IOSR Journal of Humanities and Social Science (IOSR-JHSS)
Volume 30, Issue 8, Series 1 (August, 2025) 26-37
e-ISSN: 2279-0837, p-ISSN: 2279-0845.
www.iosrjournals.org

Base (Unconditional) Versus Co-Responsibility Cash Transfers to Poor Households in Nigeria: Which is More Useful in Poverty Reduction?

Adaora Osondu-Oti, PhD
Department of International Relations and Diplomacy
College of Social and Management Sciences
Afe Babalola University, Ado-Ekiti, Nigeria

Abstract
Poverty has been a major problem stalling Nigeria's development progress. In 2016, President Muhammadu Buhari (PMB) established Cash Transfers (CTs) to prevent poor households from falling further down the poverty line. This study examined the Base (Unconditional) Cash Transfers (B-UCTs) and Co-Responsibility Cash Transfers (CCTs) to determine beneficiaries' perceptions of their usefulness in poverty reduction. This is qualitative case study research that used primary sources such as interviews, observations, Focused Group Discussions (FGDs), and relevant documents. Six Nigerian States were studied. Findings revealed that the Base (Unconditional) cash transfers were more useful in taking care of household consumption expenditures, particularly food expenditures. In addition, the savings and mobilization trainings given to the beneficiaries under the unconditional bi-monthly cash transfers of N10,000 helped them to start micro-businesses such as petty trading and animal farming (for example, goat rearing), among others. The CCTs largely "failed" because the required infrastructure, such as health clinics and schools, was either "out of reach" or not adequately equipped by the government for the beneficiaries to make the most of the transfer. Based on the findings, the study concludes that the Base cash transfers have more potential to gradually lift the "poor" out of poverty, if the transfer amount is sizeable.

Keywords: *Base (Unconditional) Cash Transfers; Co-responsibility Cash Transfers; Poor Households; Useful; Poverty Reduction, Nigeria.*

Date of Submission: 25-07-2025 Date of Acceptance: 05-08-2025

I. Introduction

The most persistent, pervasive, and spiraling social problem in Nigeria is poverty. At Nigeria's independence in 1960 poverty rate was 15% (Ogunro, 2023). By 2012, it had jumped to 69% (National Bureau of Statistics, 2012). In 2022, the National Bureau of Statistics Multidimensional Poverty Index (MPI) survey reported a 63% poverty rate, showing a slight decline from 2012, but adjudged to be high. While Nigeria relinquished its position to India (a position it attained in 2018) as the poverty capital of the world in 2022, it did not call for celebration because Nigeria's poverty rate, when compared to India, did not fall in relative terms. Across Nigeria's regions and States, the poverty rate varies. For instance, 65% of the poor (86 million people) live in the North, while 35% (nearly 47 million) live in the South (National Bureau of Statistics, 2022). Poverty rates in northern States like Sokoto, Gombe, Jigawa, and Kebbi, with 90.5%, 86.2%, 84.3%, and 82.2% respectively, are alarming. Although the Southwest and Southeast have a lower incidence of poverty when compared to the North, poverty rates in some Southern States in the region are still high. For example, States like Ogun and Ebonyi recorded 68.1% and 78% rates, respectively. The World Bank, in its 2022 Poverty and Prosperity Report, showed that Nigeria contributed three million people to global extreme poverty. Poverty has driven millions of Nigerians into acute hunger. Nigeria ranked 103 out of 121 countries in the 2022 Global Hunger Index (GHI), a position that signifies that the nation has a level of hunger that is serious (see Osondu-Oti et al, 2023).

While Nigeria was among the countries at the United Nations Millennium Summit in 2000 that signed the eight Millennium Development Goals (MDGs), unfortunately, Nigeria missed the MDG 1 target (eradicate extreme poverty and hunger). According to the Office of the Senior Special Assistant to the President on MDGs, Nigeria "was [only] close to meeting the targets deadline in 2015," but it failed to meet it. Whereas the country recorded largely impressive growth rates in the early 2000s, it was not entirely inclusive, and could not reduce poverty or generate employment (Office of the Senior Special Assistant to the President on MDGs, 2015).

Given Nigeria's failure to meet MDG 1 targets[1], President Muhammadu Buhari (PMB), after he was sworn into office in 2015, initiated the National Social Investment Programs (NSIPs) in 2016, including cash transfers where poor Nigerians would receive monthly cash transfers of N5000. The cash transfer program was funded through a $500 million International Development Association (IDA) credit approved by the World Bank Board of Executive Directors and the Nigerian government's $1.3 billion contribution, disbursed from Abacha's loot that was returned by the Switzerland government (see Osondu-Oti et al, 2023). Following an agreement between the Swiss authorities and the Nigerian government, Switzerland agreed to return the sum of $321.5 million to the Nigerian government on a condition that the Nigerian government put it into a social intervention program monitored by civil society groups to ensure that it benefits the people and avoid being stolen again (see Osondu-Oti et al, 2023). In this sense, one could argue that the main reasons for establishing the cash transfer program were first to get the "Abacha loot" back to the country, and second, to have "something" (poverty reduction as both "sellable" and "buyable" proposal) to show the Swiss government that the money would be used for. Thus, cash transfers to poor households were designed, and N5000 was agreed by the government to be transferred to eligible poor households monthly. Two main components of cash transfers were initiated – Base (Unconditional) and Co-responsibility Cash Transfers.

This study examines these two - the Base (Unconditional) cash transfers and Co-responsibility cash transfers to ascertain their usefulness in supporting the poor beneficiaries to move out of poverty. With the introduction as part 1, the remaining parts of the paper are structured as follows. Part 2 is the research methodology. Part 3 contains clarifications of the concepts of Poverty, Cash Transfers (CTs), Base (Unconditional) Cash Transfers (B-UCTs), and Co-Responsibility Cash Transfers (CCTs). Part 4 evaluates the B-UCTs and the CCTs to ascertain which is more useful in producing the desired goal of lifting the poor beneficiaries out of poverty. Part 5 contains the conclusion and relevant recommendations.

