# Evaluating Farmers Access To Productive Resources Through Cooperative Societies And Its Effects On Their Performance In Rural Communities Of Anambra State, Nigeria

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Abstract: The poverty of Nigerian farmers and their inability to increase their output and income above the subsistence level have been identified as one of the factors militating against food production in Nigeria. Yet, agricultural cooperative create the ability for the supply of required agricultural inputs so that production of commodities is done timely to enhance productivity. They also provide an assured market for commodities produced by isolated small farmers in the rural areas. This paper was determined to evaluate the effects of cooperative societies on members' output. The researchers administered a total of one hundred and twenty-six (126) questionnaires to the respondents with the assistance of the divisional cooperative officers. The hypotheses were analyzed through the use of t-test statistic and regression analysis. Results showed that the various Services rendered by farmers' cooperative to their members include: agric credit, improved seedlings, fertilizer, and market access. They however disagreed that they received extension services, the cooperative farmers agreed that they have access to the following agricultural services after joining cooperatives: Access to Agric credit, Access to Improved Seedlings, and Access to Fertilizer. They disagree that they have Access to emerging markets and Access to Extension services. Hence, the need to adopt cooperative as a platform for improving farmers' productivity and output in Awka South L.G.A of Anambra state. As such, the researchers therefore recommends that the Anambra State government should encourage research, development and provision of adequate extension services to cooperative farmers through the Ministry in charge of cooperative in the state. Through the extension education the farmers will have knowledge of emerging markets, and cooperative farmers should also be encouraged to join cooperative to enable them have access to agricultural credit among others.

Keywords: Formers' Access; Productive resources and services, Co-operative Platform; Rural Communities.

### INTRODUCTION

Cooperative has been referred to by various scholars as instrument for socio- economic transformation. Yet not many have embraced the organizational form to make it work for them. This is partly because they have not discovered the potential and the real essence of cooperative. According to Ijere (1992), cooperatives all over are instrument of social and economic transformation. Accordingly, Ofuebe (1992) wrote that "cooperative" is one of the effective vehicles for organizing modernized rural production which has become one of the most important preconditions for efficient mobilization of production resources and accelerated rural progress. For instance, (Uchendu, 1998) stated that the original impetus for the introduction of cooperative in Nigeria came from agriculture, or more precisely the marketing of cash crops for export. This development no doubt could be as a result of the inherent potential in cooperative as observed in other parts of the world. Oladeji and Oyesola (2000) stated that in consideration of the impact of cooperative society in agricultural production in developed economics, farmers in developing countries had been encouraged to organize themselves into cooperative societies. As noted earlier not many farmers have embraced the organizational form to make it work for them. Yet the advantages of belonging to farmers cooperative abound. According to Chambo (2009), agricultural cooperative create the ability for the supply of required agricultural inputs so that production of commodities is done timely to enhance productivity. They also provide an assured market for commodities produced by isolated small farmers in the rural areas. Ortman et al (2006) stated that with collective action, agricultural cooperatives can capture the benefits of value added, because of bulking and take advantages of introducing grades and standards thereby allowing agro processing

value addition for the members. In addition, agricultural cooperatives are responsible for stimulating poor famers to make entry into markets, enhancing demand for standards and grades for perishable commodities, such as bananas. onions and tomatoes. This research work is therefore set to assess and bring to the fore those factors and services which the farmers' cooperative could render to members that leads to increased productivity and output. The poverty of Nigerian farmers and their inability to increase their output and income above the subsistence level have been identified as one of the factors militating against food production in Nigeria. According to Obinyan (2000), their holdings are small, most often less than 2 hectares and are characterized by low productivity which leads to low income and low capital investment. Ijere and Mbanasor (2000) also noted that given the current high food demand in the country and the rapid population growth, there is an increasing need for agri-business development so as to help bridge the gap between the demand and supply of food. To use cooperative as a veritable approach to accomplish this fit, a new dawn is imperative in rediscovering the cooperative advantage and that is the application of corporate governance in cooperative administration. According to Uneze and Onugu (2008), the import of instituting good cooperative governance stems roles and capacity for socio-economic transformation. ... (Cooperatives have gained tremendous prominence as business forms which are locally owned and controlled, with capacities to respond to community needs and then bring about economic growth (Fulton and Ketilson 1992, Ijere 1988 and Guandano 2006). Cooperatives apart from the employment it offers, provides market access and essential services to the residents, builds human capital through leadership development that is necessary to kickstart social and business activities. As a development tool,

