers.

According to Olukosi (1988), considerable amount of capital investment is required for the modernization of agriculture through the use of improved technologies in developing countries and rural women cannot generate enough of this capital from their own savings, women have to raise some additional capital, if they are to expand, through the formal and informal sources of credit.

Many scholars have expressed their views on the importance of credit in agricultural development. Brenner (1971) calls it the life-blood of modern society which plays an important role in the development of agricultural production, the demand for which grows as development progress. According to Oluwasanmi and Alao (1965), the importance of credit stems from the fact that for increase agricultural production, new and improved methods of farming over the traditional techniques will have to be adopted.

It is in recognition of the important role credit can play in agricultural development that the Federal Government took the bold steps to fund the sector, these steps include the establishment of NACB and Agricultural credit guarantee Scheme Fund, People's bank, FEAP etc.

2.2.3 EMERGENCE OF CREDIT IN NIGERIA

Government in the running of the Nigeria economy had been pervasive since 1960. The failure of the price-market mechanism to ensure that individual benefit optimally from the market used as the rationale for government intervention in the running of an economy. Besides the shortage of capital and the absence of a well-developed

entrepreneurial class has spurred government to be involved in almost all sectors of the economy. All these have resulted in the passage of relevant legislations increasing the participation of foreigners in various sectors of the economy. Government created parastatals which operated in the manufacturing, financial, transport and communication as well as other sectors of the economy. These interventions led to distortions in the running of the economy, bred inefficiencies and resulted in misallocation of resources to the least productive sectors.

In particular in the financial sector government intervention has manifested itself in the use of directed credit, interest rate ceilings, preferential credit to government and its parastatals as well as the take-over of the running of some private institutions by the Federal Government. It resulted, in the main, in financial repression which inhibited intermediation. The adoption of the policy of financial liberalization as part of SAP, was expected to improve financial intermediation. (Soyibo, 2000).

2.2.4 SOURCES OF AGRICULTURAL CREDIT IN NIGERIA

With regards to source of credit, lenders are classified in either formal or informal or as institutional and non-institutional Miller (1997). He identified the formal credit sources as including government credit institutions, co-operatives and commercial bank which according to him are formal in the sense that their operating procedures and loan terms tend to be standardized and subject to central bank control. Informal lenders, on the other hand are listed as including professional money lenders and pawn brokers trades people, money collectors and keepers and associations of acquaintances that is friends and relatives including, credit associations (Miller 1977, Holt and Ribe, 1991). Credit transaction among these lenders, has been reported to be on a pure

personal basis, with the rate of interest charged, security required and lending procedure varying widely Miller (1977).

Credit from institutional sources tends to be generally available only to large farmers with established credit experience. The cheap interest rate charges on institutional credit (held as a stimulus to investment) and the greater ability of formal credit sources to provide term finance and to mobilize savings have been some of the common attractions for institutional credit (Holt and Ribe, 1991).

Institutional providers of credit have often been discouraged from engaging in rural lending on the grounds that lending in rural areas often implies serving a geographically dispersed clientele with the associated substantial unit cost in processing and administering small loans coupled with the frequent absence of collateral, difficulties in enforcing contractual obligations and the often unjustified belief that small agents are bigger risk than large farmers (Huppi and Braverman 1991). Land particularly, serves as collateral for obtaining loan and losing rights to land goes a long way with losing access to loans women might have (Nzioki, 2003).

Again, according to Soyibo, (2000), the Nigerian Financial System can be broadly classified into two; the formal financial sector and the informal financial sector. The informal financial sector consists of those financial activities that operate outside the regulatory ambit of the monetary authorities. There are two schools of thought as to the origin of informal finance. The first school of thought, the financial repression school, posits that informal finance agents spring up as a result of the regulation of the financial system which usually leads to credit rationing, among other distortions. This denies the poor, rural dwellers as well as small and medium scale enterprises much

needed credit. Informal finance then springs up to fill this critical vacuum. The second school of thought, the structuralist school, argues that informal finance serves vital functions, beyond the purely economic. They provide social security by meeting the liquidity constraints of members and also strengthen kinship, ethnic and religious bonds of members (Soyibo, 1995)

There are two distinct forms of informal finance; in- cash and in- kind varieties (Soyibo, 1994). However, the in-cash variety predominates. Informal financial agents operating the in-cash form of informal finance are the esusu collectors, money lenders, rotating savings and credit associations (ROSCA), saving and credit cooperative, credit unions and savings and loans companies. The last three agents are registered under one ACT or the other, however, what makes them informal is the fact that their operations are not supervised or regulated by the monetary authorities.

Informal finance agents create the problems between lenders and borrowers, moral hazard, adverse selection and adverse incentive by using a complex web of direct screening mechanisms based on their knowledge of potential clients as well as kinship and other social relationships. Accordingly, deposit mobilization and lending are often done within limited geographical scope to people living within the same locality or belong to the same ethnic, religious or social groups where group pressures and social sanctions are strong.

The formal financial sector in Nigeria can be classified into two: Banks and Non-Banks. There are at least two way of distinguishing banks from non-banks. The first is a legalistic approach in which all those financial institutions that usually do not operate under the provisions of the Banking Act and/or are not regulated by the

monetary Authorities are classified as non-banks. This approach was adopted by Ndele (1991), Adewunmi (1992), Ojo (1992) and Osayameh (1992).

The second method, a functional approach uses the differences in financial intermediation functions and the degree of moneyness of the liabilities of the financial institutions to classify financial institutions into banks and non-bank financial institutions (NBFIs). Thus, banking institutions are those which mobilize resources often regarded as part of the money stock and those which provide more short term than long-term facilities to investors.

Credit is part of the capital required by most investors. The capital of a business unit can be divided into two broad categories; Fixed Capital and Circulating Capital. The fixed capital of a firm is the money needed for permanent investment such as the purchase of land, fertilizers, erection of silos, purchase and installation of equipment, etc. from the foregoing, we deduce that the fixed assets of a farmer includes the land on which to produce, the buildings, machines, trucks and furniture which usually depreciate over a long period of time.

The commercial banks are joint-stock banks or limited liability organization which owes a duty to their shareholders to make profits. Consequently, banks usually do not engage in very risky investments such as financing projects that are not likely to be viable, or giving long-term credits which are involved in the fixed capital of a farmer. In other words, banks generally give short-term credits or loans and as such, firms have to explore other sources of finance in order to provide the capital needed for long-term investment. The circulating capital otherwise known as working capital is the money needed for defraying the recurrent expenditures of inventory. Working

capital is used for such purposes as payment of wages and salaries, purchase of seedlings, fueling of vehicles, settlement of electricity bills, etc. since these are short-term credits, farmers can obtain from commercial banks to finance their working capital.

