

## THE CONTRIBUTIONS OF NALT -NUSHO PROGRAMME TO POVERTY ALLEVIATION IN ENUGU NORTH AGRICULTURAL ZONE, ENUGU STATE, NIGERIA.

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### ABSTRACT

*The study was undertaken to investigate beneficiaries' and staff perceptions of the contributions of Nsukka Area Leaders of Thought /United Self-Help Organisation (NALT-NUSHO) programme to poverty alleviation in Enugu North Agricultural Zone of Enugu State. Data were collected from 110 respondents comprising 84 beneficiaries and 26 staff through the use of structured interview schedule and questionnaire, respectively, using a multi-stage random sampling technique. Data were analyzed using percentages and mean scores. The findings revealed that the beneficiaries got their information about NALT-NUSHO programme through friends and joined NALT-NUSHO to solve family/household consumption needs, start/increase business size and to be self reliant. The study also showed that NALT-NUSHO had contributed to some extent in alleviating the poor conditions of her beneficiaries through its savings and credit scheme. In the savings and credit scheme, the beneficiaries were given an average loan amount of ₦ 6, 510 for a start which increases as the year passes but not above ₦ 20, 000 which were used for trading and solving of household problems (especially payment of children school fees). Training/workshop programmes were organized for the beneficiaries and staff on yearly basis on credit management. On adequacy of roles played by NALT-NUSHO, both the beneficiaries and staff perceived loan disbursement, savings mobilization, weekly installment repayment and training workshop programmes to be adequate. The major constraints to effective performance of NALT-NUSHO programme as perceived by the beneficiaries and staff were insufficient loan, high interest rate, inadequate logistics, inadequate training opportunities for knowledge update in credit delivery and poor salary. The study recommends that government should encourage NALT-NUSHO in its effort to alleviate poverty among Nsukka rural poor through granting them soft loans and other incentives for improved programme performance.*

**Key words:** Beneficiaries, Staff, Perception, Contribution, Self-help, Poverty, Enugu state.

### INTRODUCTION

Poverty is a major problem in developing countries including Nigeria. In Nigeria, poverty has become endemic, affecting social, political and economic aspects of peoples' lives (Enugu State Poverty Reduction Strategy (PRS) Report, 2004). With a population of about 125 million and Gross Domestic Product (GDP) per capita of \$ 280 in 1998, two-third of Nigerians are poor, thus rating her as the third country with the highest number of poor people in the world (UNDP Report, 2003). Most of these poor people are dependent on micro and small-scale farm and off-farm enterprises for

their livelihood. The Enugu State Poverty Reduction Strategy Report (2004) also revealed that almost 70% of the Nigerian population lives below the poverty line –the accepted standard per capita income in any region. This has been placed at \$1 per day (₦132.39) for sub-Saharan Africa (ENADEP, 2001).

Poverty in Nigeria is deep and wide spread, and has a very strong rural dimension. About 69.8% of Nigerians reside in the rural areas and more than two-third of the extreme poor living in these areas are farmers (Ingawa, 2001). These people depend directly or indirectly on agriculture and related

activities for their livelihood. As such, their entrepreneurial activities in this sector are central to Nigeria's economic development strategy and their growth has great potential to contribute to widespread income growth and poverty alleviation (UNDP Report, 2003). But unfortunately, the lives of these rural people are characterized by illiteracy, malnutrition, disease and underdevelopment (Ekpo and Olaniyi, 1995) arising from lack of infrastructure, low income and investment, lack of incentives and access to institutionalized credit, among others. Thus the provision of micro-finance services represents a major strategy for poverty alleviation among the enterprising poor.

The aim of "self help" approach according to Ayichi (1995) is to mobilize the rural inhabitants towards improving their social lives by increasing their level of income and living conditions through their own efforts and initiatives. The most prominent of the self-help activities are the provision of social services and the saving and credit schemes that permit entrepreneurship, innovation and production to develop and flourish. It was on this basis that the Nsukka Area Leaders of Thought-United Self Help Organisation (NALT-NUSHO), a non-governmental Organization emerged in 1984 with the goal of creating conditions that will enhance self-reliance and capacity building among the grass root dwellers through its various programmes which include savings and credit schemes/micro credit and social service such as health and education among others (NALT-NUSHO, 2005).