successive Nigerian governments at Federal and State levels had used cooperative as platform for delivering their agricultural and rural development policies. Some of such programmes include: Family Economic Advancement Programme (FEAP); Agricultural Credit Support Scheme (ACSS); National Agricultural Land Development Authority (NALDA). Currently, the ACSS, Agricultural input delivery scheme (fertilizer, seedling, breeding stock), National Poverty Eradication Programme (NAPEP) and institutional credit supports such as Microfinance Banks (MFBs), have majorly built in the vehicular tool of cooperative societies (Uneze and Onugu, 2008). Hence, need to rediscover the cooperative advantage to help improve the income and productivity of the rural farmers. According to Ibe (2002), cooperative society has been identified as the appropriate vehicle for harnessing and polling the resources of millions of desperate producers together to enjoy the benefit of large-scale production. It is the intention of this work to rediscover and highlight these benefits so that noncooperative, small scale rural farmers will embrace them and make it work for them. The following questions will guide us in the present research effort: What are the socioeconomic characteristics of the farmers? What are the agricultural services rendered by farmers' cooperative to their members? What are the farmers' accesses to agricultural services before and after belonging to cooperative? Is there any significant difference in the services received by members before and after belonging to farmer cooperative? What is the impact of these services on members outputs what are the challenges militating against cooperatives in rendering these services to cooperative farmers? The objective of the study is to evaluate farmers' access to productive resources through co-operative societies and its effects on their performance in rural communities of Anambra State. Specifically the study intends to:

- i. Examine the socioeconomic characteristics of the farmers that are members of co-operative society.
- ii. Ascertain the types of productive resources rendered by the co-operative to their members.
- iii. Compare the farmers' access to productive resources before and after joining the cooperative societies.
- iv. Determine the effects of accessed productive resources to the members (farmers performance.
- v. Identify challenges militating against co-operative in providing productive resources to members' farmers and make recommendations.

### **Study Hypotheses**

H<sub>01</sub>: There is no significant difference in the farmers' access to productive resources before and after joining the co-operative society

 $H_{o2}$ : Productive resources provided by the cooperative societies have to farmers no significant positive effect on their performance.

### **Review on Food Situation in Nigeria**

Food is a basic requirement for sustaining life. Adequate intake of food is critical for achieving health and productivity goals. Globally, food has economic, strategic, and political

significance, with the food subsector contributing significantly to the gross domestic product, export earnings, employment, and the industrial growth of nations. The continued rapid population growth in Nigeria poses a challenge to meeting the food need of more than 140 million people (Akinyele, 2009). According to Meller (1990), it is estimated that approximately 900 million people in the developing world service on grossly inadequate diets. The Nigeria situation is not an exception where majority of the Nigeria agricultural producers can be classified as small farmers because of their small farm holding. Accordingly Uzoka (2008), observed that the government over the years has noted this situation and has been attempting to redress this conundrum. The agricultural policy of government in Nigeria constituted the basis of all efforts made in the planning and designing of programmes and projects to ensure growth in the sector. The main efforts in this direction have been to enhance the capacity of the sector to play its assigned role, with emphasis on attainment of sustainable levels in the production of basic food commodities, especially those in which the country has comparative advantage. However, despite the increasing efforts at improving food security, majority of the people still suffer from hunger and poverty. According to Asinobi (2000), food security is of supreme importance in improving the nutritional status of many millions of people who suffer from persistent hunger and under-nutrition and many others who are at the risk of facing the same situation. Eboh (1995), noted that food security is the ability of individuals and household (especially rural and urban poor) to meet staple food needs all year round. Accordingly Akinyele (2009) wrote that food security refers to the condition in which all people, at all times, have physical, social, and economic access to sufficient, safe and nutritious food that meets their direct needs and food preferences for an active and healthy life (EAO/WHO 1992; FAO 1996 in Akinyele 2009). Food availability, stability of supplies and food access are related determinants of food sec