II. Research Methodology

This paper makes use of both primary and secondary sources of data. This is qualitative case-study research where 6 States were studied. The initial plan was to study the 6 States (Bauchi, Jigawa, Niger, Oyo, Anambra, and Cross River) that first enrolled in the cash transfer program because they all benefited from the two main components of the cash transfers, and some of these States' beneficiaries also received the Livelihood grant upon graduation. Unfortunately, two of these "first" six States that enrolled – one in the north-east region and the other in the north-west (Bauchi and Jigawa, respectively) were not studied because of the inability of the researcher to gain access to the States due to insecurity in the region and difficulty in reaching the State Cash Transfer Offices. As a result, two other States from the two regions (Taraba- north-east and Kebbi- north-west) were randomly selected to replace Bauchi and Jigawa.

Hence, the six States that were studied were Taraba, Kebbi, Niger, Oyo, Anambra, and Cross River. In addition, some other States, such as Osun, Enugu, Abia, Ekiti, etc., who benefited from Base Cash Transfers were visited, and interactions held with the beneficiaries and Cash Transfer Officials in the States. The empirical data collection tools used for this study were interviews, Focused Group Discussion (FGDs), and observations. Interviews were conducted with Heads of State Cash Transfer Units (SOCUs) and with some specific Officers, such as Co-responsibility Officers, Grievance Redress Managers, Monitoring and Evaluation Officers, Gender Officers, and Payment Officers.

I also interacted with the Staff at the National Cash Transfer Office (NCTO) and National Social Safety Nets Coordinating Office (NASSCO) to ascertain the modalities for the cash transfer implementation. Beneficiaries of the cash transfers were interviewed, and FGDs were held using convenience sampling. Convenience sampling relies on data collection from population members who were conveniently available to participate in the study. Observation of participants' income-generating activities was done during the visit to the beneficiaries' respective homes and business locations. Secondary sources such as journals, relevant books, and online sources were consulted. Data was analyzed using content analysis, as well as descriptive and prescriptive methods. It is important to state that this study used "beneficiaries" and "non-beneficiaries" and not the names of the study participants because they preferred anonymity.

Conceptual Framework

The concepts examined here are Poverty, Cash Transfers, Base (Unconditional) Cash Transfers, and Co-Responsibility Cash Transfers (also called Top-up or Conditional Cash Transfers by the PMB government).

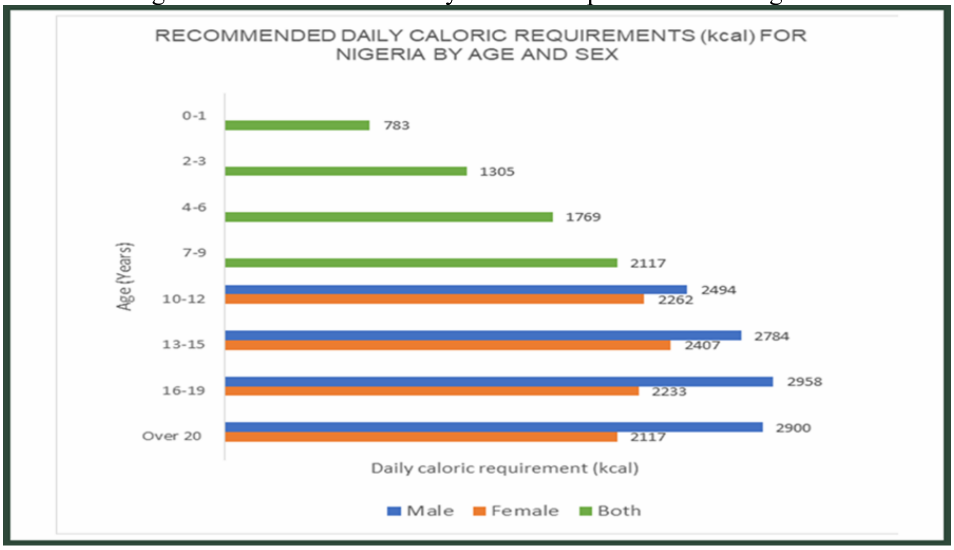
Poverty

Historically, poverty was defined in monetary terms, using income as the only determinant of poverty (see Osondu-Oti et al, 2023). Over the years, poverty has been defined in expanded ways due to the consensus among international development experts that poverty is multidimensional. Multidimensional poverty means the recognition of the diverse needs and the different forms poverty can occur or cut across different areas, or dimensions, of our lives (Hardoon, 2022). The different deprivations experienced by people in their daily lives – such as poor health, lack of education, inadequate living standards, disempowerment, poor quality of work, the threat of violence, and living in environmentally hazardous areas, among others are all poverty in its multidimensional forms (Oxford Poverty and Human Development Initiative, n.d). Nigeria published its first Multidimensional Poverty Index (MPI) survey in 2018, and since that time, MPI has continued to serve as a guide in the explanation of the concept of poverty.

The country's National Bureau of Statistics, in its 2018 multidimensional poverty survey, defines poverty as both the impoverished state in which a person actually lives and the lack of real opportunities due to social constraints as a factor and circumstances that inhibit living a valuable and valued life. In essence, poverty goes beyond income to lack of jobs, social exclusion, among other basic necessities that their absence could impact on healthy living and a good life.

In Nigeria, poverty is measured using consumption expenditures, which are calculated in two ways (food and non-food expenditures) to arrive at the country's poverty line. The first step towards calculating the country's national poverty line involves computing the cost of the minimum nutritional basket expressed in terms of caloric intake derived from Nigeria's caloric allowances (food poverty line). According to the National Bureau of Statistics, Nigeria's recommended calorie intake is 2251. Figure 1 shows the daily caloric requirements disaggregated by sex and age groups.

Figure 1: Recommended Daily Calorie Requirements for Nigeria



Source: National Bureau of Statistics, 2020

The second step involves computing the non-food components. Here, the basic expenditures required to attain non-food needs in households, such as school expenditures, health, housing, clothing, and household appliances, are calculated in monetary terms to obtain the basic amounts needed for the non-food expenditures (see Osondu-Oti et al, 2023). According to the National Bureau of Statistics (2020), Nigeria's poverty line is N137,430 per person per year. This value implies that individuals whose per capita annual consumption expenditures are below N137,430 are considered poor by national standards.

Thus, the definition of poverty in Nigeria takes into consideration poverty in its multidimensional form, which ultimately involves the food and non-food components. These two components make up the country's poverty line, and both are needed for an individual to achieve a basic level of welfare.