The major aim of the organisation is to support the efforts of Nigerian government towards poverty alleviation/eradication among the rural poor in Nsukka (presently Enugu North) agricultural zone. In order to achieve this, the organisation has some objectives, which include to:

- i. mobilize savings for credit to raise the economic status of the Nsukka rural poor;
- ii. alleviate and ultimately eradicate the sufferings of the rural women in Nsukka area through self help project initiatives and
- iii. provide forum for exchange of ideas and discussions on credit management and other development-oriented activities (NALT-NUSHO, 2005).

In 2000, NALT- NUSHO introduced the model of micro credit delivery, used by Association for Social Advancement (ASA) which is an organization that is based in Bangladesh. It is a standardized model that allows the organization to replicate quickly, while keeping costs low. This model has, according to NALT-NUSHO (2005),

decentralized operations, simple accounting systems and standardized budgets. This model was reported to be beneficial to both the clients and NALT-NUSHO management. The recorded rapid increase in the number of the beneficiary groups after the introduction and high recovery rate as well as low default rates (NALT-NUSHO, 2005), are indicators of this. In spite of the achievements claimed by the report on introduction of ASA model, some beneficiaries still attach themselves with other indigenous credit organizations, while some even chose to withdraw from the programme. This is evident from the recorded 3% rate of dropout from the programme (UNDP Report, 2003). In view of the above, the pertinent questions are: what are the beneficiaries and staff perceptions of NALT-NUSHO programmes especially the micro-credit schemes? How do they perceive the roles played by NALT-NUSHO in alleviating poverty? Are they satisfied with NALT-NUSHO services /activities? What factors, if any, hinder the effective implementation of the programme? What are they expecting from the programmes?

#### **Purpose and Objectives**

The broad objective of this study was to assess the contributions of NALT-NUSHO to poverty alleviation in Enugu North Agricultural Zone. Specifically, the study sought to:

1. ascertain the beneficiaries' major reasons for joining NALT-NUSHO and their sources of information / awareness of NALT-NUSHO programmes;
2. determine the volume of loan granted to beneficiaries, loan use, default cases and intervals of granting the loans;
3. determine the extent NALT-NUSHO is performing its role to the registered beneficiaries as perceived by staff and beneficiaries;
4. ascertain the constraints on effective implementation of NALT-NUSHO programmes as perceived by both staff and beneficiaries and
5. ascertain the opinions of staff and beneficiaries on the best strategies for effective implementation of the NALT-NUSHO programmes.