There are various sources of capital. The capital available to a farmer can be raised from two main sources:

a **Internal sources:** these include the farmer's own funds or self financing, money realized from past savings, ploughing back of undistributed profits into the business, mergers and the pooling together of resources as in the case of cooperative.

b **External sources:** The external sources of capital comprise loans or all sorts of borrowing from banks, private sources, investment, trusts and finance corporations: government subsidy or grants,

All various sources of capital summarized above are not accessible to all types of firms. Much depends on the type, age, size and magnitude of the business organization in question. Therefore, various farms raise their capital from various sources. The main sources from which small farmers called the sole proprietor and the partnership, obtain capital or funds for financing their business are as follows.

(a) Small farmers can raise initial capital from the savings which the proprietors or partners have accumulated over a period of time. Such savings may be target savings specifically ear-marked for the launching of the business in question.

(b) Small farmers can also raise funds from relatives and friends.

A common feature in West Africa is to start a farm with funds contributed by a group of friends or and an age group from the same village who have decided to go into partnerships.

The absence of strong formal credit market is known to have given rise to informal financial markets in rural areas of many developing countries (Huppi and Braverman 1991). Although reliable data are lacking, it has been argued that a large proportion of the rural credit in developing countries are provided by informal sources even were government has established agricultural credit institutions Miller (1977). The observed preference of rural borrowers for credit from informal sources is informed by certain characteristics of informal lenders, namely;

(i) immediacy of disbursement

(ii) Low transaction cost for borrowers because of lenders proximity.

(iii) Knowledge of clients better than by formal banks which reduces the farmer's information cost.

(iv) Are not subject to reserve requirement.

(v) Are cash flow lenders whose funds are hard to embezzle because of the existence of local social control mechanisms that prevent fraud and default?

Holt and Ribe (1991), have argued to the effect that the attribute of information associated with informal credit sources does not mean that these system lack structure of financial viability. The by-laws of credit associations, according to them tend to be strict and commonly include fines for members who fail to fully co-operate or

participate and that informal arrangement have often met key tests of financial performance by economizing on transactions cost, lengthening term structures and managing risk effectively. Despite their popularity and potential, most forms of informal finance are known to have limitations which cannot be overlooked or ignored. Financially, the reportedly tend to be isolated from larger markets which curtails lenders access to funds and reduces competition Holt and Ribe (1991).

The obvious reason for high interest, in the informal market is that it do handle the risk loans and consequently require premium to cover their expected losses by default, coupled with limited diversification of loan portfolio and monopoly rent Huppi and Braverman (1991).

2.2.5 ROLE OF WOMEN IN AGRICULTURE

Generally, the work of the women includes child bearing, rearing, household management (working, washing etc) in addition to some aspects of agriculture (production, processing, marketing, etc). Their specific task varies depending on the culture. In the past few years, the growing literatures on the role of women in agriculture in Nigeria, have testified that women play an important role in the food production process. According to Howard (1988), women working on small farms are believed to produce about 90% of the food consumed locally. It has also been established that in most African countries, more than 80% of those who earn their living as farmers are women, in Nigeria and most researchers maintained that 50-60 percent of agricultural labour force came from women. The studies carried out in different parts of Nigeria, revealed that almost all agriculture production, marketing activities including animal husbandry and marketing are performed by women.

Gidarakau I (1991) confirmed the fact that women are not only involved in post processing of crops, but also involved in all stages of agriculture production. Furthermore, it is widely agreed that even Muslim who practice purdah are intensely involved in farming activities from the seclusion of their compound walls (Maigida, 1992). In some parts of Adamawa State in Mambila Plateau, women generally constitute up to 90% of the work force involved in direct arable crop production (Maliki, 1991). In Bauchi, Benue, Plateau and some part of Kaduna State, women that are farmers are responsible for cultivation of food crops or even cash crops for their family. It is therefore indisputable that women participate in almost all facets of farm activities alongside with men (Howard, 1988), only their efforts have not been recognized and it has been an unequal basis. As a result of this, the integration of women into development machinery becomes crucial. Therefore, the establishment of Women in Agriculture (WIA), 1990, was an attempt by the government to integrate women in the development process with specific reference to agriculture. Based on the intensive consultancy works done on this issue by the World Bank the concept of WIA therefore, is in recognition of plight of women and the effort they have been making in order to enhance food security of the nation.

The major objective of women in agriculture is the integration of women totally to agricultural development system that is, recognizing the women as farmers in their own rights, so that they can benefit and have access to agricultural credits, input, like other farmers in the country. The successful integration of women in farming system will increase their productivity, income and standard of living (Maigida, 1992). Therefore, rural women are looking for opportunities to increase their incomes most

of which they spend on basic family needs. Women's access and control over resources will affect the extent and mode of performance in carrying out their responsibilities (Ogungbile et al 1991).

Women have worked, yet conventional measures of productivity such as GDP and labour force data usually overlook and by pass rural women work. Recently, women's work has become a topic of concern among scholars and national development planners because it is becoming clear that rural women are vital producers, processors and marketers of most agricultural products in developing countries like Nigeria, (Osuala 1991). That is to say, women at whatever level of socio-economic stages had interest in agricultural production (Usman, A. et al 2002)

The United Nation with other development agencies emphasized the importance of African women to the development of continent. African women form an indispensable part of human resources for development, without their contribution, the economies of Africa countries cannot be expected even to be maintained at their present low levels, much less advance to meet the targets and levels with which are consistently being set by African countries (ECA, 1980).

Of all the enterprises in developing countries, agriculture is/or remain the most significant. Women are the backbone of subsistence agriculture in developing countries (Osuala, 1991). Women in Africa comprises of 60-80 percent of the labour force. A recent research study on rural women in 3 prominent ethnic groups in Nigeria came to conclusion that rural women in Nigeria are involved in all aspects. Rural women who produce at least 50 percent of the food, have until recently received no agricultural training of any kind, even when attempts have been made to increase

productivity in the subsistence sector, sex and stereotyping has led to poor results because outside planners have consistently ignored women critical role in agriculture (Adawo and Umobong 2003). In short, most of the farm inputs were originally designed for men (Mbanelo 1990). Lack of knowledge of modern agricultural practices also prevents rural Africa women from being fully productive and also makes their tasks of planting, weeding and harvest tidious. However, a typical rural woman in Nigeria work in fields, they begin their day by five in the morning and end at between eight and ten in the evening without break (Osuntogun, 1980). They often stay long in the fields during the peak of agricultural season.

2.2.6 WOMEN'S ACCESS TO CREDIT

Women, particularly the growing number of who lead households rely on income to maintain their families. But one major way of improving income is largely inaccessible to them. Women's lack of access to credit influences their ability to assure household food security (Nzioki 2003). Credit enables them buy household goods and provide them with start-up-capital for micro-enterprises or agricultural purchase. However, as more and more women enter the labour force either in the formal or informal sector of the economy, their additional income becomes increasingly important to family welfare. In many cases, it is even more important than men's income as women generally spend their income on basic household needs while men tend to spend theirs on consumer goods for their own use, non priority investments in the house and like. Women's income is therefore vital for family survival.

