APPRAISAL OF THE ADEQUACY OF FARM SUPPORT SERVICES OFFERED HOST COMMUNITIES BY PETROLEUM-PRODUCING COMPANIES IN NIGER-DELTA, NIGERIA

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#### **ABSTRACT**

The major objective of this study was to appraise the adequacy of the farm support services offered host communities by petroleum-producing companies in the Niger-Delta with focus on Rivers State. The stratified and multi-stage random sampling techniques were used to select 476 respondents for the study. A structured questionnaire containing 25 items was used for data collection. Out of 476 questionnaire administered, 434 were duly filled and returned, giving 91.18% returns. The data collected was analysed using the mean. It was observed that, generally, the farm support services rendered to the host communities were not adequate enough to ginger higher farm productivity and income. Conclusion was drawn based on this finding.

farm support services, petroleum producing Key words: companies, host communities

## INTRODUCTION

Rivers State is geographically located in the forest zone cum the mangrove swamp belt of Southern Nigeria. The mangrove zone makes up the Delta area, where according to Wonah (1991), the water body covers about 70% of the land mass. Crops such as yams, cassava, cocoyam, maize oil palm, plantain and banana, are grown in the state. In the riverine and Delta area, fish and other aquatic life are found in abundance. In addition, Rivers State holds so much petroleum deposits that it is regarded as the "treasure base of the nation". For this reason, oil exploration and production activities know no bounds or inhibitions. Unfortunately, agricultural productivity which is the mainstay of livelihood in the rural communities (Wonah, 1991) tends to be crippled by oil exploration, which is considered a better way of improving our national economy. However, while the oil exploration companies make huge profits, the rural oil-bearing communities where they operate remain environmentally-battered, degraded and neglected. As such, the inhabitants of these areas, who are mainly farmers, are provokingly poverty-stricken that they can be likened to the Oliver Goldsmith's Deserted village' where wealth accumulates and men decay (ljere 1981, as cited by Onu and Anyanwu, 1990).

Oil exploration and agricultural activities run into conflict because of the ways they are carried out, and are, therefore antagonistic to each other. It is for this reason and the need to create cordial atmosphere for their operations that oil-producing companies have evolved the policy of ploughing back oil proceeds to the soil by supporting agriculture, the primary occupation of the rural inhabitants. This they do through agricultural extension services and projects, which come under their community development programme.

Prominent among these companies are:

- a) The Shell Petroleum Development Company of Nigeria ltd. (SPDC)
- b) The Nigerian Agip Oil Company (NAOC).
- Elf a subsidiary of TotalFina Elf.

Apart from its routine job of providing technical assistance to farmers, these agricultural extension services also play the role of public relations for the companies. As such, the ultimate objective is to help farmers progress from a subsistence to a commercial level of farming and thereby improve their standard of living. This perhaps will shift their total dependence on the companies for community and self development. to achieve the laudable objectives of the extension projects, timely and adequate supply of farm inputs such as fertilizers, seeds, seed-lings, agro-chemicals, machinery, improved stocks, feeds for live and fishery, veterinary drugs, fingerlings and boats as observed by Oyebanji (1981) are critical to the success of any such programme. With the knowledge that the greatest problem facing agricultural production in Nigeria today is probably input delivery and support services, it is therefore, the focus of this paper to appraise the adequacy of farm support services rendered host communities by oil exploration and producing companies in the Niger -delta of Nigeria with a focus on Rivers State.

The primary objective of the petroleum-producing companies participation in agricultural projects is to encourage self-employment and the improvement of the living standard of the members of the host communities. However, despite the enormous resources committed, it does not seem that the farmers in the oil producing areas have achieved a remarkable and sustainable higher standard of living through increased farm income. This may remain so as long as the farmers cannot expand their productive capacities due to inadequate input and support service rendered to the farmers.

The primary purpose of this study was to appraise the adequacy of farm support services offered host communities by petroleum producing

companies in the Niger delta, with particular reference to Rivers state. Essentially, the was intended to

- determine the scope of agricultural production activities covered by the oil companies' agricultural extension projects;
- ascertain the adequacy of the support services rendered to the enlisted farmers by the projects.

#### Research Questions

- what are the agricultural production activities covered by the extension services?
- what are the levels of adequacy of support services rendered to the enlisted farmers by the projects.