## MATERIALS AND METHODS

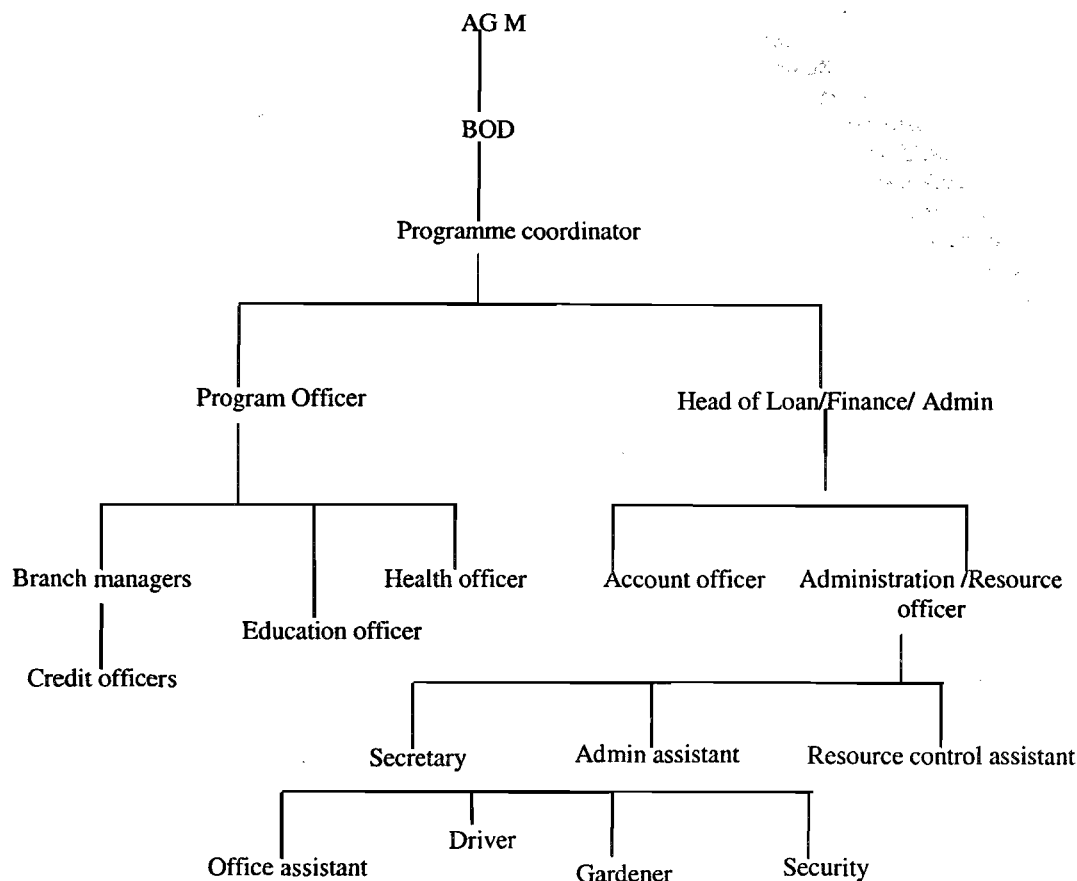
### Conceptual Framework

#### ASA Model of Micro Credit Delivery Services

Association of Social Advancement (ASA) is an organization that is based in Bangladesh, with the objective of empowering oppressed population through social mobilization and financial services (International Micro Credit Summit, 2004); also known as micro start model. This model was reported to be cost-effective, decentralized with simple accounting systems, and standardized budgets and supervision (NALT-NUSHO, 2005).

In order to take advantage of its high repayment, strict supervision and resilience, NALT-NUSHO adopted the model in 2000 to reduce the default rate in repayment among the beneficiary groups to the barest minimum (UNDP Report, 2003). Under this scheme, each member registers with fifty naira (₦ 50) and saves the mandatory weekly saving of ₦ 20 for six weeks before being eligible to access her first loan. The targeted groups are mainly women. There are also voluntary savings of any amount, which can be withdrawn at will. The mandatory savings can be withdrawn only in the case of withdrawal of membership. An interest rate of 5% on savings is paid out annually to all savers under this scheme. The registration is grouped based on a minimum of five members and a maximum of twenty-five members. Though credit is administered individually in a group, there is collective responsibility on the part of the entire group members to ensure that all members pay their loans (NALT-NUSHO, 2001). The average loan given to a member is ₦ 5, 000 and service charge for any loan given to any member is 32% annually. The total amount of loan given to a person together with the service charge of 32 percent is divided into 44

weekly installment repayments. This excludes the ₦ 20 mandatory savings. These women are organized in groups and they meet on weekly basis in a common centre. The activities of these women are supervised by credit officers who in turn are supervised by branch managers. A branch manager supervises the activities of 3 credit officers and reports to the program officer (UNDP Report, 2003). NALT-NUSHO operates in 12 branches in Nsukka Agricultural zone (now Enugu North Zone) (Onah, 2005). The organization has two levels; central management and branch management. The central management consists of Annual General Meeting, Board of Directors and Programme Coordinator, while others are under branch management. In NALT-NUSHO, the highest decision making body is the Annual General Meetings made up of all stakeholders of the institution (UNDP Report, 2003). The Board of Directors report to the Annual General Meeting, and is made up of twenty-one members with three members representing each Local Government Area (LGA) in the zone. They participate in mobilization and recruitment activities. The Organisation is lead by an Executive Director who also functions as the Program Coordinator. He is also involved in directing, controlling and recruiting staff. The program officer, who is the next in command, supervises credit, monitoring and evaluation and is in-charge of the micro-start project of NALT-NUSHO. The head of finance and administration controls other financial and administrative works and also analyzes financial information which is used for strategic planning and decision-making. He reports directly to the program coordinator.