Rural women need 'small' loans that can be paid back in small installments. However, these loans are hard to obtain from formal credit institutions forcing women to use informal credit resources (Huppi and Braverman 1991). The common informal credit the rural women patronize is the money lenders who provide credit with excessively high interest leading many women to perpetual indebtedness. For this reason, women's access to formal credit provided by commercial banks, governmental and non governmental institutions should be enhanced. Women in many developing countries have little or no access to credits. Ishengoma (2004) confirmed the fact that women have limited access to credit. Consequently, many of them sought alternative means Like sale of farm products, paid labor in other people's farm, borrowed money and gifts from family member in order to finance their farm enterprises (Ezumah N. and Didomenico C.1995) Therefore, rural women are looking for opportunities to increase their incomes most of which they spend on basic family needs. Women's access and control over resources will affect the extent and mode of performance in carrying out their responsibilities (Ogungbile et al 1991).

. Some supply and demand factors that affect women access to credit include: micro-economic factors and macro-economic factors.

MICRO-ECONOMIC FACTORS IN WOMEN'S ACCESS TO CREDIT

(a) **Commercial Bank**

Commercial banks are one of the most important formal credit institutions as they are theoretically, at least accessible to everyone. To obtain credit from any commercial bank, applicants must prove their creditworthiness. Most banks rely on four basic credit criteria; capacity to repay, collateral, characters and credit record. However,

most women who apply for credit cannot meet these requirements which reflect a low percentage of women who receive it.

Underlying this low percentage are obstacles which can be divided into supply and demand factors. Supply factor involve commercial banks willingness to lend to women who are small, inexperienced borrower in general. Demand factor on the other hand, relate to women's willingness and ability to apply for and accept credit from commercial banks and more strongly associated with the characteristics of women borrowers who are illiterate, non formally educated, unskilled, easily intimidated by male' authority and bank premises and not familiar with paper procedures and bureaucracy.

The important supply factors are;

a .A general shortage of credit.

b. The type of activities which women are involved generally does not generate the cash flow needed to repay large loans.

The most important demand factors impeding women's access to credit from commercial banks are;

(i) The requirement of collateral in the form of saving account, house, land or other property. Women have less access to property than men.

(ii) Transaction costs for loans are high.

(iii) Lengthy application procedures.

(iv) Social norms restrict married women from associating with men including extension agents and discourage women from undertaking economic activities outside the home.

(b) GOVERNMENTAL AND NON-GOVERNMENTAL INSTITUTIONS

Governmental institution is another type of institution which offer credit programmes as incentives to certain sectors of the economy. Women programmes and units were introduced in most governmental institution. In Nigeria, the Better-life for rural women programme was a strategy of promoting the standard of living of women. It was launched in 1987. The programme made women to enjoy increase recognition as a group that has to be given special attention at all level policy formulation and implementation. About 3 months after the launching, United Bank for Africa (UBA) came up with a credit scheme for rural women. Loans were given to them for farming, poultry keeping, piggery, handicrafts and trading etc. Also, women in Agriculture (WIA) and ADP established in 1990 has tried to make women recognized as farmers in their own right so that they could benefit and have access to agricultural inputs. These programmes as good as they were had many problems.

Non-governmental institution on the other hand include, the rational credit group known as 'Thrift groups', Esusu, Adashe or Iwofa or in other form called the women co-operatives formed by women with some purpose to move forward. Co-operative was one of the most effective vehicles for organizing rural women for the mobilization of fund. However, if this organization (Co-operative) is strong enough, it could support a programme of self- generating development out of their pooled resources. The organization, hence, could help make credit accessible to women but

only a few co-operatives are strong to meet up with the standard required by banks. Example of a specific co-operative is WOFAN, Women Farmers Association of Nigeria Ijere (1991). Therefore, the limitations which these co-operative faced made it difficult for women to access credit.

MACRO-ECONOMIC FACTORS.

(a) Sexual Division of Labour

Even when attempts were made to increase productivity in the subsistence sector, sex stereotyping has led to poor results because outside planners have consistently ignored women's critical role in agriculture. In stereotyping the man governs and the woman is subordinate. The man is the head of the household, earns the income and disposes of his wife (her body, labour), the children and property. These activities are always considered more important and have more status household and family chores in and round the home in which she has certain independence. To execute any type of activity outside the home, women always need the implicit permission of men.

Sexual division of labour influence women access to credit in many ways. They include the obstacle on the supply side, which women are by nature considered as high credit risks. It is a direct outcome of the idea that men, not women are those who earn income and handle money. On the demand side, the same notion discourages women from engaging in money matters. In addition, male aggression and jealousy of their wives associating with other men restricts married women from dealing with extension agents most of whom are men. Also if they engage in productive activities for which they need credit, they cope with a double workload. It is harder for them

than for men to find the time for lengthy credit application procedures, waiting in line and travel to commercial banks (Gomez 1987).

(b) Women's Income

Women's income is another factor that impedes women's access to credit. Rural women work in subsistence agriculture. She is entitled to income from vegetables, crops, livestock and other activities like pottery, weaving etc. However, these activities women are involved in generally do not generate cash flow needed to repay large loans and income is one of the basic criteria which most banks rely on Gomez (1987).

(c) Women's Access to Property

To receive credit from commercial bank one needs collateral, which is usually property in the form of house or land. In Nigeria, the customary land rights do not allow women to own land. However, a woman can own a land or house if she has enough income of her own to purchase and they are expensive. Hence, with the level of income the rural women operate with, they are not able to purchase the property and therefore most women lack the collateral needed to apply for credit Gomez (1989).

2.2.7 COST OF BORROWING

This is the sum of interest paid on principal sum borrowed, expenses on transportation to and from the loans office before collection of loan, application form fees and others. Adeyoimo (1984) explained that the tendency was for beneficiaries to divert loans when the cost of borrowing becomes excessively high.

Interest charged on principal was considered a controversial issue. Authors like Donald (1976), argued that maintenance of loan interest rate was actually a disincentive for production. The reasons advanced were that loan interest rates have been far below inflationary rate found in developing nations. This will therefore tend to discourage investment and encourage diversion of borrowed fund for consumption. Osuntogun (1973), while justifying low interest rates on agricultural loans in developing nations gave the following reasons;

i Low interest rates are needed to induce farmers to adopt formal Credit use in the purchase of modern productive inputs.

ii Low interest rates are needed to compensate women for other Economic policies which causes production and investment Disincentives like food and pricing ceiling.

iii Low interest rate constitutes a cheap and effective way of transferring additional purchasing power to the rural women.

Thus with low interest rates borrowers (women) will pay less for Loans and will have to spend on maintenance needs.