#### METHODOLOGY

The population of the study comprised all the 8378 farmers enlisted and assisted by SPDC, NAOC, and ELF agricultural projects in Rivers state as at June, 1999. The distribution of the farmers by various categories presented is in Table 1

Table1: Number of Registered Farmers in the Oil-companies'

Agricultural Projects in the Rivers State. (n=8378)

NAME OF PROJECT	NO. OF ZONE S	NO. OF COOPERATIV ES	NO. OF REGISTERE D FARMERS
SPDC Extension services and project	10	183	6878
NAOC Green River Project	7	50	1000
ELF in rural Life Agricultural Project	3	4	500

Sample And Sampling Technique

The stratified and multi-stage random sampling techniques were used to select 476 respondents for the study. The proportionate sample size of each mentioned project was determined using the stratified sampling formula (Sax, 1968);

$$N=(z/e)^2(P)(1-P)$$

Where:

N = sample size

z = standard score corresponding to a given confidence level
(.05 for this

study)

e = proportion of sampling error (.5 for this study)

P = an estimate of the proportion or incidence of cases in the population.

The multi-stage random sampling technique was employed to draw two zones each for the three projects. Thereafter, appropriate numbers of respondents were drawn from the sampled zones. This is presented in table 2 below.

Table 2: Distribution of Sample Size the Different Agricultural Projects (n= 476)

NAME OF PROJECT	NO. OF ZONE S	NO. OF REGISTERED FARMERS	SAMPLE SIZE	
SPDC Extension services and project	10	6878	227	
NAOC Green River Project	7	1000	162	
ELF in rural Life Agricultural Project	3	500	87	

### Instrument For Data Collection

A structured questionnaire was used in collecting data for this study. It contained 25 items based on the two research questions. The questionnaire was divided into parts I and II. Part I was used to collect background information while part II which was sub-divided into sections A and B made up the main body of the instrument. The scales as applicable to part II of the instruments where as follows:

A: Extent of coverage of Agricultural production activities by projects:

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Highly (H)		4 points
Moderately (M)	=	3 points
Lowly (L)	=	2 points
Not Covered (NC)	=	1 point

B: Adequacy of support services rendered to the enlisted farmers :

Very Adequate(VA)=4 pointsAdequate(A)=3 pointsInadequate(IA)=2pointsNot provided(NP)=1 point

The questionnaire was face validated by experts in agricultural extension.

# **Data Collection And Analysis**

The researcher contacted the extension agents of the sampled zones and co-operatives through whom the questionnaire were administered and retrieved. Out of 476 questionnaire administered, 434 (SPDC = 185, NAOC = 162; ELF = 87) were duly filled and returned representing 91.18 percent of the respondents.

The mean was used to analyse collated data. Based on the coding of the rating scales, any item having a mean of 2.50 and above was regarded as covered or adequate, while those with any mean below 2.50 was regarded as rejected by the respondents.

## FINDINGS AND DISCUSSION

From the analysis of data, the following findings were made:

- The coverage of different production activities by the SPDC agricultural project is low, whereas, the NAOC and ELF projects moderately covers cassava production, yam production, maize and fish production.
- Only few support services are adequately rendered to the farmers by the agricultural projects of the oil-producing companies, particularly, those of supplying of improved

planting materials freely to the farmers: provision of fertilizers freely to the farmers; and supplying of fingerlings to fish farmers.

The findings of this study indicate that the coverage of different agricultural production activities (see table 3) by the SPDC is low, while NAOC and ELF covers cassava production, yam production, maize production and fish production well. Viewed against the different farming activities in the Niger Delta, extension services by the oil companies ought to highly cover as many production activities as possible.

Unfortunately however, field staff, according to CTA (1994) often have different and sometimes contradictory role, including regulatory control and data collection, in addition, to general extension services hampered by lack of fund, resources and personnel and these affect the

scope of coverage of agricultural production activities.

The findings of the study also revealed that the SPDC adequately renders two services out of the 15 listed (Table 4) while NAOC and ELF adequately renders six and three services respectively. These findings indicate that only few support services are well rendered to the farmers by the agricultural projects of the oil-producing companies in Rivers State. This observation reinforces the view of Ogunwale, Oladosu and Laogun (1997) that the greatest problem plaguing agricultural production in Nigeria is Probably input delivery and support services. Jibowo (1996) had also stated that regular supplying of farm inputs such as agrochemicals, seeds, fertilizers at economic prices, has constituted the most serious inhibiting factor to successful extension work in most parts of Nigeria.