**Fig 1: Organizational structure of NALT-NUSHO**

Source: - NALT-NUSHO 2005

Key: AGM – Annual General Meeting; BOD – Board of Directors; Admin – Administration

Credit officers supervise the activities of their members who received loans, collect savings and installment repayments from clients on daily basis and disburse these collections to members that need loan while the remainder is banked on the same day (UNDP Report, 2003). However, where expected collection does not match the disbursement, arrangement is made to withdraw funds from the bank to meet the deficit. The credit officers are supervised by their branch managers who finally report to the program officer. Each branch has at least one branch manager and three credit officers. Each of the credit officers supervises about 300 clients (UNDP Report, 2003).

#### Study Area

The study was carried out in Enugu North agricultural zone (formally known as Nsukka

agricultural zone), which is one of the three agricultural zones of Enugu State. The zone is made up of seven Local Government Areas, namely Nsukka, Igbo-Eze South and North, Udenu, Igbo-Etiti, Uzo-Uwani and Isi-Uzo Local Government Areas with about seventy communities that spread over hills and valleys sandwiched between the Benue river valley and Kogi State on the southern fringes of the former northern Nigeria; and Udi hills and Anambra State on the northern borders (NALT-NUSHO, 2005).

A Multi-stage random sampling technique was used in selecting respondents for this study. In the first stage, using the NALT-NUSHO delineation of the Enugu North agricultural zone, six branches were randomly selected from the 12 branches in the Zone. These include Obollo-Afor in Udenu Local Government Area, Nsukka and Opi in Nsukka Local Government Area, Ovoko/Obukpa and Ibagwa-Aka, in Igbo Eze South Local Government Area, and Aji-Enugu-Ezike in Igbo-Eze North Local Government Area. In the second

stage, a list of the entire beneficiary groups (totaling between 15 and 30 groups) within each of the branches selected were compiled and three different groups were randomly selected from each branch, giving a total of eighteen (18) groups. In the third stage, five (5) members were randomly selected from each of the selected groups giving a total of ninety (90) beneficiaries for the study. However, 84 completely filled interview schedules were used for analysis.

All the field staff in each of the selected branches were included in the study. In all, a total of 110 respondents, made up of 84 beneficiaries and 26 staff, were interviewed. Data for the study were primarily collected from the respondents using questionnaire and interview schedule that were administered to the agency staff and the beneficiaries, respectively.

In order to ascertain the respondents' perception of the adequacy in roles played by NALT-NUSHO, a four-point Likert-type scale of very adequate, adequate, inadequate and very inadequate with values of 4, 3, 2 and 1 assigned to the response categories, respectively were used. The values were added to get 10 which was divided by 4 to obtain 2.50, which was used as cut off mean point. The respondents' mean scores were obtained on each of the objectives, and any mean response higher or equal to 2.50 was regarded as adequate whereas, any mean response lower than 2.5 was regarded as inadequate. In order to determine the extent of the perceived constraints to effective implementation of NALT USHO programmes, a

four-point Likert-type scale of very great extent, great extent, little extent, very little extent with values of 4, 3, 2, and 1 assigned to the response categories, respectively were used. The values were divided by 4 to obtain 2.50, which was used as cut off mean point. The respondents' mean scores were obtained on each of the variables, and any mean response higher or equal to 2.50 was regarded as major constraint. Percentages and mean scores were used for data analysis.

**RESULTS AND DISCUSSION**

**Major Reasons for Joining NALT-NALT-NUSHO and Sources of Information**

**Major reasons**

Table 1 reveals that majority (70.24%) of the beneficiaries indicated that their major reason for joining NALT-NUSHO was to solve their household consumption needs, while 45.24%, 67.85%, 19.05% and 13.10% of the beneficiaries indicated that their reasons were to be self reliant, to start and/or expand business size, personal interest in NALT-NUSHO services and for savings, respectively. This finding tends to agree with the assertions of Emerole *et. al.* (2007) that food consumption shows the highest positive autonomous component among relatively poor households, implying that the households must buy their food what ever be their income. In other words, rural households must as a necessity strive to embark on activities that would help them solve their consumption needs.

