

IMPACT OF BANK OF AGRICULTURE LIMITED (BOA) ON FOOD SECURITY STATUS OF SMALL –SCALE FARM HOUSEHOLD IN SOUTHWESTERN NIGERIA

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ABSTRACT

In Nigeria, it has been documented that small scale farmers devote most of their resources to food production at the detriment of food security status of their households. There is, however a dearth of information about the consequence of these practices on the food security of small scale farm households. In this study, the food security status of the Bank of Agriculture customers, both loan beneficiaries and non-loan beneficiaries, in Ondo and Osun States , Nigeria are examined. Multistage sampling technique was used to select 180 respondents households from the study area. Information was collected from the respondents with the aid of structured questionnaire and data obtained were analyzed using descriptive statistics, food security index, surplus /short fall index and probit model. The food security line was N2,296.20 per month per adult equivalent. Based on this, 64% of the total sampled households were food secure while 36% were food insecure. Food secure household exceeded the calories requirement by 12% while food insecure household fell short of calories requirement by 9%. The major constraint to Bank of Agriculture performance included: under funding of the bank by the federal Government, changes in government policies in finance of agriculture, frequent changes in the identity of the bank, increase in interest rate and closure of branches, organizational factors, lack of tools and mandatory 20% deposit by the farmers . It was also discovered that endogenous factors, such as inappropriate policies, misplaced priorities and neglect of Agriculture as well as poor implementation by the government are responsible for current Nigerian food security status. A high percentage of household was food secure, hence, the impact of the bank is said to be positive and households in the study area could be said to be food secure.

KEYWORDS: Food Security, Probit, BOA, Small – Scale, Household