Cash Transfers

Cash transfers are direct transfers of money to eligible persons and households (Osondu-Oti et al, 2023). Cash transfers are part of social investment programs (also called social protection programs). Social investment or social protection programs are programs targeted at the poor and vulnerable groups to help them escape either from poverty or avoid falling into poverty. According to the United Nations Development Programme (2016), as cited in Osondu-Oti et al (2023), social protection is a set of nationally owned policies and instruments that provide income support and facilitate access to goods and services by all households and individuals at least at minimally accepted levels, to protect them from deprivation and social exclusion, particularly during periods of insufficient income, incapacity, or inability to work.

Across the world, cash transfers have two main types: conditional and unconditional cash transfers. Conditional cash transfers (CCTs) require beneficiaries to comply with specific conditions before they are allowed to receive the transfers. It could be related to school attendance (for example, parents sending a child to school to receive the transfer) or health care (for example, pregnant women attending antenatal clinics, or lactating mothers immunizing children as a condition for receiving the transfer) (see Osondu-Oti et al, 2023). Unlike conditional cash transfers, unconditional cash transfers (UCTs) do not require any specific action to be undertaken by selected households before receiving the cash.

Generally, the main goal of cash transfers is to tackle poverty. Thus, to solve Nigeria's rising poverty, the Nigerian government under President Muhammadu Buhari (PMB) initiated a cash transfer (CT) program in 2016. The umbrella name for the program was Household Uplifting Program (HUP), with the slogan, "Beta Don Come" (meaning better things have arrived). The general objectives of the CTs were to improve household consumption; increase in utilization of health and nutrition services; improve school enrollment and attendance; improve environmental sanitation and management; asset and financial acquisition, and support beneficiaries to engage in sustainable livelihood. The two main components of the PMB cash transfer program- Base (Unconditional) cash transfers and Co-responsibility cash transfers are explained below.

Base (Unconditional) Cash Transfers (B-UCTs)

The Base Cash Transfer is the first component of the cash transfer program that was initiated by the PMB administration in 2016. The Base Cash Transfer was implemented across Nigeria's 36 States and the Federal Capital Territory (FCT), with an initial plan to run for three years, at which time the beneficiaries would have graduated out of poverty. It was later extended for another 3 years when it was obvious that it did cover all States and that it was yet to make any obvious impact in the lives of the beneficiaries. Thus, the program was revised to run for 6 years. According to the National Cash Transfer Office (NCTO), the transfers, which were N5000 and were transferred bi-monthly, targeted the poorest of the poor in communities, who were enumerated through 3-stage targeting mechanisms[2] put forward by the National Social Safety Nets Coordinating Office (NASSCO), working with the State Operations Coordinating Units (SOCUs).

For States to participate in the cash transfer program, one of the requirements was to sign a Memorandum of Understanding (MoU) with the Federal government. Without signing the MOU[3], States were not allowed to participate. Many States, for example, Lagos State, began the transfer program late (in 2021) due to the late signing of the MoU. The MoU came with certain obligations or responsibilities (explained below) on States, which they must agree to fulfill if their local government/communities are to benefit from the cash transfers in general. Many of the States that started late hesitated (but later signed due to pressure from their people) in signing the MoU because of the responsibilities that came with it.

In the project implementation manual, though not explicitly stated, the term "Base" refers to the foundation on which other components of the transfer rested. At the inception of the cash transfers, there was a plan that other components of cash transfers would be added to the "Base", which was also purely unconditional cash transfers. Thus, the "Base" unconditional cash transfer (UCT) was the foundation on which the conditional cash transfers (CCTs) later rested. In the NCTO website and the project implementation manual, the concept of "Base cash transfers" featured prominently.

However, to avoid confusion for the readers, who have access to various publications on PMB cash transfers, and who might have come across Base Cash transfers without reference to their unconditional nature, I must state that Base cash transfers and UCTs, as used here, mean the same thing in the PMB CTs. In this paper, "Base (Unconditional) Cash Transfer (B-UCTs)" is used to capture both. Nonetheless, whether I refer to it as Base Cash Transfers, Unconditional Cash Transfers (UCTs), or Base-Unconditional Cash Transfer (B-UCTs), they mean the same thing in this paper. What is important to note is that in the PMB Unconditional Cash Transfers, just like in other UCTs across the world, beneficiaries of the program were not given any special conditions to meet before they received cash. Once they were selected as the poorest of the poor and enrolled into the program, they received N5000 paid bi-monthly (that is, N10000 every two months). The B-UCT's main goal was to help improve beneficiaries' consumption levels, develop savings skills, and build capacities in such a way that they would be better than they were before the transfer program.

Co-Responsibility Cash Transfers (CCTs)

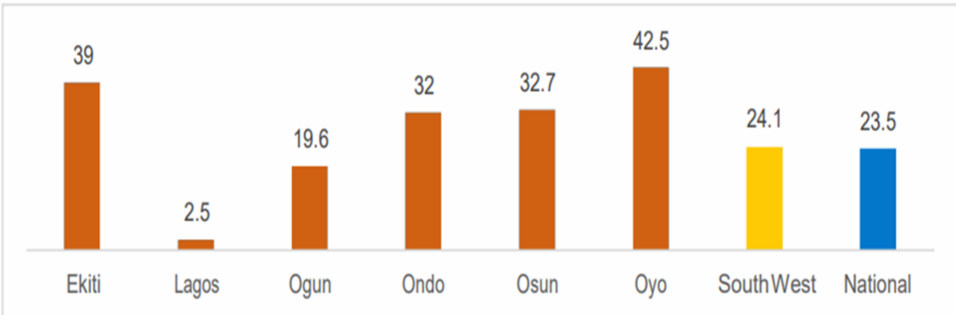
This is the second component of the PMB's cash transfer program introduced in 2019. It was also known as the Top-up program or Conditional Cash Transfers (CCTs). This program ran concurrently with the Base cash transfers until December 2022, when the federal government announced that all the cash transfer programs had ended. Eligible beneficiaries of the CCTs were selected from among the Base beneficiaries and received an additional transfer of N5000 (called Top-up), and were paid bi-monthly. The term "Top-up" was just to show that it was an additional transfer to support the already existing Base cash transfers of N5000.

CCTs, as the name implies, unlike UCTs, had certain conditions that selected households met before receiving the cash. The State governments of the beneficiaries also had certain responsibilities to fulfill to enable eligible households in their States to be enrolled. In other words, the State governments were expected to play certain roles, and these roles were referred to as "co-responsibilities." Hence, the use of the term "Co-responsibility Cash Transfers (CCTs)." Although CCTs, as used in this paper, mean Co-responsibility cash transfers, it is also the same as Conditional Cash Transfers because the program came with responsibilities or conditions for receiving cash. Thus, it can be called conditional cash transfers with a co-responsibility mandate.