# The Role of Cooperative in Nigerian Agriculture

As Nigeria agriculture is characterized by very large number of small holders scattered over vast expanse of land throughout the country, cooperative organizations offer the best machinery for reaching the masses of the small-scale farmers at the grassroots. To do this, cooperatives should be organized to embrace at least ten per cent of Nigerian farming population. Farmers should be organized into strong and viable multi-purpose agricultural cooperative societies capable of winning wholehearted patronage of its members and engender public accountability. These cooperative societies should be developed into rural banks for harnessing rural savings and providing cheaper credit to small-scale farmers for agricultural development. According to Gbenebichie (1986), in most states of Nigeria today, emphasis on cooperative development is now on multipurpose agricultural cooperatives for food production and marketing. At present, ninety-six per cent of cooperative societies in this country are designed basically to serve the needs of agriculture. Even the four per cent, which constitute non-agricultural cooperative societies have great relevant for agriculture and use agricultural products and by-products. With the introduction of the 7 points

agenda and agriculture as part of it for achieving food security, there is great need for governments to give greater attention to the use of cooperatives for agricultural development. It is believed that agriculture in this country will have a new lease of life and food shortages reduced or eliminated if cooperatives were given only five percent of the fund now being poured into large-scale agricultural programmes. With adequate funding and effective marketing machinery, cooperatives should be able to make greater impact on agriculture in this country. According to Gbenebichie (1986), if cooperative are to effectively play that role of providing food and fibre requirements of the country in large quantities, then their management potentials becomes a matter for serious consideration. As participants in this system, cooperative societies must match, if not excel, the management performance of the private and public sector because of the legal and financial backing these societies enjoy from the government

### **METHODOLOGY**

This study was carried out in Awka south L.G.A of Anambra State. Awka south is in Anambra central senatorial zone and it also houses the state capital. Again, it is one of the hubs of economic activities in the state. The area is made up of the following communities: Okpuno, Amawbia, Awka, Isiagu, Ezinato, Mbaukwu, Nibo, Nise and Umuawulu.. Apart from Awka, other communities are replete with various forms of agricultural activities. The major occupation of the inhabitants of the area is farming. Although they have other occupational engagements like: trading (especially in Awka municipal), craft, teaching in schools and colleges, civil service etc. the area has a good number of farmers' cooperative societies. The population of this study is comprised of all the registered farmers' cooperative societies in the area of study. Investigation from the Department of cooperative in the Ministry of Commerce and Industry revealed that Awka south has 41 registered farmers cooperative societies with a membership strength of 2,502 (Cooperative Department, Ministry of Commerce Industry and Tourism, 2014). From a cluster of 41 farmers cooperative societies in Awka South L.G.A, one society each was randomly selected from 6 of the communities that make up Awka south local government area and they have membership strength of 184. Three of communities had no functional agricultural cooperatives. To determine the sample size, the Taro Yamani formular (1967) formula was usedto get a sample size of 126. The data was analyzed using descriptive tools such as simple percentage, mean and linkert rating and inferential statistics such as t-test regression analysis and chi-square. Objective one was analyzed using simple percentage. Objective two, three and six were analysed using mean and linkert scale. The t-test was used to test the null hypothesis Ho<sub>1</sub> and the formula is stated thus:

$$= \frac{X_1 - X}{SD_X}$$

Where SD<sub>x</sub> =Standard error of difference between means

But 
$$SD_x = \frac{S_1^2}{n_1} + \frac{S_2^2}{n_2}$$

Where:

X<sub>1</sub> = Mean of the service received by members before belonging to farmer cooperative.