**Table 1: Reasons for joining NALT-NUSHO**

Reasons*	%
Personal interest	19.05
Self reliant	45.24
Start and/or expand business size	67.85
Solve family/ household consumption needs including payment of children schools fees and the likes	70.24
Savings	13.10

\* Multiple responses

**Sources of information about NALT-NUSHO**

Table 2 shows that many (53.57%) of the beneficiaries got their information about NALT-NUSHO and it's activities through friends/neighbours; 28.57% got the information through NALT-NUSHO staff while 8.33 % and 9.53% of the beneficiaries got their information

from the church and local leaders respectively. None of the respondents indicated extension agents as sources of information on NALT-NUSHO activities. This implies that friends and/or neighbours were the major sources of information about NALT-NUSHO programmes. In other words, there exists a high level of interpersonal contact and interaction among the respondents.

Anyanwu *et. al.* (2002) had earlier indicated that women farmers received their farm information from non-professional interpersonal sources more often than from mediated and professional interpersonal sources.

**Table 2: Distribution of beneficiaries according to sources of information about NALT-NUSHO programme**

Sources of Information	%
Through friends and/or neighbours	53.57
Through NALT-NUSHO staff	28.57
In the church	8.33
Through community leaders	9.53

### Volume of loans, Loan use, Default cases and Intervals of granting loans to Beneficiaries,

#### Beneficiaries' initial and operating loan volume

Data in Table 3 show that majority (54.80%) of the beneficiaries were given between ₦5,000 and ₦7,000 for a start, while 38.10% and 7.10% of the beneficiaries interviewed were granted ₦8,000 and less than ₦5,000, respectively, as initial loan volume. This may imply that majority of them, if not all were engaged in micro enterprises that require small loans to generate income and earn better living. According to UNDP (2003), micro credit financing is not a panacea but an important tool in the toolkit for poverty alleviation.

Table 3 further shows that 32.14% of the beneficiaries were operating with loan volume of between ₦5, 000 and ₦8, 000, 28.5% of the beneficiaries were operating with loan volume of between ₦9, 000 and ₦12, 000, 26.19% of the beneficiaries were operating with loan volume of between ₦15, 000 and ₦20, 000 while the rest (13.01%) were operating with none. Further interaction showed that those operating without loans chose savings in preference to credit scheme and so have no need for loan at the moment. The average loan volume the beneficiaries were operating with was found to be ₦11, 130.14. This implies that NALT-NUSHO grants small loans to her beneficiaries and this is likely to take time before lifting the beneficiaries above poverty line. The likely implication of this finding is that the NALT-NUSHO programme may only provide subsistence living for the beneficiaries with no possibility of providing job for others in the communities. Ugwu (2005) also reported that majority of the farmers participating in the

National Special Programme for Food Security (NSPFS) in Adani and Nenwe sites of Enugu State also received loan volumes of less than ₦20, 000 thousand naira during the 2004 farming season.

#### Loan Use

Data in Table 3 show that majority (94.05%) of the NALT-NUSHO beneficiaries invested their loan in trading. About 85.71% invested their loans in consumption needs including payment of children school fees, 52.38% used their loans for settlement of debts while 5.95% invested their loan in farming. This implies that majority of the beneficiaries use the loan for business / trading and for consumption needs, indicating that NALT-NUSHO micro credit scheme helps in alleviating poor socio-economic conditions of the beneficiaries to some extent.

#### Default Cases

Entries in Table 3 also reveal that only 11.91% of the beneficiaries have defaulted in the repayment of loans, while majority (88.09%) have not defaulted. Further interaction with respondents revealed that the reasons for default ranged from short period of repayment, insufficient loan and sickness, to bereavement. The finding implies that there is low default rate with NALT-NUSHO loans despite its high interest charge of 32% compared with other credit institutions such as banks that charge lower interest rates (19.5 – 21.6%). This could be attributed to Association for Social Advancement (ASA) model of credit delivery adopted by NALT-NUSHO that is characterized by strict supervision and high repayment capacity. Although credit is administered individually in a group, there is a collective responsibility on the part of the entire group members to ensure that all members pay their loans (NALT-NUSHO, 2003).

Also, Okoye (2005) observed that many borrowers have no alternative to borrowing from micro credit programmes and consequently cannot afford to default.

**Time Intervals for Loan Application**

Data in Table 3 reveal that majority (83.33%) of the beneficiaries apply for loan annually while 16.67% apply for loan occasionally. However, further interaction with the respondents revealed that beneficiaries have access to loan only when they have saved for 6 – 8 weeks for a beginner or when one has finished repaying borrowed loan.