Co-responsibility Cash Transfer (CCTs) is the preferred term in this paper because it rightly captures the substance of the transfer program. In the CCTs, each State (among six States that benefited) was given the opportunity by the Federal government to choose one co-responsibility area. "Co-responsibility area," as used by the federal government, is an area where a State has a deficiency. There were four Co-responsibility areas presented by the federal government. These areas were education, environment, health, and nutrition. Once a State has chosen a particular area, both the State government and eligible "selected" households were required to meet certain responsibilities that came with the chosen area.

For instance, a State that chose education as an area of deficiency, such as Niger State, was required to ensure that schools, adequate facilities, and qualified teachers were in place in the communities that would benefit. Eligible and selected households, on the other hand, were required to enroll one child in school and ensure that the child had 75 percent school attendance in order to receive the cash. A State like Oyo that chose environment as a co-responsibility area was required to initiate, through its Ministry of Environment, programs that would address environmental hazards. Selected household beneficiaries, on the other hand, were expected to engage in activities that are environmentally friendly in their communities, either as a group or on an individual basis. Such activities involve the construction of toilets to stop open defecation, and proper disposal of waste to avoid littering the environment (both land and water). Oyo is known to have serious environmental issues. For example, a 2018 environmental report in Oyo revealed that the open defecation rate in Oyo state is higher than the Southwest average (24.1%) and the national average (23.5%) (Oyo State Bureau of Statistics and UNICEF, 2018). With a 42.5% rate, Oyo State has the highest rate of open defecation (see Figure 2) among the Southwest states in Nigeria (Oyo State Bureau of Statistics and UNICEF, 2018), explaining the reason behind Oyo's choice of environment.

Figure 2: Percentage of Household Members Practicing Open Defecation Across Southwest States in Nigeria.



Source: Oyo State Bureau of Statistics and UNICEF (2018), Situation of Women and Children in Oyo State, Ibadan: Oyo State Bureau of Statistics.

States that chose health as an area of deficiency, such as Cross River and Anambra, were expected to provide and improve health facilities for pregnant women's ante-natal care, post-natal care, and child immunization. In other words, providing and equipping health care facilities, accessibility of clinics to beneficiaries, and provision of adequate and qualified medical personnel were the responsibilities of the State governments. Household beneficiaries, on their part, were to ensure that the target groups (pregnant women, lactating mothers, and children) met 75 percent of clinic visits and complete immunization of children.

States' governments' selection of the beneficiaries was based first on eligibility in the co-responsibility area chosen by a State, and second, on what the SOCUs called "luck." For example, in the area of health, eligible beneficiaries were only households that had a child between 0 and 5 years, pregnant women, and lactating mothers. In the area of nutrition, beneficiaries were those who had a child between 0 and 5, but none of the six States I studied chose nutrition. In the area of education, beneficiaries were households that had a child (one child per household) between 5 and 15 years old for enrolment in primary education. In the area of environment, a "game of luck" was played, and that was the only criterion used to select beneficiaries, as there was no eligibility criterion.

In this "game of luck" selection method, the components of the cash transfer program, including the livelihood component (N150,000 grant was given to some households to start livelihood activities at the end of the transfer program), were used to play the game. These components were labeled on sheets of paper as "Base", "Base + Top-Up", and Base + Top-up + Livelihood." The sheets were folded and dropped into a box.

Then, community leaders from each of the benefiting communities were given a chance to pick one of the folded sheets on behalf of the households in their communities. Whatever package was picked by the community leader is what the household in his/her community benefited from.

For example, if a community leader from a particular community was "lucky" (as they called it) and picked Base + Top-Up + Livelihood, selected poor households in that community would benefit from all three packages. If the community leader was unlucky and picked Base only, beneficiaries in that community would benefit from Base cash transfers only. The CCTs largely excluded many eligible households using this game of luck strategy. According to one of the State coordinators interviewed, this game of luck was used because there were not enough funds for the program, and as a matter of fact, the number of sheets folded for the game of luck was based on the number of poor households that the federal government had provided money for. According to one of the poor "unlucky" Base beneficiaries interviewed;

> The cash transfer program was purely a "political game" to present the government as "acting" to solve the problem of poverty, but in reality, several eligible poor households were left out.

Essentially, many poor eligible households were not included in the CCTs in the States where the transfers took place. For example, Niger State had a total of 80,895 poor households selected for the cash transfer program, but only 13,398 households were lucky to be enrolled in the CCT program. In Oyo State, with a total of 16,421 selected poor households, only 1,776 received the CCTs. The "game of luck" added to the CCTs was purely a "political condition" to reduce the number of beneficiaries.

Base (Unconditional) Versus Co-responsibility Cash Transfers: Which is More Useful in Poverty Reduction?

For any State government to benefit from the PMB cash transfers, signing an MoU was the first step. Although Base cash transfers were not called co-responsibility, the federal government insisted that the MoU must be signed because the State government must agree to establish a cash transfer office before Base cash transfers could start. After a particular State government has signed a Memorandum of Understanding (MoU) with a clear understanding of its roles in the entire transfer program, which includes, among others, setting up State Operations Coordinating Units (SOCUs)[4] and State Cash Transfer Units (SCTUs)[5], Base cash transfers to eligible beneficiaries in that State began in early 2017. In 2019, the CCTs were added to the Base cash transfers.

This section assesses the usefulness of these two components of transfers in supporting the poor to graduate out of poverty. The Base (Unconditional) cash transfers, as designed, had three main objectives: to improve consumption levels; to develop savings skills; and to build abilities in such a way that the poor would be better off than they were before the inception of the program. The questions asked the beneficiaries in line with the objectives were: did the N5000 Base bi-monthly cash transfer improve your consumption levels? Did you develop saving skills, and how? Are you better off today than you were before the Base (Unconditional) cash transfers?