X<sub>2</sub> = Mean of the service received by members after belonging to farmer cooperative.

.  $n_1$  = Sample size of the service received by members before belonging to farmer cooperative.

. n<sub>2</sub> = Sample size of the service received by members after belonging to farmer cooperative.

S<sup>2</sup><sub>1</sub> = Variance or standard deviation of the service received by members before belonging to farmer cooperative.

S<sup>2</sup><sub>2</sub> = Variance or standard deviation of the service received by members after belonging to farmer cooperative.

The regression analysis was used to test the null hypothesis  $Ho_2$ . Regression model is specified thus:  $Y = f(x_1, x_2, x_3, x_4, x_5,)$ ....(1)

Where: Y = Output of farmers in 2011

 $x_1$  = credit obtained (in naira)

 $x_2$  = Seedlings (in kg)

 $x_3$  = Fertilizer (in kg)

x<sub>4</sub> = Gain market access (Yes=1, No=0)

 $x_5$  = Extension services received (Number of times)

The above model is specified explicitly thus:

$$Y = \beta_0 + \beta_1 + \beta_2 \text{ INC} + \beta_3 + \beta_4 + \beta_5$$
.....2

Where  $\beta_0=$  intercept term showing values of Y when variable  $x_1$  to  $x_9$  are zero. That is the value Y is predicted to have when all the independent variables are equal to zero.

 $\beta_1$  to  $\beta_5$  = the coefficients or multipliers that describe the size of the effect the independent variable ( $x_1$  to  $x_5$ ) are having on the dependent variable Y. The econometric form of the model becomes more realistic with the introduction of the random or scholastic term.

 $\Sigma$ : The econometric form of the model is express thus:

$$Y = \beta_0 + \beta_1, x_1 + \beta_2 x_2 + ... + \beta_n x_n + \sum_{i=1}^{n} \beta_i + \beta_i x_n +$$

The linkert scale comprise four response rating of strongly agree (4), Agree (3), Disagree (2), and strong disagree (1) respectively. A theoretical mean value of 2.5 was determined as a criterion to judge the means of the items in the questionnaire. Any item which has a mean equal to or higher than 2.5 was regarded as agree while items with less than 2.5 will be regarded as disagree. The regression analysis was be run using E- Views 3.0 so as to determine the order of importance of the explanatory variables in explaining the variations observed in the dependent variable. The t-test will be performed to test the significance of each of the explanatory variables at alpha level of 5%. Multiple regression analysis was used to test hypothesis two. Thus, the main aim here is to establish a causal relationship between the dependent variable and the independent variable in the model. The functional form adopted is the linear regression Ordinary Least Square (OLS) will be used to estimate the parameters of the model. This is because with the normality assumption for a; the OLS estimators are normally distributed and they are said to be best unbiased estimator (BLUE) (Gugarati, 2008).

### **Result and Discussion**

#### The socioeconomic characteristics of the farmers

**Table 1:** Distribution of responses according to the socioeconomic characteristics of the respondents.

Socioeconom ic factor	Freq uenc y n=12	Percen tage %	Mini mu m	Maxi mum	Mea n (X)
Age(Year)	-	-	20	70	46.3 ys
Sex(Dummy of 1&0):					
Male = 1	52	41.3	-	-	-
Female = 0	74	58.7	-	-	-
Years of formal education	-	-	0	16	12.8 ys
Marital Status (Dummy of 1&0):					
Married (Dummy of 1)	98	77.8	-	-	-
Otherwise (Dummy of 0)	28	22.2	-	-	-
Farm size per Hectares	-	-	≥1	≤10	2.0 Hc
Years of Cooperative membership			1	20	11yr s
Net Monthly farm income (#)			10,0 00	100,0 00	22,8 00