2.2.8 REVIEW OF PAST STUDIES.

Many people have done researches relating to agricultural credit and even women. For instance, Aku (1995) undertook a comparative study of the performance of NACRDB and ACGSF with emphasis on loan disbursement and repayment and established that there was a variation in the loan disbursement and repayment profiles of the two institutions. The rate of accessing the loan by the different sex and also the impact of the loan on output was not addressed.

On the gender side, studies have also been conducted. Adawo and Umobong (2005) talked on how women have been discriminated from benefiting agricultural programmes in Nigeria and came out with the conclusion that women have been

skimmed out of these programmes. Again, this study was too general and makes conclusion difficult. Maliki (1991), conducted is own research in Adamawa state and discovered that women who are majority farmers do not benefit from agricultural credit. However, the cause of such difference in accessing credit was not highlighted. Olayiwole (1982) research was conducted between muslim and non-muslim communities. The study reported a discriminatory practice against women in allocation of land, technology and extension. This research was also general and did not identify the causes of discrimination. Similar study was done outside Nigeria. Researcher like Ishengoma, compared the rate men and women access resource in Tanzania. He also realized in his study that women have been discriminated against especially in the area of accessing resources like land, credit.

This research have added value by examining the socio-economic factors responsible for rural women inaccessibility to credit and the impact it has made on agricultural output. Again, this research differs from previous studies in terms of the study area.

CHAPTER THREE

METHODOLOGY

3.1 STUDY AREA

This research was conducted in two local government areas in Kaduna State. These two local government areas Jemaá and Kaura are situated in the southern part of Kaduna State. Agriculture is the predominant occupation of the people in these areas. People of these areas engaged in both pre harvest and post harvest activities. Again, women in these areas are known to be actively involved in farming activities.

3.2 SOURCES OF DATA

The data for this study was primarily sourced. The primary data was collected through administration of structured questionnaire and interviewing method. A focus group discussion was also conducted in regard to the study. Also, Information was obtained through personal contacts with the ADP field enumerators

3.3 SAMPLING PROCEDURE

The sampling frame for the study consists of only female farmers who engaged different types of agricultural activities. According to 2006 census result, the two local government areas had an estimated total population of about two hundred and forty thousand (240000) women. Out of this total, about one hundred eighty thousand (180,000) were actively involved in farming. Therefore, to select the sample for this study, the two local government areas were divided into districts. These districts were made up of villages. Jemaá is made up of eight (8) districts and one hundred and sixty seven (167) villages, while, Kaura has 7 districts and 74 villages. Therefore, multi-stage random sampling technique

was applied. Four (4) districts where women engaged actively in farming were selected from each local government area. This gave a total of eight (8) districts. There were some districts that are dominated by Muslims and it well known those Muslim women are not actively involved in farming. The next selection is one village from each district. One village was targeted due to the fact that some districts were made up of two villages. Again, ten (10) farming households were selected from each village by simple random sampling method. From each household, only female

farmers were identified when administering the questionnaires. This gave a total of eighty (80) sample size.

3.4 MEASUREMENT OF ACCESSIBILITY

Accessibility to credit was ranked by the degree to which their sources were easily reached and the problems encountered in accessing credit. This accessibility was ranked using 3 scale of Very accessible (VA), Moderately accessible (MA), Rarely accessible (RA) and Not accessible (NA)

VA = Availability of credit institution, no much emphasis on collateral, adequate Amount and low interest rate.

MA = Availability of credit institution, emphasis on collateral, adequate amount, and low interest rate.

RA = Availability of credit institution, emphasis on collateral, insufficient amount, and high interest rate.

NA = No credit institution.

3.5 ANALYTICAL TECHNIQUES.

Various statistical methods were adopted for this study. They included descriptive statistical tools, cross tabulation and the chi-square test.

3.5.1 DESCRIPTIVE STATISTICS

The technique is efficacious in summarizing certain characteristics of a sample. Agresti and Agresti (1979) identify easy comprehension of population behaviour and compact presentation of large population data as some of the advantages of this tool of analysis. It was employed to summarize the information from the questionnaires in this study. This summary was presented in tables and percentages.

3.52 CROSS TABULATION

This is also a descriptive statistics. It shows the relationship between variables.

3.5.3 CHI-SQUARE TEST (X^2)

This tool was used to test the null hypothesis against and alternative hypothesis. The justification for using chi-square was to evaluate whether the difference between observed frequencies and the expected frequencies under a set of theoretical assumption is statistically significant. The X^2 is most often applied to problems in

which two nominal variables are cross-classified in a bivariate variable (Machmias 1922). Therefore, the Chi-Square was used to evaluate the relationship between access to credit and agricultural output. The expectation here is that there is relationship between access to credit and agricultural output. In this instance, the theoretical value will be compared with observed value, which was generated by the questions ask relating to accessibility. Therefore, the observed and the theoretical computed frequencies fit into the chi-square formula given by:

$$X^2 = \sum \frac{(O_{ij} - E_{ij})^2}{E}$$

where:

X^2 = Chi-Square calculated.

$\sum$ = is summation notation

O_{ij} = Observed frequency.

E_{ij} = Expected frequency.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS OF RESULT.

4.1 DATA PRESENTATION

This section presents the description of the general socio-economic characteristics of the sampled rural women in the study area. The sources and conditions for getting agricultural credit were also presented, aimed at achieving objectives i and ii of the study. These objectives include; identifying the sources and conditions for obtaining credit and also examining the socio-economic factors of respondents.

Table 4.1: Distribution of Respondents According to Age Structure.

Age Group (years)	Jemaá Freq (%)	Kaura Freq (%)	Total Freq (%)
Less than 20	2 (5)	1 (2.5)	3 (4)
21 - 30	5 (12.5)	8 (20)	13 (16)
31 - 40	18 (45)	12 (30)	30 (38)
41 - 50	8 (20)	15 (37.5)	23 (29)
51 - 60	7 (17.5)	3 (7.5)	10 (12)
Over 60	0 (0)	1 (2.5)	1 (1)
Total	40 (100)	40 (100)	80 (100)

Source: field survey 2008

Table 4.1 shows that the two local government areas have three sampled women of age bracket less than 20 years, thirteen between 20 and 30 years of age bracket, thirty between 31 and 40 years of age bracket, twenty three between 41 and 50 years age bracket, ten between 51 and 60 years age bracket and only one sampled rural woman was over 60 years. This age distribution indicates that almost every young woman indulged in farming activities, even as young as less than 20 years of age. This finding is similar to that of Adawo and Umobang (2003). Since these women are actively

involved in agricultural activities, credit should be made available to them in order to increase their farm yields.

Table 4.2: Average Age of Women Farmers in Jema'a and Kaura Local Government Areas.

Variable (Age)	Jema'a	Kaura
Maximum	45	46
Minimum	23	21
Average	34	33.5

Source: field survey 2008.

The maximum age is 46 years and minimum between the two local government areas was 21 years. The average age distribution was 34 for Jema'a and 33.5 years for Kaura Local Government Area.