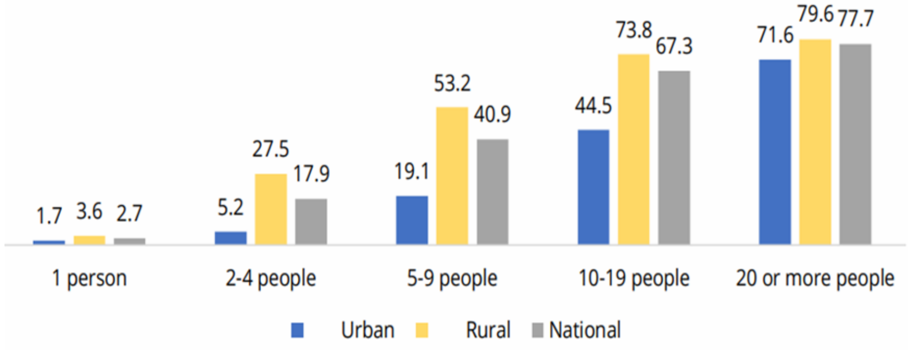
On the first question, the answers were uniform. The beneficiaries agreed that Base cash transfers supported consumption, particularly food, but the amount was not sufficient for household food expenditures and could not also take care of non-food expenditures. Given that Nigeria's poverty is measured using consumption expenditures, which entail food and non-food expenditures, the transfer of N10,000 bi-monthly, when calculated annually, was below the national annual poverty line. In households where the transfers were channeled to medical expenses, beneficiaries reported that they either had to cut down on food expenditure or seek financial support from neighbors, church groups, or community members.

According to one of the beneficiaries, the cash transferred could not successfully cover food expenditures because of increasing food inflation in the country. Inflation in Nigeria has been in double digits since 2016, eroding savings and incomes (Bala-Gbogbo and Ohuocha, 2023). In August 2023, it was reported that Nigeria's inflation rate "accelerated to an 18-year high of 25.8%" (Eboh, 2023), and food inflation was worse with an over 29% rate (Apanpa, 2023). According to another beneficiary, the transfer of N10,000 bi-monthly for six years and the expectation that it would lift the poor out of poverty was not only unrealistic, but shows insincerity on the part of the federal government, who failed to pay attention to the economic realities." The beneficiary further noted:

> The PMB government knew it would not be able to "use five loaves and two fishes to get twelve basketful leftovers, which only Jesus Christ could do, yet the government expected miracles to happen with N10,000 bi-monthly to households. Now, that miracle did not happen. The transfer could barely last for a week in many households, and in large households, a day or two.

In a group discussion, non-consideration of household size was emphasized by the participants. According to the beneficiaries, "the PMB government failed to consider the household size," a huge flaw in the program design. Poverty varies across households. In the National Bureau of Statistics (2018) survey, it was reported that poverty was very high in large households[6] compared to smaller households (see Figure 3), but unfortunately, this was ignored in the cash transfer program design.

Figure 3: Poverty Headcount Ratio by Household Size (%)



Source: National Bureau of Statistics. 2020. 2019 Poverty and Inequality in Nigeria: Executive Summary, Abuja: National Bureau of Statistics (NBS).

In the northern region, where household members could be up to 10, 20, or more, beneficiaries pointed out that the cash was grossly insufficient. While 80 percent was spent on food, households struggled to save 20 percent because the State Cash Transfer Office had asked them to practice saving with a small amount. Even when the cash was not sufficient for household consumption, they still went ahead to save some money, mainly because; (i) one of the objectives of the Base cash transfers was to develop saving skills, (ii) of the "fear" that the State Cash Transfer Office might sanction (though not stated anywhere) those who were unable to save, (iii) they did not want to be seen as "extravagant" in their spendings.

In my interaction with the Heads of the State's Cash Transfer Units (SCTUs), saving (though not mandatory, but highly encouraged) was to test their saving skills, and how they could build capacities with a small amount. Thus, several training sessions on how to save and develop micro business skills were organized for the beneficiaries to guide them on how to invest with small amounts. With the training acquired, many of the first group of beneficiaries started "esusu (sometimes spelled as "isusu") in their respective communities. "Esusu" is a traditional savings and loan scheme in Nigeria's rural communities, where some members of the communities agree to contribute a certain amount monthly, and that contribution is handed over to the chairperson of the group, or any trusted individual that they unanimously agreed to hold the bulk sum. When a huge sum is pooled together, members of the group take turns to take the bulk sum either to solve individual/family problems or start a business. The contribution is continued until every member of the group gets a bulk sum, and after that, they may decide to restart (in reverse order) with the last person becoming the first to get the bulk. Esusu is basically the way poor men and women in communities pool resources together to support themselves.

Addressing the second question, "on whether the transfer program helped them to develop saving skills", the beneficiaries lauded the program's training initiatives. They noted that the savings and micro business trainings helped them to acquire a lot of knowledge on how to save and invest. In some quarters, saving yielded positive results as some of them were able to start a micro business through the "esusu" scheme. And those who could not save at all had a good reason, including a large household and "delays" in receiving the cash from the government. For example, in Kebbi State, beneficiaries experienced over 2 years'[7] delay before receiving payment. While not all states had the 2-year delay as was seen in Kebbi State, inconsistent payment was evident in all the states of the federation.

During the field research, it was observed that only beneficiaries who were enrolled at the incipient stage[8] of the transfers could start "esusu." This was because at the outset, the bi-monthly transfers were consistent[9] , and as such, beneficiaries could keep up with their group savings without interruption. Most of them engaged in productive activities such as animal farming (goat, poultry, cows, and piggery), rendering of milling and tailoring services, and petty trading (such as selling fruits and vegetables) in an open market space. Although it was obvious (as observed) that the beneficiaries' "productive activities" are not sustainable due to their extremely small sizes, the beneficiaries still found the UCTs somewhat useful. For some of the women, it was their first time engaging in any form of business activity, and that made the UCTs very desirable. All the beneficiaries visited saw the Base Cash transfers as a kind of transfer that could be effective in gradually lifting the poor out of poverty, especially if the transfer amount is reviewed upwards, the household size is considered, and the transfer is consistent. The fact that the beneficiaries had the power to decide what to do with their savings and the cash was not "conditional" made UCTs more acceptable to the beneficiaries.

On the usefulness of CCTs in poverty reduction, the beneficiaries were presented with the following questions derived from the objectives of the CCTs. Did the CCTs improve school enrollment and attendance? Did it address environmental hazards to improve productive assets? Did the CCTs improve the utilization of health facilities for ante-natal care, post-natal care, and child immunization? Because none of the States studied chose nutrition as the co-responsibility area, only three co-responsibility areas (education, environment, and health) were studied.