Source: Field Survey June 2014

The table 1 shows the socioeconomic characteristics of the respondents with respect to age; Sex; years of formal education. Marital status: farm size: vears of Cooperative membership; as well as farmer's monthly net farm income. Therefore, the result from table showed that, majority of the cooperative members are still in their active and youthful age with average(x) age of 46.3 years. Also, the result table revealed that the majority of the farmers are literate to an extent as they have average (x) of 12.8 years which is equivalent to senior secondary school educational qualification. Meanwhile, the most of the Co-operative farmers are married (77.8%) while few are without spouses (22.2%). From the result deduced, from the table 1 the average(x) farm size of the respondents is 2.0 hectares, while they have 11 years average (x) of Cooperative membership experience. Finally from the table, some farmers earn monthly net income of less than #10,000 while some earn more than #100,000 as such the average (x) monthly net income of the farmers is #22,800.

### Types of Productive resources provided by the

### Cooperative societies

**Table 2:** Distribution responses according to productive resources provided by Cooperatives to its members.

S/N	Production	Mean	Decision
	resources& Service	( <del>X</del> )	
	Provided		
i.	provision of	3.68	Agree
	agricultural credit		
	facilities		
ii.	Distribution of	3.43	Agree
	improved seeding to		
	farmers	0.74	٨
iii.	Adequate & timely	3.74	Agree
	supply of fertilizer	0.00	A
iv.	Facilitate market access for farmers'	2.90	Agree
V.	produce Provision of	2.01	Disagree
v.	extension services	2.01	Disagree
	delivery		
vi.	Enhancing savings	3.63	Agree
• • • •	mobilization	0.00	g
vii.	Value addition to	2.17	Agree
	farm produce eg.		·
	Processing		
vii.	Provision of modern	2.62	Agree
	farm equipment eg.		
	Harvester etc		
_	Grand Mean ( $\overline{X}$ )	3.10	Agree

Source: Field Survey, June 2014

As shown in table 2. The cooperative farmers agreed that they received the following services from their societies: agric credit (3.6); improved seedlings (3.4); fertilizer (3.7); market access (2.9); and savings mobilization (3.6) .They however disagreed that they received extension services and product enhancement services.

# The extent of farmer's access to productive resources before and after joining the Cooperative society.

**Table 3:** Showing responses of comparison between farmers access to productive resources and before and after joining the cooperatives

Draductiva	Before	After		
Productive resources	Mean $(\overline{x})$	Decision	Mean $(\overline{x})$	Decision
Provision of agricultural credit facilities	2.32	Not accessible	3.46	Accessible
Distribution of improved seedling to farmers	278	Accessible	3.64	Accessible
Adequate & timely	3.01	Accessible	3.90	Accessible

Grand Mean	2.43	Not Accessible	3.133	Accessible
processing Provision of modern farm equipment	2.34	Not accessible	3.25	Accessible
Value addition to farm produce eg	2.40	Not accessible	3.17	Accessible
delivery Enhancing saving mobilization	2.14	Not accessible	3.49	Accessible
produce Provisions of extension service	1.85	Not accessible	2.10	Not accessible
supply of fertilizer Facilitates market for farmers'	2.27	Not accessible	2.06	Not accessible

Source: field survey June, 2014

The descriptive statistics table 3 above was gotten from 4 point scale analysis with standard mean of 2.50 which is less than 2.50 is not accessible while responses that has equal or great than 2.50 is accessible. Therefore from the result table the researchers deduced that most of the productive resources and service were not highly accessible by the farmers before becoming a member of farmers' Cooperative society, And this is indicated with the grand mean (x) of 2.43 which is less than standard mean of 2.50. Meanwhile, the farmers enjoy a easy accessibility to most of productive resources and agricultural services that enhance and facilitates agricultural production after they have obtained Cooperative membership. As such, this was affirmed by the grand mean (x) of 3.13. some of the vital productive resources and agricultural resources that are accessible include agricultural credit facilities (3.46); improved seedling (3.64); fertilizers (3.90); savings mobilization (3.41); as well as value addition to produce (3.17).