Table 4.3. Distribution of Respondent According to their Educational Level

Education level	Jemaá Freq (%)	Kaura Freq (%)	Total Freq (%)

No formal	6 (15)	4 (10)	10 (13)
Primary	19 (47.5)	16 (40)	35 (44)
Secondary	9 (22.5)	12 (30)	21 (26)
Post secondary	6 (15)	8 (20)	14 (17)
Total	40 (100)	40 (100)	80 (100)

Source: field survey 2008

Thirteen percent of respondents from the two Local Government Areas had no formal education, 44% had primary education, while 26% and 17 % had secondary and post secondary education respectively. Post secondary education is made up of respondents with, ND, HND NCE, and University qualification. Illiteracy is regarded as one of the factors militating against agricultural development among farmers in Africa and access to agricultural credit (Ishengoma, 2004). This result shows that about 43% of both secondary and post secondary respondents are literate. There is still high rate of illiteracy in these study areas. Therefore, problems would be encountered in obtaining loans especially from the formal source. This is because, loan procedures like filling of application forms require literate person. Education expands the range of opportunities open to people. This in return can increase their incomes. Even if rural women have not been through a system of formal education, basic literacy and numeracy would aid women access services and takes control of their lives (Manuel, 2007).

Table 4.4: Distribution of Respondents According to Occupation.

Occupation	Jemaá Freq (%)	Kaura Freq (%)	Total Freq (%)
Farming	22 (55)	24 (60)	46 (58)
Trading	10 (25)	6 (15)	16 (20)

Civil servant	8	(20)	10	(25)	18 (22)
Total	40	(100)	40	(100)	80 (100)

Source: field survey 2008.

Fifty eight percent of the respondents are farmers, while 20 %and 22% are traders and civil servants respectively. This implies that, agriculture is the predominate occupation in rural areas. Even the civil servants practice agriculture in these study areas. This confirms the finding of (Osuala 1991), that almost every young active rural woman farms. Subsistence agriculture does not need any special training that might be the reason why these women find farming attractive. Since majority of these rural women do not generate regular income from white collar job, it then becomes necessary to make credit available to them. This credit can boost their output.

Table 4.5: Distribution of Respondent According to Marital Status.

Marital status	Jemaá		Kaura		Total	
	Freq	(%)	Freq	(%)	Freq	(%)
Married	37	(92.5)	34	(85)	71	(89)
Widowed	2	(5)	4	(10)	6	(7.5)
Divorced	1	(2.5)	2	(5)	3	(3.8)
Total	40	(100)	40	(100)	80	(100)

Source: field survey 2008.

Eighty nine percent of the respondents are married, 7 % are widowed and 3% are divorced. Greater numbers of these rural women are married therefore, have family responsibilities. Their family need can motivate them to farm. This is in line with the findings of (Ogungbile et al 1991), that women are looking for opportunities to increase their incomes in order to meet their family needs.

Table 4. 6: Distribution According to Family Size

Family size	Jemaá		Kaura		Total	
	Freq	(%)	Freq	(%)	Freq	(%)
1 - 4	16	(40)	18	(45)	34	(43)
5 - 9	20	(50)	16	(40)	36	(45)
10 and above	4	(10)	6	(15)	10	(12)
Total	40	(100)	40	(100)	80	(100)

Source: field survey 2008.

Table 4.6 shows that the family size of within 5-9 of the study areas have highest percentage of about 45%, while 43% have a family size between 1-4 and 12% from 10 and above. This means that majority of them have a good number of children. Large family size can increase these women financial burden. Therefore, makes it difficult to finance farm activities.

Table 4. 7: Distribution of Respondents According to Farm Size.

Farm size (ha)	Jemaá		Kaura		Total	
	Freq	(%)	Freq	(%)	Freq	(%)
1.0 - 3.0	22	(55)	20	(50)	42	(52)

3.1 - 5.0	14	(35)	18	(45)	32	(40)
5.1 and above	4	(10)	2	(5)	6	(8)
Total	40	(1000	40	(100)	80	(100)

Source: field survey 2008.

Fifty two percent of the respondents have farm size between 1and 3 hectare, 40% have between 3 and 5 and 8% from 5 and above. Table 4.7 shows that most of the women were subsistence farmers who worked with little capital. They often did not have sufficient cash to buy or hire new technology such as ploughs, oxen etc. consequently, women's productivity is often low and sometimes left out in development planning (Mwaipopo 1994).

Table 4.8: Distribution of Respondent According to Ownership of Land.

Ownership of land	Jemaá		Kaura		Total	
	Freq	(%)	Freq	(%)	Freq	(%)
Husband land	12	(30)	9	(22.5)	21	(29)
Inherited	4	(10)	3	(7.5)	7	(9)
Hired	22	(55)	25	(62.5)	47	(59)
Purchase	2	(5)	3	(7.5)	5	(6)
Total	40	(1000	40	(100)	80	(100)

Source: field survey 2008.

Land being the basic resource used in farming is the most valuable physical asset a farmer has in the rural area. The study areas practice land tenure system whereby, land is mainly inherited by men. The women do not inherit land in these areas. They acquire land through their husbands or by hiring. Table 4.8 shows that 59% of land used by these rural women were hired, 26% are husband's land, while 9% and 6% of the land were inherited and purchased respectively. This means that just few of the women possessed land. The inaccessibility of land impairs women eligibility to credit, since lending institution demand collateral usually in forms of land. This finding supports that of Nzioki (2003).

Table 4.9: Types of Agricultural Credit from Formal and Informal Sources.

Sources	Types	Jemaá Freq (%)	Kaura Freq (%)	Total Freq (%)
Formal	Comm./Agric. Banks.	8 (20)	9 (22.5)	17 (19)
Informal	Friends	4 (10)	2 (5)	6 (7.5)
	Relatives	8 (20)	7 (17.5)	15 (21)
	Personal Saving (Adashi)	12 (30)	10 (25)	22 (28)

	NGOs	8 (20)	12 (30)	20 (25)
Total		40 (100)	40 (100)	80 (100)

Source: field survey 2008.

Various sources/types of credit were identified in table 4.9. Formal source were obtained from commercial and agricultural banks, while the informal source includes personal savings (adashi), friends, relatives and Non-Governmental Organizations (NGOs). Some of these NGOs include; Fanstwam foundation, Pathfinder. The two local government areas have just 19% patronage from formal sources (banks). Majority of the women in the study area obtained their agricultural finance from the informal sources. Twenty two (28%) and 20 (25%) women obtained their finance from personal savings and (NGOs) respectively. The personal savings type of credit is done through rotatory take out (adashi). This discrepancy is due to the fact that informal sources are the most readily available sources for these women. This is in the sense that, formal credit involve long protocol, absent of banking services in some villages (Huppi and Braverman 1991). Collateral security also discourages people from seeking credit from the formal sector (Okunade,s 2007).