In response to the questions raised above, the main problem that beneficiaries identified was the conditions attached to receiving the transfers, referred to as co-responsibilities. While conditional cash transfers have been adjudged to have made meaningful impacts in some settings (see Fisbein et al, 2009), other things being equal, Nigerian beneficiaries' responses on the usefulness of PMB CCTs were largely negative in all three areas (health, education, and environment) studied. According to the beneficiaries, State governments failed to meet their responsibilities as required, which impacted school enrollment/attendance, health facilities visits, and environmental protection in the true sense of it.

For example, in the area of education, where a state like Niger State government was expected to build schools with adequate facilities, these were not in place in several of the communities in the State. As a result, household beneficiaries of CCTs had to pool their savings together to build schools. For example, a block of 3 classrooms, including the headmaster's office, was built by the beneficiaries of the Gbogun community of Magaji Ward in Agaie, Niger State. Beneficiaries of the Mabira community in Kawo ward, Magama Local Government Area (LGA), constructed a block of 3 classrooms for the pupils. Also, 2 classroom blocks were built by beneficiaries at Unguwan Madi community of Erena ward, Shiroro LGA in Niger State. While the CCTs in the area of education were meant to support beneficiary households with children's school expenses, including school uniforms, shoes, writing materials, school bags, school levies, etc., the absence of a school buildings/facilities in some localities pushed the beneficiaries to divert the "little cash" they had to the construction of schools. For this group of CCT beneficiaries, the CCTs created financial and psychological burdens on them, as they had to struggle with little income to make education a reality for their children.

In States such as Cross River and Anambra, which identified health as a co-responsibility area, beneficiaries reported the absence of well-equipped clinics and qualified medical personnel in the rural communities. Accessibility to health centers was also a major problem in many communities. Nigeria's healthcare industry has been facing great challenges (see Fatunmole, 2022; International Trade Administration, 2023; Taiwo, 2022; Tolu-Kolawole, 2021). Even amid the CCTs program, the country's budget for the healthcare sector remained low. For example, in 2021, the federal government allocated 5% of its budget to health, compared to the 15% it pledged as part of the 2001 Abuja Declaration (International Trade Administration, 2023). A State like Anambra, with a population of 5,846,198 million has only 1166 functional hospitals and clinics, which is extremely insufficient. While "the number of hospitals alone does not determine the quality of services the people get" (Fatunmole, 2022), other issues, such as deteriorating infrastructure and the absence of qualified healthcare personnel in rural areas, were reported. The Heads of SCTUs confirmed that co-responsibility Cash Transfers were hindered by poor infrastructure. They also noted a lack of political will from the State governments, who saw the program as a federal government program and were reluctant to give maximum support to it.

Interaction with all CCT beneficiaries revealed that no efforts were made by federal and state governments to improve healthcare facilities before initiating the CCT program. Notwithstanding that all the States that participated signed the MoU with a promise to fulfill the responsibilities that go with it, their signing was just a mere formality. Except for setting up an office for the State Cash Transfer Units (SCTUs) and equipping it (in most cases, not up to standard, as observed by the researcher), the State government's support was almost absent. While the CCTs made it compulsory for eligible households to enroll their kids in schools and for the kids to have 75 percent attendance to receive cash, beneficiaries maintained that learning did not occur in a conducive environment (for example, no classroom chairs, and no school building at the outset, and where schools are present, the distances are far for some of the kids). In the area of health, it was gathered that even though the CCTs "forced" pregnant women and lactating mothers to visit health clinics, health care services in rural clinics were inadequate. One of the beneficiaries told the researcher that there were cases where pregnant women met the 75 percent clinic visit requirement by the government (just to receive the cash), but still patronized the services of traditional midwives during delivery because they saw traditional midwives as more competent, as clinics are ill-equipped. Insufficient cash was also mentioned as one of the factors that forced the beneficiaries to divert to traditional midwives, where services are known to be less expensive.

In the area of environment, beneficiaries expressed that while they pursued environmentally friendly activities as required (constructed toilets (as a group) in their neighborhood to avoid open defecation; bought house cleaning tools, waste bins, and tippy-taps to maintain clean homes), there were some lacunae on the part of the government. For instance, Oyo state's government's delay in removing or cleaning dumpsites when due led to blockage of waterways, resulting in serious flooding that sometimes destroys farm crops and houses in wet seasons. Beneficiaries also mentioned cases where there were no officially designated dumpsites in several communities, and as a result, waste littered the streets. In addition, monitoring of the progress and success of the transfers was almost absent in many communities in the northern region due to insecurity.

Beneficiaries also mentioned that the CCTs were insufficient to cater to the needs of many households, especially in polygamous families. According to them, if CCTs were implemented alone without Base Cash Transfers that supported household consumption, CCTs would have been a disaster. Most households would have diverted all of their cash to food consumption, and none to non-consumption expenditure, such as school enrolment, clean environment, or clinic visits (although clinic visits were rarely done except when absolutely necessary).

When beneficiaries were asked in a group discussion if the CCT restrained their spending, by helping them to spend with caution since they had to fulfil the co-responsibility area, one of the beneficiaries said that unnecessary spending is for the rich, who could decide to spend without a blink. Another beneficiary explained further:

> "For the poor like us, any little amount we get is carefully used because we do not know when another will come. Whether they give us conditions or not, we have always conditioned ourselves. Conditions can make thinking about spending difficult because we may have a pressing need to eat first in order to live, but the condition says school enrollment. I ask you (referring to me), can a child go to school without food? If it happens, the child may not come back alive, or if alive, will be in bad shape. That is why we applaud Base unconditional transfers. Yes, conditions may be good to achieve a certain goal, such as education, but they should not be inviolable. There must be an opportunity for the poor to decide what is good for them and what works, in some circumstances. We should be allowed to use the conditional cash to attend to other pressing family needs if need be. For me (the respondent), as a beneficiary, the thought of how to meet conditions was exhausting- physically, psychologically, and otherwise. We are monitored to keep the conditions, but who monitors the state government, for instance, to make clinics accessible, provide clinics within reach of pregnant women, and equip them? Who ensures that the government keeps its side of the agreement? The government puts us in distress. The poor suffer from government failures, for example, pregnant women use ill-equipped clinics in order to receive this cash, and our children attend schools in an unconducive environment just for us to receive this cash. If we fail to use these inadequate government facilities, we are threatened with being removed from the beneficiaries list. This is very bad, but these are our plights."