**Perception of Beneficiaries and Staff on the Roles played by NALT-NUSHO**

The distribution of the responses in Table 4 indicate that beneficiaries and staff perceived the roles played by NALT-NUSHO on savings

mobilization ( $\bar{X} = 2.84; 3.54$ ), disbursement of loans ( $\bar{X} = 2.69; 3.40$ ) monitoring and supervision of activities of the beneficiaries ( $\bar{X} = 3.10; 3.54$ ), weekly installment repayments ( $\bar{X} = 2.50; 3.40$ ) and training / workshop programmes ( $\bar{X} = 2.62; 2.62$ ) to be adequate. This implies that the above mentioned roles played by NALT-NUSHO have contributed to some extent to the socio-economic upliftment of the beneficiaries. However, the beneficiaries and staff perceived procurement of machines for small scale business ( $\bar{X} = 1.5; 1.48$ ), primary health care services ( $\bar{X} = 1.30; 1.50$ ) and pre-primary and primary education programmes ( $\bar{X} = 1.30; 1.50$ ) to be inadequate and thus need to be addressed.

**Table 3: Distribution of the beneficiaries on the basis of the initial loan volume, loan use, default cases and time intervals for loan application**

Initial loan volume / Enterprise	%	$\bar{X}$
Below ₦5000	7.10	₦6,511.91
5000 – 7000	54.80	
8000	38.10	
Current Operating Loan volume (₦)		₦11,130.14
5,000 – 8,000	32.14	
9,000 – 12,000	28.57	
15,000 – 20,000	26.19	
None	13.10	
Loan use / enterprise*		
Farming	5.95	
Trading	94.05	
Consumption needs	85.71	
Settlements of debts	52.38	
Default cases		
Yes	11.91	
No	88.09	
Time intervals		
Annually	83.33	
Occasionally	16.67	

\*Multiple responses

**Table 4: Means of responses of beneficiaries and staff on perceived adequacy of the NALT-NUSHO programmes**

Programmes/roles	Beneficiaries $\bar{X}$	Staff $\bar{X}$
Disbursement of loans	2.69*	3.4*
Savings mobilization	2.84*	3.54*
Monitoring and supervision	3.10*	3.54*
Procurement of machines for small scale business	1.50	1.48
Weekly instalment repayment	2.50*	3.40*
Training / workshops	2.62*	2.62*
Primary health care services	1.30	1.50
Pre-primary and primary education programme	1.30	1.50

\*Adequate roles.

### Constraints to effective implementation of NALT-NUSHO Programmes as Perceived by Staff and Beneficiaries

#### Beneficiaries' and staff perceived constraints

Table 5 shows that major constraints to effective performance of NALT-NUSHO micro-credit programmes as perceived by beneficiaries were high interest rate charged on loans ( $\bar{X} = 2.51$ ), short repayment periods ( $\bar{X} = 2.62$ ), and insufficient loans ( $\bar{X} = 2.51$ ). According to Okoye (2005) one of the most fundamental problems with micro credit programme is the difficulty involved

in actually achieving profit on loans. This is because investment may not turn a profit. In this event, the money to repay the loans must come from reduced consumption or borrowing from other sources possibly on worse terms. The results further show that the major constraints as perceived by staff include inadequate logistics ( $\bar{X} = 2.62$ ) and inadequate training opportunities to up-date their knowledge on credit delivery ( $\bar{X} = 2.57$ ). These factors are likely to affect loan disbursement to the beneficiaries and lower staff morale to work. Therefore, the staff need to be adequately equipped with tools needed for efficient credit delivery.