### Test of Hypothesis one (H<sub>o1</sub>)

H<sub>o1</sub>: There is no significant difference in the farmers' access to productive resources before and after joining the farmers' cooperative societies

H<sub>A1</sub>: There is significant difference in the farmers' access to productive resources before and after joining farmers cooperative societies.

In order to affirm or reject that statement of hypothesis, the hypothesis one is subjected to T-test, and the summary of result is presented in the table 4 below.

**Table 4:** Summary of t-test values on test of difference between the means of production resources received by members before and after joining to farmers cooperative.

	N	$\overline{X}$	SD	D F	S E	t- ca I	t- tab	R e m ar k
Services rec eived by members before joining far mers cooperative.	12 6	2. 43	0.7 155	2 5 0	0. 1 0	3. 83	1.9 720	Si g ni fi c a nt
Services rec eived by members after belonging to farmers cooperative.	12 6	3. 0	0.8 820					

### Decision

Table 4 is a summary of the t-test values on significant difference between the means of productive resources received by members before and after belonging to farmers cooperative: The result of the test shows that t-cal = (3.38), t-tab = (1.97), and at significant level of (5%). This implies that there is a significant difference between the means of productive resources received by members before and after belonging to farmers cooperative. Hence, the need to adopt cooperative as a platform for improving farmers' performance in Awka South L.G.A of Anambra state. As such, the hypothesis result further strengthen the facts from descriptive statistics of table 3 that there is really difference between the extent of formers access to productive resources before and after joining cooperative.

# Effects of Accessed Productive Resources to Members' Performance

**Table 5:** Distribution of Respondents n the Effects of Accessed productive resources to members' Performance

S/N	Contributions Indicators	Mean (x̄)	Decision
i.	Acquisition of more farm land (Per Hectares)	2.86	Effective
ii.	Increase farm income (Per Naira) Increase in farm	3.47	Effective
iii.	production (Out put) capacity	3.05	Effective
iv.	Encourages technological adaption & diffusion	2.98	Effective
V.	Generates more direct & indirect employment	2.72	Effective

	Grand Mean (x)	3.3	Effective
vii.	Adequate fund to finance farm	3.51	Effective
vi.	Joint processing and packaging under cooperative brand name value addition	2.59	Effective

Source: field survey, June 20014

The descriptive statistics of 4 point scale analysis table 5 above with threshold of 2.50, shows that the accessed productive resources and services of cooperative societies have really contributed to the members farm growth, as if is indicated in the grand mean (x=3.03)which is great than the standard mean of 2.50. Therefore, the researchers concluded that platform of cooperative society have really impacted positive contributions to farm business growth of the cooperative members. Some of these contributions include, acquisition of farm land (2.86); increase in farm income (3.47); improve production capacity (3.05); technological adoption and diffusion (2.98); employment generation (2.72); joint processing and packaging (2.59); and adequate fund (3.51).

### Test of Hypothesis Two (H<sub>o2</sub>)

H<sub>o2</sub>: Productive resources provided by the cooperative societies to farmers have no significant positively effect on their performance.

H<sub>A2</sub>: Productive resources provided by the cooperative societies to farmers have significant positive effect on their performance.

**Table 6:** Regression Estimates on the effect of productive resources received by members' from the farmer cooperative society on their performance.

Variables	Linear	Exponential
Constant torm	-4051.889	6.942
Constant term	(-1.290)	(16.920)
v – gradit abtained	1.073	0.377
$x_1$ = credit obtained	(1.528)	(2.827)***
v – Coodlings	3791.410	0.779
$x_2$ = Seedlings	(2.467)**	(3.884)***
v Fortilizor	-489.116	-6.046
$x_3$ = Fertilizer	(-1.719)*	(-1.575)*
$x_4$ = Gain market	20.054	1.476E-03
access	(1.398)	(0.843)
$x_5$ = Extension	227.757	3.378E-02
services received	(1.859)*	(2.103)**
F-Value	4.824***	6.416***
Adjusted R <sup>2</sup>	0.366	0.566
$R^2$	0.462	0.662