Table 4.10: Distribution of Respondents According to Security Offered for Loan in Both Sources.

Security	Jemaá Freq (%)	Kaura Freq (%)	Total Freq (%)
Account in Bank	5 (13)	3 (8)	8 (10)
Guarantor	18 (45)	22 (55)	47 (58)
Land	4 (10)	3 (7)	7 (9)

Crops	1 (2)	2 (5)	2 (3)
None	12 (30)	10 (25)	16 (20)
Total	40 (100)	40 (100)	80 (100)

Source: field sursvey 2008.

Agricultural credits from both sources required security. Banks demanded opening an account before loan was given. Fifty eighty percent of the women offered a guarantor in obtaining loan especially from the informal sources (see Table 4.10). Land was also used in sourcing credit from formal sources (banks). Its low percentage is due to the fact that women in these areas do not have right to land. Three percent of the respondents offered crops as security. This crop was used to get informal source of finance. Their small scale farming made it difficult to use crop as security. None, means some of the respondents accessed agricultural credit from informal sources like self finance, relatives. These particular types of informal sources of credit did not attract any security.

Table 4.11: Distribution of Respondent by Problems Faced in Obtaining Credit from Formal source (Banks)

Problem Encountered	Jemaá Freq	Kaura Freq	Total Freq (%)
Inaccessibility to credit institution	18	22	40 (50)
Lack of Collateral Security	18	14	32 (40)
Untimely Disbursement	11	9	20 (25)
Administrative/ bureaucratic procedure	16	24	40 (50)

Illiteracy	10	8	18 (23)
Interest rate	9	11	20 (25)
Insufficient amount	10	6	16 (20)

Multiple Response

Source: field survey 2008.

Table 4.11 shows that 50% of the respondent experienced difficulty in getting formal loans. This was due to the fact that, credit institutions were inaccessible. Some places in the study areas did not have banks. Again, 40% of these women lacked collateral security for bank loans. The least problem encountered is insufficient amount. This means that, the women accessed sufficient amount of credit from the formal source (banks).

Table 4.12: Distribution of Respondents According to Problems Encountered in Obtaining Credit from Informal Sources.

Problems encountered	Jema;a Freq	Kaura Freq	Total Freq (%)
Interest rate	14	18	32 (40)
Delay in getting guarantor	10	10	20 (25)
Insufficient amount	22	18	40 (50)

Multiple Response

Source: field survey,2008

Table 4.12 shows that 40% of the women experience difficulty of interest rate when accessing informal sources of credit while, 25% and 50% for delayance in getting a guarantor and insufficient amount respectively. This means that informal sources of credit did not provide enough finance for these rural women.

4.2 ANALYSIS OF RELATIONSHIP BETWEEN THE SOCIO-ECONOMIC CHARACTERISTICS AND CREDIT ACCESSIBILITY.

This section aimed at achieving objectives ii which is examining the socio-economic factors that influence access to credit. A number of factors determining access to agricultural credit in the study areas were identified. Cross-tab and Chi-square were used to test the hypothesis that there is no correlation between socio-economic characteristics of the respondents and their accessibility to credit. This was tested at 5% significant level.

AGE

Age is known to have effect on access to credit. "Age is wisdom" and generally credit delinquency has been attributed to certain category of credit beneficiary below a particular age group therefore, the intension here is to verify and test the relationship between age and accessibility to credit. The table below verifies this relationship.

Table 4.13 Age * Accessibility

Crosstab

	Accessibility									
Age	NA	(%)	RA	(%)	MA	(%)	VA	(%)	Total	(%)
Less than 20	1	(33.1)	1	(33.1)	1	(33.1)	0	(0)	3	(4)
21-30	3	(23.1)	5	(38.5)	2	(15.4)	3	(23.1)	13	(16)
31-40	10	(33.1)	7	(23.3)	10	(33.3)	3	(10)	30	(38)
41-50	3	(13)	4	(17.4)	10	(43.5)	6	(26.1)	23	(29)
51-60	1	(10)	5	(50)	1	(10)	3	(30)	10	(13)
over 61	0	(0)	0	(0)	1	(100)	0	(0)	1	(1)
Total	18		22		25		15		80	(100)

KEY : NA (Not Accessible)
RA (Rarely Accessible)
MA (Moderately Accessible)
VA (Very Accessible)

The cross-tab of table 4.13 shows that respondents did not vary significantly in their opinions with respect to the various accessibility rating. This result is further supported by the chi-square p value of .388. It means the result is not statistically significant. This means that age is not a factor to credit accessibility in the study areas. In others words, there is no significant relationship between age and accessibility to credit. Therefore, the null hypothesis is accepted.

OCCUPATION

Occupation is anything an individual does to earn his or her living. An individual engages in a job to earn income. The predominant occupation in rural areas is farming. Most rural women practice subsistence farming which gives them low income. This low income can discourage them from opening account with banks, Those in non farming jobs especially civil servants, the have more access to formal credit (bank loans). The interaction with rural women made it clear that those in the civil service usually have salary account with bank. This salary account minimizes the problem of long protocol in opening an account. Again most of the civil servants have acquired formal education. This makes them literate therefore, overcoming the problem of illiteracy in accessing credit. Table 4.14 further confirms this facts.

Table 4.14 Occupation * Accessibility

Crosstab

Count

	Accessibility									
Occupation	NA	(%)	RA	(%)	MA	(%)	VA	(%)	Total	(%)
Farming	14	(30)	16	(35)	13	(28)	3	(7)	46	(58)
Trading	4	(25)	4	(25)	5	(31)	3	(19)	16	(20)
Civil Servant	0	(0)	2	(11)	7 s(39)		9	(50)	18	(22)
Total	18		22		25		15		80	(100)

KEY : NA (Not Accessible)

RA (Rarely Accessible)
MA (Moderately Accessible) VA (Very Accessible)

Table 4.14 shows that more than half of the respondents were farmers. However, majority of them are saying credit is not accessible. The civil servants are saying credit is accessible. None of the civil servant ticked "Not accessible" option but, fifty percent of the civil servants agreed that credit was very accessible. Therefore, the cross tabulation between occupation and accessibility to credit indicates that civil servant and traders have more access to credit than farmers. This is because these groups (trader and civil servant) are capable of meeting bank condition of depositing cash in the banks. They are also more educated. The chi-square result also confirms that. This result is statistically significant. It then mean that there is a significant relationship between occupation and access to credit. The null hypothesis that there is no significant relationship between occupation and accessibility to credit is rejected.

MARITAL STATUS

Researches conducted in the pass came out with the conclusion that married women in Africa are denied access and control of resources. This is because men are regarded as head while, women the subordinate. Most policy programmes usually targets the households and the head of households (husbands) are considered first. The women (married ones) have problem accessing resource, since their husbands always represent the family. This assumption is verified in the table below.

