

# NATIONAL POVERTY ERADICATION AND UN SUSTAINABLE DEVELOPMENT COOPERATION FRAMEWORK (UNSDPF): THE EXPERIENCE OF NIGERIA

18 May 2022

## I. WHO & WHERE ARE THE POOR IN NIGERIA

- 1) In Nigeria, 40.1% of the population live below the poverty line (376 Naira – less than 1 dollar a day) with significant geographic disparities. Around 86.9 million Nigerians are now living in extreme poverty. The **particularly vulnerable** include
  - a) Around 54 per cent of Nigerian **children** live in multidimensional poverty.
  - b) Poverty is a **rural phenomenon**, as the majority of those that are poor are disproportionately located in the rural areas.
  - c) **Feminisation of poverty: since women** constitute **over 60% of the poorest people in Nigeria** approximately 52 million women live on the clutches of extreme poverty.
    - i) **Inefficient time use:** For example, women spend over 6 hours a day fetching for fuelwood, water and taking care of the sick.
    - ii) **Women's high concentration in the informal sector:** In the informal sector there is precarity and no social protection. This was really evidenced during the COVID 19 pandemic when Women lost over 90% of their economic activities due to lockdowns.
    - iii) **Difficult or limited access:** to information and knowledge, productive resources, skilled labor, technology and markets.
    - iv) **High levels of illiteracy:** Over 70% of women and girls in Northern parts of Nigeria do not know how to read and write. This is accentuated by the high dropout rates due to early marriages. For instance, 78% of girls in Northern Nigeria marry before the age of 18.
    - v) **Inequal Pay between Men and Women:** Nigerian women only earn 77 cents for every dollar that men get for the same work.
    - vi) **High rates of unemployment of Women:** Women account for most of Nigeria's unemployment and underemployment. Even in the agricultural sector where women accounted for most of Nigeria's

agricultural workforce, they represent only 13% of agricultural landowners.

- d) There is an intrinsic link between education and wealth thus Nigerian women who are not educated, are more likely to be economically disempowered and at risk of being left behind. Analysis of the 2018 National Demographic and Health Survey depicts those socioeconomic disparities affect usage of sexual and reproductive health services and as a risk factor for GBV as follows:
- i) Forty-five percent of women with no education received ANC services from a skilled provider, as compared with 97% of women with more than a secondary education.
  - ii) The proportion of births attended by skilled providers increases with increasing mother's education, from 14% among births to mothers with no education to 93% among births to mothers with more than a secondary education. Wealth quintile is another important factor associated with skilled delivery assistance, with a remarkable gap between births in the lowest quintile (12%) and those in the highest quintile (87%)
  - iii) The percentage of married women using modern contraceptives increases with increasing household wealth, from 4% among those in the lowest wealth quintile to 22% among those in the highest quintile
  - iv) Demand for family planning increases with increasing household wealth, from 21% among women in the lowest wealth quintile to 52% among women in the highest quintile
  - v) A higher percentage of women who are employed but do not earn cash have experienced physical violence since age 15 (43%) than women who are employed for cash (32%) and women who are not employed (25%).
  - vi) Poverty exacerbates non-medical risk factors for maternal mortality and morbidity perpetuated by pervasive gender inequalities and social norms including lack of decision making on health care, lack of access to resources to pay for health care. According to NDHS 2018 only 46 percent of women are able to make decisions regarding their sexual and reproductive health and rights; 56 percent say that decisions about their own health care are made

mainly by their husbands with only 11 percent of married women able to make any decisions about their health care.

- e) Due to high rate of **youth** unemployment in Nigeria, youth are also vulnerable to the trap of poverty. Unemployment for people aged 15 to 24 stood at 53.4 per cent in the fourth quarter and at 37.2 per cent for people aged 25 to 34.
- 2) The **causes of poverty** in Nigeria are multifaceted and cut across various factors including: governance issues, insecurity, weak and undiversified sources of economic growth, lack of economic infrastructures, as well as poor/unequal access to education, healthcare and basic services among others.