### Values in parenthesis are standard errors. \*\*\*p<0.01, \*\*p<0.05, \*p<0.1

Table 6 shows the regression estimates on the effects of productive resources received by members from the farmer cooperative on their performance. It has an R<sup>2</sup> value of 0.662 which implies that about 66.2% of the variation in the dependent variable is caused by the independent variables

included in the model while the other remaining 33.8% might be due to error in specification and exclusion of other factors in the model. The F statistics is significant at 1% which implies that the variables included adequately described the dependent variable. Of the five variables that were included, four were found to significantly affect the farmers' performance except fertilizer that was significant at 10% but negatively influencing the famers' performance. The coefficient of credit is significant at 1% and has a direct influence on the total performance of the farmers. As usual, the most critical farm input in farm production after land is capital in the foam of credit or stock available to the farmer. Therefore, credit availability influences production positively since it empowers the farmer to build up stock over time. The coefficient of seedling is significant at 1% and has positive influence on the farmers' performance. This implies that the quality and quantity of seedlings have a direct influence on the farmers' performance as it increases outputs. The coefficient of extension services is significant at 5% and has effect on the farmers performance. Credit, improved seedlings and extension services are needed more to enhance cooperative farmers' productivity in the area.

### Decision:

Therefore null hypothesis was rejected and its alternative was accepted. That productive resources by cooperative have significant positive effect to member's farm business. This regression result also affirms and strengthens the result from the descriptive statistics of table 5 on the effect of productive resources provided by the farmer cooperative society to its farmer members..

## Challenges in delivering productive Resources and agricultural services to farmers (members)

**Table 7:** Distribution According to challenges militating against farmers' cooperative society in providing productive resources and Agricultural services.

Challenges	Mean $(\bar{X})$	Decision
Inadequate capitalization	3.6	Agree
High cost of obtaining farm inputs	3.4	Agree
Inadequate infrastructure	3.5	Agree
Corruption	3.1	Agree
High interest rate	3.6	Agree
Poor leadership	3.6	Agree
Poor monitoring and evaluation	3.4	Agree
Inadequate capacity building/training	3.7	Agree
Lack of transparency	2.9	Agree
Undemocratic tendencies	2.0	Disagree
Elite capture/ dominance	2.1	Disagree
Poor supervision and		J
regulation from agency in charge of cooperative	3.6	Agree
Grand Mean $(\overline{X})$	3.20	Agree

Source: Field Survey June, 2014.

As shown in table 7 above, the cooperative farmers agreed that the following challenges militated against the cooperative societies in rendering agricultural services to cooperative farmers: Inadequate capitalization (3.6); High cost of obtaining farm inputs (3.4); Inadequate infrastructure (3.5); Corruption (3.1); High interest rate (3.6); Poor leadership (3.6); Poor monitoring and evaluation (3.4); Inadequate capacity building/training (3.7); Lack of transparency (2.9); and, Poor supervision and regulation from agency in charge of cooperative (3.6).

### **Conclusion and Implications for Development**

Agricultural is one of the viable sectors of Nigeria economy and farmers who are involved in the agricultural activities required productive resources that will enhance the productivity and promote economy development of developing economies as Nigeria. Therefore, in order to provide answers to the transformation question, cooperatives societies are among the best platforms that can provide productive resources and agricultural services to farmers. To achieve developing economies transformation, the following policy implications are recommended by the researchers:

- The cooperatives societies should try as much as they could to adopt effective extension service delivery that will enhance farmers' productivity. This is pertinent to agricultural development because it is an avenue to diffuse technology which will boost agricultural business growth.
- Farmers should be encourage and enlighten to form and join cooperative society. The ministry responsible for cooperative should give reorientation to farmers on the benefits and need of obtaining cooperative membership which will enable, which include productive resources and agricultural services delivery.

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