Table 4.15 M.Status * Accessibility

Crosstab

Count

Marital Status	Accessibility									
	NA	(%)	RA	(%)	MA	(%)	VA	(%)	Total	(%)
Married	14	(20)	21	(30)	22	(30.9)	14	(20)	71	(89)
Widowed	2	(40)	0	(0)	2	(40)	1	(20)	5	(6)
Divorced	2	(50)	1	(25)	1	(25)	0	(0)	4	(5)
Total	18		22		25		15		80	(100)

KEY : NA (Not Accessible)
RA (Rarely Accessible)
MA (Moderately Accessible)
VA (Very Accessible)

The cross tabulation result of table 4.15 shows that the different categories ofomen face the same thing when accessing credit. The result is evenly distributed in the sense that the differences in their responses are minimal. The women in the study areas testified that they were not discriminated based on marital status. This implies that marital status is not a yardstick for obtaining credit. The chi-square result further ascertain that the relationship was not statistically significant. It is not statistically significant. The null hypothesis is accepted in this case. This means that there is no significant relationship between marital status and accessibility to credit. Any woman can access credit irrespective of her marital status. This research finding contradicts previous works like Ishengoma (2004). This finding differs because some of the married women are also accessing credit like others without husbands. This contradiction might be as a result of time lag that is, increasing gender awareness. In this case the null hypothesis is accepted.

EDUCATION

Education enhances and individual productivity and also increase the chances of getting a job. It addresses the problem of illiteracy which is one of the major problem rural women face in accessing formal credit (bank loan). These educated women stand the chances of accessing credit better. The table below intends to verify this fact.

Table 4.16 Education * Accessibility

Crosstab

		Accessibility				
Education		NA (%)	RA (%)	MA (%)	VA (%)	Total (%)
	None	2 (18.2)	5 (45.5)	4 (36.4)	0 (0)	11 (14)
	Primary	11 (30.6)	12 (33.3)	10 (27.8)	3 (8.3)	36 (45)
	Secondary	5 (26.3)	5 (26.3)	5 (26.3)	4 (21.1)	19 (24)
	post secondary	0 (0)	0 (0)	6 (42.9)	8 (57.1)	14 (18)
Total		18	22	25	15	80 (100)

KEY : NA (Not Accessible)
RA (Rarely Accessible)
MA (Moderately Accessible)
VA (Very Accessible)

Table 4.16 shows that nobody with none formal education ticked “very accessible” (VA). Those with higher educational qualification agreed that credit was generally accessible. The cross tabulation between education and accessibility to credit shows that the more educated a women is, the better the chances of accessing credit. This result is further ascertain by the chi-square value (0.02) which is statistically significant at 1% level. This means that higher level of education increase women chance to credit. The null hypothesis is rejected in this case.

FAMILY SIZE

It has been noted that poor people especially the rural dwellers keep large family size. This large family size is believed to compensate their poor economic status. The

formal credit institutions at times use children as security for loan collected. Hence, this work tends to investigate the influence of family size on access to credit. The table below explains this relationship.

Table 4.17 Familysize * Accessibility

Crosstab

	Accessibility				
Family Size	NA (%)	RA (%)	MA (%)	VA (%)	Total (%)
1-4	9 (26.4)	9 (26.4)	12 (35.1)	4 (11.8)	34 (42.5)
5-9	8 (22.2)	10 (27.8)	8 (22.2)	10 (27.8)	36 (45)
10+	1 (10)	3 (30)	5 (50)	1 (10)	10 (12.5)
Total	18	22	25	15	80 (100)

KEY : NA (Not Accessible)
RA (Rarely Accessible)
MA (Moderately Accessible)
VA (Very Accessible)

Table 4.17 shows no much difference in the responses of the different family size. The family size of 1-4 had 11.8% very accessible ranking, family size of 5-9 had 27.8 very accessible ranking, while family size of 10 and above had the least ranking. This result shows that accessibility to credit does not increase or decrease with family size. It means no relationship existing between the two variable. The chi-square result also proved it. The chi-square value (0.415) which is not statistically significant. This implies that there is no relationship between family size and access to credit. Family size is not a basis for accessing credit. The null hypothesis is accepted in this case.

FARM SIZE

farm size plays a great role in accessing credit especially from the informal source. Large farm have the capacity to produce much crops. These crops are often used as criterion for obtaining credit from non banking sector. The banking sector also give priority to large scale farmers. They have the tendency of making profit and

possibility of paying back is high. The relationship between farm size and accessibility is shown in table 4.18.

Table 4.18 Farm size * Accessibility

Crosstab

	Accessibility									
Farm Size (ha)	NA	(%)	RA	(%)	MA	(%)	VA	(%)	Total	(%)
1.0 - 3.0	11	(26)	10	(24)	13	(31)	8	(19)	42	(53)
3.1 - 5.0	7	(22)	11	(34)	10	(31)	4	(13)	32	(40)
5.1 and above	0		1	(17)	2	(33)	3	(50)	6	(7.5)
Total	18		22		25		15		80	(100)

KEY : NA (Not Accessible)
RA (Rarely Accessible)
MA (Moderately Accessible)
VA (Very Accessible)

Farmer with farm size 1.0 - 0.3.0 had 19% very accessible rating, those with farm size 3.1 - 5.0 had 13% very accessible rating, while those with 5.1 and above farm size had 50% very accessible rating. Other ranking of accessibility had similar responses. It is clear that farm size does not determine accessibility to credit. The chi-square is (0.37) therefore, not statistically significant. This means there is no significant relationship between farm size and access to credit. Thus, null hypothesis is accepted.

LANDOWNERSHIP

Land a very important factor of production serves as collateral when accessing credit. This factor of production is usually acquired through land tenure system in this research study areas. This land tenure system hinders women from owning and controlling land. Since women don't have right to land, problem of accessing credit may arise. The table below explains the relationship between landownership and accessibility to credit.

Table 4.19 Landownership * Accessibility

Crosstab

Land ownership		Accessibility NA	(%)	RA	(%)	MA	(%)	VA	(%)	Total	(%)
	husband land	8	(38)	7	(33)	5	(24)	1	(5)	21	(26)
	Inherited	0	(0)	0	(0)	0	(0)	7	(100)	7	(9)
	Hired	10	(21)	13	(28)	18	(38)	6	(13)	47	(59)
	Purchased	0	(0)	2	(40)	2	(40)	1	(20)	5	(6)
Total		18		22		25		15		80	(100)

KEY : NA (Not Accessible)
RA (Rarely Accessible)
MA (Moderately Accessible)
VA (Very Accessible)

The result of table 4.19 shows that women who inherited land or had their own land had more access to credit. The seven (7) women who had land all had easy access to credit. Most of the women with purchased land said credit was generally accessible. None of them chose "not accessible" ranking of credit accessibility. The purchased land automatically becomes theirs therefore, can be used to obtain credit in the bank land plays a great role in accessing credit in the study areas. This research finding is similar to that of Nzioki (2001). The chi-square value (0.00) also substantiate the fact that there is significant relationship between ownership of land and accessibility to credit. The null hypothesis is therefore, rejected.