## II. WHAT IS THE UN DOING TO SUPPORT POVERTY ERADICATION?

- 3) In eradicating poverty in Nigeria, **the UN system works with the Nigerian government** to implement the current UNSDPF 2018-2022 (a new FW for 2023 to 2027 is currently being finalized). The Strategic Framework draws on national development aspirations embedded in the Economic Recovery and Growth Plan (ERGP), the Nigerian Government's Medium-Term National Development Plan (MTNDPs 2021-2025 & 2026 – 2030), the Nigerian Agenda 2050, the Sustainable Development Goals (SDGs) and the Africa Union Agenda 2063, all of which collectively prioritize enhancing social inclusion and reducing poverty.
- 4) In collaboration with Ministries, Departments and Agencies (MDAs) of Government at the Federal and State levels, as well as the private sector and local and international NGOs, the UN in Nigeria supports the Government in poverty eradication by providing strategic interventions aimed at promoting:
  - a) Good and inclusive governance and rule of law/human rights
  - b) Equitable and quality basic services
  - c) Sustainable inclusive economic growth and development
- 5) For example, the UN is assisting the Nigerian Government in:
  - a) Promoting inclusive and sustainable industrialization, private sector development, and innovation (e.g. through the SDG Impact and Accelerator labs initiative of UNDP), with the ultimate goals of job creation and poverty reduction.

- b) Providing technical support to governments in **creating costed national and state development plans** that are aligned to SDGs as well as in creating an Integrated National Financing Strategy (INFS), Medium Term Expenditure Framework (MTEF) and Medium-Term Revenue Strategy (MTRS), with the ultimate goal of supporting strategic and inclusive economic growth while providing support in mobilizing finance to address development needs (through the UNDP's Integrated National Financing Framework - INFF initiative).
- c) Providing support in review and amendment of **policies and bills**, e.g.
  - i) National Social Protection Policy and Social Protection Bill;
  - ii) Agricultural Promotion Policy—2016–2020 which focuses on ensuring food security through reducing food imports.
  - iii) “Green Alternative: The Agriculture Promotion Policy” launched in mid-2016. It aims to boost soybean and cowpea production, chosen for their nutritional value and export potential.
  - iv) UNFPA supported development of following key Government strategies and plans that address poverty: National Strategic Plan to End Child Marriage, National Policy and Plan of Action for the Elimination of FGM in Nigeria (2021), National Protocol for the Clinical Management of Women and Girls with complications of FGM, National Youth Policy (and Kaduna State Youth Policy), National Protocol for Rehabilitation and Social Reintegration of Women Pre & Post Obstetric Fistula Repairs and National Strategic Framework for the Elimination of Obstetric Fistula in Nigeria 2019-2023
- d) In line with the SDG goals, President Buhari has vowed to **lift 100 million Nigerians out of poverty by 2030 through its social development programs** such as:
  - i) **N-Power**, which provides training to upskill graduates and non-graduates aged between 18 and 35
  - ii) **Homegrown School Feeding targeting 5.5 million** public primary school children **nationwide**. The program has an impact on significant increase in school enrolment and attendance, along with a corresponding improvement in the nutrition and health status of pupils credited to the nutritious meals that are made freely available to them at their respective schools. As of August 2021, over nine million pupils drawn from 54,619 schools had benefitted