**Table 5: Mean responses of beneficiaries on perceived constraints in the implementation of NALT-NUSHO programmes**

Constraints	Beneficiary	Staff
	$\bar{X}$	$\bar{X}$
Insufficient funding from supporting agencies	1.79	1.96
Insufficient knowledge of credit use	1.78	-
High interest rate	2.51*	-
Short repayment period	2.62*	-
Insufficient loan	2.51*	-
Inadequate training opportunities	1.96	2.57*
Inadequate and inexperienced staff	1.71	1.81
Logistics problem	1.52	2.62*
Inadequate storage facilities	1.23	-
Default rate in repayment	-	-
Inadequate programme planning	-	1.69
Competition from other self help groups	-	1.58
Poor salary	-	2.08

\*Major constraints

#### Staff and Beneficiaries Opinions on best Strategies for effective implementation of NALT-NUSHO Programmes

From the beneficiaries and staff opinions presented in Table 6, the best strategies for effective implementation of NALT-NUSHO programmes include increasing the amount of money disbursed to the beneficiaries (97.6%; 65.4%), reducing interest rate (86.91%), regular monitoring and supervision for NALT-NUSHO staff and beneficiaries (54.8%; 80.7%), and encouragement and motivation of the clientele and staff through

provision of logistics (64.29%; 73.1%). Agwu and Anyanwu (1997) had earlier identified poor logistic support as a major factor that constrained the implementation of the National Agricultural Development Authority (NALDA) programme in Southeastern Nigeria. However, the staff also perceived that there should be recruitment of more staff (61.5%). In other words, strengthening the personnel base of the agency would improve the effective implementation of the NALT-NUSHO programmes.



**Table 6: Distribution of beneficiaries and staff on the best strategies to improve programme performance**

Strategies *	Beneficiaries	Staff
	%	%
Increasing the amount of money disbursed to the beneficiaries	97.6	65.4
Reducing interest rate	86.9	-
Regular monitoring / supervision and workshop for NALT-NUSHO staff and beneficiaries	54.8	80.7
Timely disbursement of loans	35.7	-
Encouraging partnership with other private and public sector/extension for rejuvenation of moribund programme	14.3	53.9
Encouragement and motivation of clientele and staff through provision of logistic	64.3	73.1
Recruiting of more staff	-	61.5

\*Multiple responses.

### Conclusions and Recommendation

The results of the study showed that the beneficiaries' major reasons for joining NALT-NUSHO programmes include to solve family problems, start/expand their business size and to be self-reliant, which is the main aim of NALT-NUSHO micro credit programme, while their major sources of information about NALT-NUSHO programme were friends and/or neighbours. The initial average loan volume granted to beneficiaries was ₦6, 510. However, the current operating average loan volume of the beneficiaries was ₦ 11,130. The NALT-NUSHO micro credit scheme had low default rate. The beneficiaries' perception of the roles played by NALT-NUSHO with regard to micro credit disbursements, savings mobilization, weekly installment repayment, the training/workshops, monitoring/supervision were adequate but small scale industries programmes, health and educational programmes were perceived as not adequately performed. However, staff perceived loan disbursement, savings mobilization, training/workshops programme and weekly repayment installment to be adequately performed. The major constraints to effective performance of NALT-NUSHO programmes as perceived by beneficiaries and staff were insufficient loan, high interest rate and short repayment period, while the staff perceived problems of inadequate logistics for efficient work and inadequate training opportunities as constraints to effective performance of NALT-NUSHO programmes.

Recruitment of more staff, regular training/workshop for staff and beneficiaries, increased remuneration and motivation by provision of logistics such as motor bike, increasing the amount of loan disbursed, increasing the time interval for repayment, reduction of interest charges on loans and motivation through incentives were the best strategies opined by staff and beneficiaries to

improve programme performance and ensure increased output.

Consequent upon the findings of the study and in view of the need to encourage self-reliance and capacity building by NALT-NUSHO in its effort to alleviate poverty, the following recommendations were made:

1. Since insufficient loans, short period of repayment and high interest rates were perceived by beneficiaries as major constraints to effective performance of NALT-NUSHO, the agency should consider granting medium/long term loans to her clients, increasing their repayment period, and reducing interest charges on loans.
2. Empowerment of staff through increasing remuneration and motivation will ensure increased output and reduce the apparent under capacity utilization of staff. There should be regular capacity building training programmes for both staff and beneficiaries.
3. Most importantly, the Enugu state government should encourage NALT-NUSHO in its effort to alleviate poverty among Nsukka rural poor through providing enabling environment that would facilitate institutional credit and other incentives for improved programme performance. This calls for a good micro-finance policy that should aim at enabling the poor to increasingly move out of poverty through cycles of loans and repayments.

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