#### CONCLUSION

It is obvious that the agricultural projects of the petroleum producing companies only cover few farming activities. Naturally, agricultural extension services should cover as many production activities as possible because individual farmers, and even cooperatives, have diverse interests and areas of specialization depending on their location and available marketing structures. The low to moderate coverage of agricultural production activities as found in this study will definitely restrict the farmers to activities for which they do not posses the intrinsic interests, needs and abilities.

The revelation that the support services rendered by the projects to the farmers were inadequate cannot in any way alleviate the frightening massive poverty in the Niger Delta. Adequate support services (such as supply of farm inputs) are critical to the success of any agricultural extension programme. With the provision of adequate support services, the farmers will definitely apply them and thus record increases in productivity and , invariably, their farm income. This is imperative for the oil-companies because farm inputs, according to Oyebanji (1998), are accepted universally as some of the major sources of incremental food and fibre production.

It therefore, behoves the different oil-companies involved in agricultural extension services in Rivers State of Nigeria to expand the scope and scale of their farmer support services if the high impact desired is to be achieved.

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Table 3: Mean Opinions By Groups of Enlisted Farmers on the Agricultural production Activities Covered by the Oil Companies' Agricultural Extension Services.

N = 434

S/n	N = 434	N=185 SPDC Farmers		N=162 NAOC F	armers	N=87 ELF Farmer	
1.	Cassava production	Mean	SD	Mean	SD	Mean	S
	Cassava production	1.78	0.96	*3.55	0.52	*3.64	0
2.	Yam production	1.63	0.94	*3.36	0.65	*3.70	0
3.	Maize production	1.54	0.94	*3.14	0.72	*2.90	1
4.	Vegetable production (e.g. fluted pumpkin, okro)	1.72	0.99	*2.86	0.56	2.23	0
5.	Fruit trees production (e.g. Ogbono, avocado pear)	1.44	0.91	2.12	0.73	1.98	0
6.	Cash crop production (e.g oil palm, ginger and kola)	1.66	0.81	2.11	0.58	2.21	1
7.	Farm animal production (e.g goat, sheep, poultry, pigs).	1.53	0.81	2.02	0.83	1.87	1
8.	Fish production	1.42	0.79	*2.75	0.75	*2.78	1
9.	Processing and storage of farm produce		0.55	2.09	0.94	1.77	1

<sup>\*</sup> Items accepted by the respondents as being the agricultural activities covered by the projects.

Table 4 Mean Responses by Groups of Enlisted Farmers with the Oil Companies Agricultural Projects on the Adequacy of the support Services Rendered to them.

S/n	Items	N=185 SPDC Farmers		N=162 NAOC Farmers		N=87 ELF Farmers	
10	Supplying of impact of the state of the stat	Mean	SD	Mean		Mean	SD
	Supplying of improved planting materials (e.g maize seeds, cassava stems, yams) freely to farmers.	*2.59	1.28	*3.67	0.52	*3.68	0.58
11	Provision of improved planting materials on loan to the farmers.	1.65	0.76	*2.84	1.14	2.30	1.10
12.	Provision of fertilizers freely to the farmers.	1.28	0.63	*2.78	1.01	*2.77	1.10
13.	Supplying of fertilizers at reduced cost to the farmers	*2.81	1.17	2.22	1.07	1.89	1.08
14.	Rendering of pest (e.g insect) control services	1.28	0.73	2.12	1.00	2.14	1.12
15.	Assisting the farmers to establish and maintain farm animals	1.45	0.71	2.00	0.75	1.84	1.09
16.	Assisting the farmers in constructing fish bonds	1.68	0.78	1.73	0.75	2.06	1.12
17.	Supplying fingerlings to the fish farmers	1.17	0.52	2.18	1.01	*2.55	1.24
18.	Clearing of farm land for the farmers	1.42	0.80	2.12	1.14	1.34	0.78

19.	Hiring of tractors to farmers at cheap rates	1.18	0.60	2.20	1.05	1.54	0.97
20.	Provision of agro-processing machines	1.61	0.75	2.51	0.72	1.57	1.07
21.	Provision of storage facilities for the farmers	1.31	0.77	2.40	1.01	1.39	0.83
22.	Helping (guaranteeing) farmers to obtain bank loans	1.69	0.67	2.33	1.07	1.61	0.87
23.	Directly giving the farmers financial assistance (soft loans)	1.35	0.63	2.18	1.09	1.56	0.96
24.	Provision of transport facilities for the farmers	1.18	0.56	*3.55	0.52	1.76	1.05

<sup>\*</sup> Items accepted by the respondents as being adequate.