- from the scheme with the participation of 80,000 farmers and engagement of over 102,097 cooks across 26 states in the country.
- iii) The **Conditional Cash Transfers** was designed to benefit poor and vulnerable households with a monthly stipend of 5,000 Nigerian Naira's (US\$11.96) while also providing training as well as financial and technical support to start small businesses to beneficiaries.
  - iv) The **At Risk Children Program** (ARC-P) is a comprehensive Federal Government led approach to tackling multidimensional poverty amongst children and youth, including through support to caregivers at State level. It ensures the integration of at-risk children and young adults by creating opportunities for skills and empowerment to reduce their vulnerabilities.
  - v) In 2021, the federal government launched a **10 - year National Poverty Reduction with Growth Strategy** (NPRGS) programme to accelerate the reduction in poverty through economic growth, social protection programs, and others. The NPRGS have four pillar, namely Macroeconomic stabilization, Industrialization for Economic Growth and Transformation, Structural Policies and Institutional Reforms and Redistributive Policies and Programmes to reduce levels of risk, vulnerability, shocks, and deprivation.
  - vi) Establishment of the Nigerian Investment and Growth Fund (NIG-Fund) in 2021. The fund is expected to be structured like a private equity fund and invest in commercially viable projects in priority sectors that will promote growth and innovation, enhance local value addition, create employment, promote exports among others.
- e) **The transformation of agriculture and food system for poverty eradication and shared prosperity**
- i) According to the National Bureau of Statistics (NBS), the agricultural sector contributes to a significant part of the country's GDP. In 2021, the agriculture sector contributed to almost 26 percent of the total GDP, an increase by about two percentage compared to the previous year.
  - ii) Agriculture contributes significantly to employment generation. According to the World Bank, agriculture provides employment for

- about 35% of the population as of 2020 especially for the youth and women.
- iii) The Empowering Novel Agribusiness-Led Employment Program mobilizes finance for youth-led agribusiness development. Another scheme is the Agricultural Credit Guarantee Scheme Act from 2016, which offers incentives to farmers and other professionals throughout the entire agricultural supply chains.
  - iv) IFAD, WFP, FAO and IFIs invest in **reducing rural poverty and in catalyzing shared prosperity by for example** supporting smallholders, small processors and traders to derive wealth from tapping into the national food market through an integrated value chain approach. Below are two major successful models
    - (1) **Value Chain Development Programme (VCDP)**: After 7 years of implementation supporting almost 89,000 farmers (comprising 19,099 Youth and 34,678 women), the data shows that VCDP is successfully changing the lives of smallholders. The smallholders increased their productivity by over 125%, they market about 90% of their produce and over 70% of beneficiaries have increased their income by 25% while contributing to national priorities on import substitution and food security. **The share of households living in poverty reduced, beneficiaries report an increase in household assets, and beneficiary households increased their food security.**
    - (2) A significant innovation are **the commodity alliance forums, a market-led public-private-producer partnership**. The forums bring together key private and public stakeholders on a single platform to facilitate business transactions, knowledge-sharing, conflict resolution and policy dialogue. Strong producers-off-takers arrangement where farmers help farmers sell at more competitive price settings
  - v) New Federal Government Program **the Special Agroindustrial Processing Zones program (SAPZ)** soon to be launched represents a game changing strategy to fast forward the elimination of poverty.
  - f) UN (UNWomen and UNFPA) Action to reduce Feminized Poverty including:

- i) **Climate Smart Agriculture:** Women receive support in the form of improved drought resistant and improved planting materials for increased yields; increased access to information and training on agricultural practices; increased access to financial services; improved technology and digital platforms that enable women have access to information and markets and production of organic fertilizers
  - ii) **Gender Responsive budgeting and economic policies:** Support to government to channel resources to the very poor and to develop and implement gender responsive economic policies such as Affirmative or Gender responsive procurement
  - iii) **Promotion of Women’s entrepreneurship:** Provide technical and financial support to Women entrepreneurs
  - iv) Action to **eliminate harmful practices like child marriage**, which keep girls from school, and advocates for young people’s access to health care, skills development and jobs. Healthy, educated, employed and empowered young people especially girls improve their own prospects as well as the prospects of their family and community. Nations may realize a ‘demographic dividend’ – a boost in economic productivity – when there are growing numbers of people in the workforce relative to the number of dependents.
- g) UN agencies have also continually invested in **data systems**, capacities, technologies and processes to better monitor implementation and measure progress and help guide policy interventions to target the most persistent pockets of poverty.
- i) Nigerian government was supported to generate a child-specific measure of monetary poverty rate in Nigeria (through UNICEF).
  - ii) Ongoing support in developing Nigeria’s 2022 Multi-dimensional Poverty Index (MPI) and associated institutional framework for addressing poverty based on MPI result.
- 6) In 2020, **a total of \$1.2 billion was expended in 2020 on UN support to the Government of Nigeria**; of which 53% tackled governance issues, 35% addressed equitable and quality basic services, while 12% addressed sustainable and inclusive economic growth. In terms of direct expenditures on the SDGs in 2020, the largest share of expenditure was used to address SDG 2 -Zero Hunger, followed by SDG 3- Good Health