The general agreement among the beneficiaries was that the CCTs largely "failed" to make desired impacts due to a lack of sincerity and commitment on the part of the governments (both federal and State), resulting in inadequate infrastructure required for the CCTs to thrive. The country has been "poverglued" (glued to poverty) for decades, and poverty is still rising. Rising poverty in the midst of a rising population is enough for the Nigerian government to be really committed to poverty reduction. Unfortunately, poverty reduction has been politicized with the rhetoric from both government media channels and government officials, who consistently engage in propaganda to cover the lapses in poverty reduction programs. To government officials and the government-owned media, the Nigerian government is working on poverty reduction and is performing well, but in reality, the government grossly underperforms, as seen in the PMB cash transfers.

III. Conclusion And Recommendations

The PMB's cash transfers program, a component of the National Social Investment Program, was initiated in 2016. It covered almost 2 million households (1,997,483) and close to 10 million individuals (9,987,415) before it came to an end in December 2022. An assessment of the two main components of the cash transfers- Base (Unconditional) cash transfers (B-UCTs) or simply Unconditional Cash Transfers (UCTs) and Co-responsibility cash transfers (CCTs) showed that beneficiaries have divergent perceptions of the two programs' ability to reduce poverty. On the goal of poverty reduction, the UCTs were seen as more useful and desirable in the sense that it did not only support household consumption expenditures, particularly food, but also helped beneficiaries acquire savings skills. With the skills acquired, beneficiaries were able to engage in "esusu," and some were able to start micro-businesses for the first time. While the bi-monthly cash transfer of N10,000 was found to be insufficient, and the micro-businesses were seen as unsustainable, beneficiaries believed that the knowledge acquired from the savings and micro-businesses training could be utilized in the future.

On the usefulness of the CCTs, there was a consensus among all beneficiaries that the program failed. The State government's failure to provide adequate facilities and services in schools as well as hospitals limited the program's impact and ultimately made it undesirable. The CCT amount (also N10,000 bi-monthly) was also considered too small to take care of the medical needs of pregnant women, lactating mothers, and children. In large households and polygamous homes (as seen mostly in the northern region) where there may be more than one child under the age of 5 and where two women may be pregnant at the same time, N10,000 was only a paltry amount for medical care. The idea of one child being allowed to enroll in primary education in a country where millions of children are out of school was highly criticized. Nigeria has about 20 million out-of-school children, according to the 2022 global data on out-of-school children released by the United Nations Educational, Scientific and Cultural Organisation (UNESCO) (Alabi, 2022). For the beneficiaries who were able to enroll their children in school, none could attest that CCTs helped to improve learning for their children due to poor infrastructure.

This paper, therefore, recommends that, first, Nigerian governments (federal and state) should ensure that the cash transfer amount is increased and that the total annual transfer, when calculated, is not below the national poverty line. The federal government should also separate the cash used for household consumption from grants and other financial support given to poor households for livelihood activities. They should support all beneficiaries with a reasonable amount to start income-generating activities. With strong financial support, beneficiaries could boast of a sustainable business that would help them escape poverty through cash transfers, so that cash transfers would not just be for the sake of formality. Second, household size should be considered in any future transfers because it determines what each household can do with the transfers.

Lastly, if the Nigerian government is interested in using the CCTs as a poverty reduction strategy, it must commit more resources to it and also ensure more coverage of States, not just 6 States in a federation made up of 36 States and the Federal Capital Territory (FCT). More importantly, both the Federal and State governments must have to fulfill their responsibilities by ensuring that the necessary infrastructure is in place for the CCTs to thrive. It is unfair to enforce "conditions" on the poor to receive cash, while the governments freely fail in their duties.

References

[1] Apanpa, Olaniyi (2023), "Nigeria's Inflation Rises To 25.80%, Says NBS", Https://Punchng.Com/Nigerias-Inflation-Rises-To-25-80-Says-Nbs/ (Accessed 10 September 2023).

[2] Alabi, Mojeed (2022), "UPDATED: Nigeria Now Has 20 Million Out-Of-School Children – UNESCO", Https://Www.Premiumtimesng.Com/News/Headlines/551804-Breaking-Nigeria-Now-Has-20-Million-Out-Of-School-Children-Unesco.Html?Tztc=1 (Accessed 18 November, 2023).

[3] Eboh Camillus (2023), "Nigeria Inflation Rises To 18-Year High in August Ahead of Rates Decision", Https://Www.Reuters.Com/World/Africa/Nigeria-Consumer-Inflation-2580-Yy-August-Stats-Office-2023-09-15/ (Accessed 8 June 2023)

[4] Fatunmole, Marcus (2022), Bayelsa, Borno, Ekiti Have The Least Hospitals in Nigeria, Https://Www.Icirnigeria.Org/Bayelsa-Borno-Ekiti-Have-Least-Hospitals-In-Nigeria/ (Accessed 9 September 2023)

[5] Fiszbein A, Schady N, Ferreira HGF, Grosh M, Kelleher N (2009). Conditional Cash Transfers Reducing Present and Future Poverty. (Washington, DC: World Bank)

[6] Hardoon, Deborah (2022), What Is Multidimensional Poverty? Https://Devinit.Org/Resources/What-Multidimensional-Poverty/# (Accessed 8 September 2023)

[7] International Trade Administration (2023), "Nigeria - Country Commercial Guide", Https://Www.Trade.Gov/Country-Commercial-Guides/Nigeria-Healthcare (Accessed 15 September 2023)

[8] National Social Safety Nets Coordinating Office (NASSCO) (2019). Project Implementation Manual: National Social Safety Nets Project (NASSP), Abuja: National Social Safety Nets Coordinating Office - NASSCO.

[9] National Bureau of Statistics (2022), Nigeria Multidimensional Poverty Index (2022), Abuja: NBS, 2022

[10] National Bureau of Statistics (2020), 2019 Poverty and Inequality in Nigeria: Executive Summary 2019, Abuja: National Bureau of Statistics

[11] National Bureau of Statistics (2012), Annual Abstract of Statistics. Abuja: National Bureau of Statistics

[12] Office of The Senior Special Assistant to The President on Millennium Development Goals (MDGs) (2015), Nigeria 2015 Millennium Development Goals End-Point Report: Abridged Version, Abuja: Office of The Senior Special Assistant to the President on Millennium Development Goals.