4.3 ANALYSIS OF RELATIONSHIP BETWEEN AMOUNT ACCESSED AND OUTPUT.

Many factors affect agricultural production. Inadequate credit facility is one of the factors influencing agricultural production. Credit facilitates the purchase of farm

inputs and even encourages mechanized agriculture. This further improves output. Table 4.20 explains the relationship between access to credit and output.

Table 4.20 Amount accessed * increased output Cross tabulation

Amount accessed (₦)	Increased output					
	Yes	(%)	No	(%)	Total	(%)
10,000 - 50,000	39	(61)	25	(39)	64	(80)
51,000 - 100,000	4	(100)	0	(0)	4	(5)
101,000 - 150,000	11	(100)	0	(0)	11	(14)
201,000 - 250,000	1	(100)	0	(0)	1	(1)
Total	55		25		80	(100)

According to table 4.20, output of some recipients of 10,000 to50000 naira did not increase significantly compare to other with higher amount. Those who received higher amount experienced 100% increase in output that is, from 51000 naira and above. None of them chose "No" response. This means credit is important in agricultural production. It boosts agricultural production. The chi-square result with value of 0.028 is statistically significant. This again, prove the relationship between access to credit and output. The more one is able to access credit, the more output an individual would make and vice versa. The null hypothesis that there is no significant relationship between access to credit and output is rejected.

CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 SUMMARY

This study described the socio-economic characteristic of rural women farmers in Jema'a and Kaura local government areas of Kaduna State, the sources and forms of agricultural credit available to these rural women, the problems faced by these women in accessing agricultural credit as well as determining the relationship between access to credit and agricultural output

The average age of the women was 39 years, and the literacy level was 43%. The predominant occupation of respondents was found to be farming. Farming is done on a small scale level in these two Local Government areas of Kaduna State. Up to 59% of the women hired land for agricultural purposes. This affected their access to bank loan which in turn was responsible for their low agricultural output.

The sampled women sourced their agricultural finance from two major sources formal (banks) and informal (friends, relative, *adashi* and NGOs). The women encountered problem when accessing agricultural finance from both sources. However, the problems encountered from the formal sources of credit were more compared to that of the informal sources. Some of the problems faced in accessing bank credit were inaccessibility of credit institution, cumbersome procedure, lack of collateral security, untimely credit disbursement, and insufficient amount with high interest rates.

The cross tabulation/ chi-square analysis showed that occupation, education, and land ownership influenced access to agricultural credit. Education and occupation are directly linked, in the sense that those with higher educational qualification had well paid jobs. Higher level of education attracted credit facilities than lower level of education. This is because education reduces illiteracy which is one of the problems encountered in accessing formal source of credit. Land ownership also increased these women chances of getting credit. There was no significant relationship between other socio-economic factors like age, marital status, family size, farm size with access to credit. That is to say age, family size, marital status, farm size did not have influence

on access to credit. Again, the chi-square analysis between amount accessed and level of output proved that there was a significant relationship between amount accessed and level of output. This means that, the amount of credit accessed by these women determined their level of agricultural output. More agricultural output was realized with larger amount of credit.

5.2 CONCLUSION

The findings showed three major factors that influenced access to agricultural credit. They are occupation education and land ownership. The major formal types of credit available to the rural women were *adashi* and NGOs, all from informal sources of credit. Obtaining loan from the banks (formal) was more problematic than the informal sources. This is because the informal source had fewer problems than formal sources of finance. It was also discovered that, access to credit boosted agricultural production. The current food policy in Nigeria is directed at self-sufficiency in food crop production and improvement in the level of economic and technical efficiency. Modern technologies have been introduced for more efficient utilization of farm resources and reduction in risks usually associated with farming. However, there cannot be significant improvement in inputs and outputs without adequate credit to farmers.

5.3 RECOMMENDATION

It is now acknowledged by many developmental agencies that the drudgery of rural women can be relieved through combination of appropriate technology and a diversion of time into profitable income generating activities. Appropriate Technology (AT) refers to intermediate technologies which are small, simple and inexpensive to produce and which can be made locally from available raw material and designed to meet local needs of rural women. Appropriate technology can help rural women in three (3) ways:

ii. Labour sawing devices reduce the time and effort spent in non-productive tasks like carrying water.

iii. Relevant equipment that can help women with time consuming duties such as processing of grains etc.

iv. Appropriate technology can consist of women income generating activities such as keeping of small livestock.

Based on the finding of this study the following recommendation is put forward.

1 Adult education should be encouraged for older rural women and the younger ones (girls) be sent to school.

2 Zonal branches of banks (formal sources) should established in villages so as to increase rural women access to bank credit.

3 The procedure of obtaining loan from bank should be minimized. This will in turn reduce transactional cost of borrowing.

4 Agricultural development programme should facilitate women access to credit. This will increase agricultural output.

5 Social constraints to production should be removed.

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Farmers Questionnaire.

Research Title: Accessibility of Agricultural Credit to rural women in Nigeria; A Case Study of Jema'a and Kaura Local Government Area.

(Please Tick or Fill Where Necessary)

SECTION A:- Background Information.

1 Local Government t Area _____

1 District/ Village _____

2 Occupation _____

3 Farmer's Age.

20 – 30 _____

31 -40 _____

41 -50 _____

51 -60 _____

Over 61 _____

4 Marital Status _____

5 Family Size _____

6 Educational Status: No Formal Education _____

Primary _____

Secondary _____

Post secondary: NCE, Polytechnic, University _____

7 What type of farming do you practice?

Small Scale farmer _____

Medium Scale _____

Large Scale _____

SECTION B: - Sources of Agricultural Finance.

8 Where did you get your agricultural credit?

9 **Why did you chose to borrow from there?_____

10 What kind of security was demanded for obtaining the credit?

Land._____

Cash in Bank._____

Guarantor. _____

Crops. _____

Others (specify) _____

11 How much did you get? _____

13 Was the loan

a. Very accessible

b. Accessible

c. Fairly accessible

d. Not accessible

Section C: - Problem Encountered. (Formal Source)

14 What are the problems you encountered in obtaining agricultural loan from the bank? Mention 4 from likely problem below.

(a) Inaccessibility to credit institution

(b) Lack of collateral security

(c) Untimely credit disbursement.

(d) Complicated, cumbersome and time consuming / Administrative bureaucracy.

(e) Illiteracy

(f) Interest rate

(g) Insufficient amount

. 15 Did you find the method of disbursement helpful? Yes or No.

_____

16 If no why? _____

17 What are the problems you encountered in obtaining agricultural loan from the informal sectors?

a. Insufficient information

b. Variation between amount requested and amount given

c. Delays in getting guarantor.

18 Other comments and suggestion. _____

Thanks for your co-operation.