and Well Being, and SDG 4 - Quality Education. SDG 1 - No poverty had the 7<sup>th</sup> highest expenditure at \$13.8 million.

- 7) While these efforts are remarkable, they come with their own **challenges** such as large-scale corruption, irregularities, politicisation, poor quality control, lack of transparency and accountability. In addition, lack of monitoring and evaluations to establish and quantify the actual impacts of the programs. A comprehensive monitoring and evaluation system is needed for the programme to provide an evidence-based framework to generate recommendations for better programme decisions. The government needs to address these concerns to ensure the success of the programs.
- 8) A critical issue in terms of poverty reduction is **corruption**, and in particular small-scale bribery which affects low-income households. In 2019, 30.2% of all Nigerians encountering the public sector ended up being request for a bribe – predominantly road related enforcement, health, education and public utility. Those who did pay bribes did so on average 6 times over the course of the year. Each bribe payment amounted on average to 5700 Naira. A total of 117 million bribes were paid, that is more than one per Nigerian adult. Nigerians on average pay around 6% of household incomes in the forms of bribes over the course of a year. Thus apart from the negative effects corruption has on public service accessibility, it “taxes” households considerably reducing their ability to invest into their welfare.
- 9) The good news is that between 2016 and 2019 despite perceptions to the contrary, the prevalence of corruption reduced from 32.3% to 30.2%.

More importantly, if Nigeria e.g. was to reduce roadside/transport related corruption specifically, which is responsible for the collection of close to 50% of all bribes, it would dramatically reduce the overall prevalence, start rebuilding confidence in the state and into the security agencies in particular, and leave low-income households a considerable portion of their income to be invested into more productive activities. More on this at the study conducted by the [National Bureau of Statistics and UNODC](#).

### III. LESSONS LEARNT

- 10) **Government-driven initiatives** backed by UN support have proven to be most effective.



- 11) **Measuring poverty** helps developing countries gauge the effectiveness of their poverty eradicating and or alleviating programs and guide their development strategy in a rapidly changing economic environment.
- 12) Because the distribution of monetary and multidimensional poverty in Nigeria is spatially unequal, **poverty reduction strategies must be carefully targeted**. Both monetary and multidimensional poverty are largely concentrated in Nigeria's northern states. Moreover, the north-south gap in terms of education and basic infrastructure does not appear to be closing substantially over time.
- 13) **Promoting women's participation and empowerment of women** in profitable activities along value chains is key for enhancing gender dynamics which is critical for eradicating poverty.
- 14) **Improving health and education as well as addressing gender inequalities and gender-based violence contribute to ending poverty** in Nigeria and contribute to breaking the cycle as conversely, poor health and lack of access to education both result from and helps perpetuate poverty. More so, ending poverty is a key strategy in the prevention of Gender-Based Violence.
- 15) It is important **to leverage the private sector to create a virtuous cycle** through which private sector earns more profit by investing in inclusive and transformative agribusinesses while at the same time empowering the poor to contribute and benefit substantially from inclusive agriculture and food systems. To reap the full potential of this virtuous cycle, governments should radically scale up their investments **in setting up national and regional conducive environment for agriculture and food systems transformation, with the right policies and the sound infrastructure base**.