[13] Ogunro, Julius. 2023. "Nigeria's Population Time Bomb", Https://Www.Thecable.Ng/Nigerias-Population-Time-Bomb (Accessed 8 July 2023)

[14] Osondu-Oti Adaora, Adam Ibraheem Salisu and Shimang, Shikfu (2023), "Cash Transfers to Poor and Vulnerable Households in Nigeria: A Critical Analysis of the Gender Mainstreaming Approach", Journal of Contemporary International Relations and Diplomacy (JCIRD), Vol. 4, (1): 687-709

[15] Oxford Poverty and Human Development Initiative (N.D), Policy – A Multidimensional Approach, Https://Ophi.Org.Uk/Policy/Multidimensional-Poverty-Index/ (Accessed 7 September 2023)

[16] Oyo State Bureau of Statistics and UNICEF (2018), Situation Of Women and Children in Oyo State, Ibadan: Oyo State Bureau of Statistics

[17] Taiwo, Kafilat (2022), "#Chartoftheday: Nigeria Has 17 Health Facilities To 100,000 Persons, Nasarawa Tops States", Https://Www.Dataphyte.Com/Latest-Reports/Health/Chartoftheday (Accessed 20 September 2023)

[18] Tunji, Sami (2023), "Govt Plans Pos Agents For $800m Cash-Transfer Scheme", Https://Punchng.Com/Govt-Plans-Pos-Agents-For-800m-Cash-Transfer-Scheme/# (Accessed 10 September 2023)

[19] Tolu-Kolawole, Deborah (2021), "Nigeria Has Only 40,017 Functional Hospitals, Clinics, Says Ministry", Https://Punchng.Com/Nigeria-Has-Only-40017-Functional-Hospitals-Clinics-Says-Ministry/ (Accessed 1 September 2023)

[20] United Nations Development Programme (2016) "Leaving No One Behind: A Social Protection". Https://Socialprotection.Org/Learn/Glossary/What-Is-Social-Protection (Accessed 5 August 2023)

Notes

[1] Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day; b) Achieve full and productive employment and decent work for all; and to c) Halve, between 1990 and 2015, the proportion of people who suffer from hunger.

[2] Three targeting mechanisms used were geographical targeting, Community-Based Targeting and Proxy Means Test. Geographical targeting involves the use of a poverty map, existing ground classifications and/or any available information/survey on the country's poverty situation to define poverty incidence across states and local governments. Poverty maps provided a scientific basis for the classification and ranking of state's poverty status to ascertain number of beneficiaries that would be allocated for each state based on the poverty rate; the state with the highest number of the poor gets a greater number of beneficiaries than the state with the lowest. Community Based Targeting (CBT) is a community-led arrangement, where community members were allowed to identify the poor among them using a questionnaire guide/predetermined criterion. Community members' local knowledge of what it means to be poor using dozens of variables in the questionnaire guide help in the identification and selection of poor/vulnerable households. For example, during the identification of the poor, some questions such as asset ownership, occupation, out of work, quality of houses, number of meals in a day, number of children in school etc. were asked. The Proxy Means Test (PMT) generates a proxy for the household's (based on the CBT) welfare through observable household characteristics such as the location and quality of the household's dwelling, ownership of durable goods, education, and occupation of its adult members, etc. Households are assessed and ranked using these characteristics and other welfare index, and it is expected that those that scored lower than 60 percent are poorest. Thus, social interventions were expected to start with those that scored lowest **(known as the poorest of the poor)** and others that made the list or that are included in the National Social Register (NSR) are expected to be added in a "next phase."

[3] For any State to participate in the transfer program, the state government MUST sign an MOU with the federal government. The Memorandum of Understanding committed state government to take up certain responsibilities if they must benefit from the transfer such as setting up a state cash transfer office, equipping the office with necessary tools, deployment of staff (which must be approved by the National Cash Transfer Office and NASCCO in conjunction with World Bank) from state Ministries, Departments and Agencies (MDAs), among other expectations such as acceptance of the poverty map forwarded by the national offices. The state must also ensure that its participating Local Government Areas (LGAs) establish a Desk Office, with qualified and experienced staff selected from Community Development, Education, Health, Women Development and Natural Resources departments of the LGA (or as determined relevant) as the Cash Transfer Facilitators (CTF) to facilitate the communities' transfer activities.

[4] SOCU is the office charged with the responsibility of enumerating poor and vulnerable households at the state level. SOCU reports to National Social Safety Nets Coordinating Office (NASSCO) at the national level. SOCU establishes the State Social Register (SSR) that houses the list of poor and vulnerable households at the state level. For the entire country, NASSCO has the National Social Register (NSR) where all the poor and vulnerable household are housed and mined during social investment program.

[5] SCTU is the office that handles cash transfers at the state level. There is also a national office or a higher body where the SCTU reports to, and that is the National Cash Transfer Office (NCTO). NCTO directs the activities of the SCTU.

[6] A household is made of members who live together, eat from a single pot and with a household head.

[7] When I interacted with the State Head of Unit in Kebbi in August 2022, Kebbi was being owed for over 2 years because the Payment Service Provider for Kebbi, and other States like Enugu, Edo etc. was accused of diverting money meant for the poor. As a result, the PSP was probed by Independent Corrupt Practices Commission. It is important to state here that even though the SCTUs oversees the cash transfers in the states, it is a different agency that handles the money. These agencies were either Banks or institutions that are into delivery of payment services such as Post Offices, and they were called Payment Service Providers. What the SCTUs staff do during payment is to oversee and ensure all beneficiaries receive their money by reconciling payment with the PSP, taking record of payment grievances, and reporting back to the NCTO.

[8] All the country's 36 states and FCT did not start at the same time: some started 2016, some 2019, some 2020, and even 2021. Also, among states that started in 2016 such as Cross River, Niger, Oyo and Anambra, all beneficiaries in the state were not enrolled at the same; some were enrolled as late as 2021 in the same state.

[9] One major challenge the cash transfer program faced was inconsistent payment. There were cases where household beneficiaries had to wait for more than one year before cash was transferred. For example, during my

field study in August 2022, all the state beneficiaries were paid last in June 2021, and were waiting for more than one-year backlog. According to the National Cash Transfer Office (NCTO), inconsistent payment started when the Office was transferred, to be under the Ministry of Humanitarian Affairs, Disaster Management and Social Development in 2019, and the Ministry bureaucracy crept in. Beneficiaries confirmed that payment was timely until 2019. Thus, the first group of states that signed up for the program had a "better" story to tell, than those states that joined in late 2019, 2020 and 2021. The beneficiaries in the last/late phase had a different but painful story to tell; they did not only battle with the delay in payments but benefited for a very short time before the program ended in 2022.