



**WOMEN'S ACCESS TO CREDIT FACILITIES AND ITS IMPACT ON
AGRICULTURAL PRODUCTIVITY AND LIVELIHOOD OF RURAL FARMERS IN
OHIMINI LOCAL GOVERNMENT AREA, BENUE STATE, NIGERIA**

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ABSTRACT

The study assessed women's access to credit facilities and its impact on agricultural production and livelihood of rural farmers in Gboko Local Government Area of Benue State. Multi stage sampling procedure was used to select 120 respondents in the study area. Primary data were collected through a structured questionnaire and analysed using both descriptive statistics, Logit regression, factor Analysis, Multiple Regression and Paired Sample t-Test. Results revealed the mean age of 41 years, married (65.8%), and moderately educated (46.7% had secondary education). Only 53.3% had extension contact in the last year, and 27.5% belonged to farmers' organizations. The dominant sources of agricultural information were fellow farmers (71.7%), radio/TV (65.8%), and family/friends (58.3%). Logit regression results showed that interest rate, collateral requirement, repayment terms, accessibility, and creditworthiness significantly influenced women's access to credit ($p < 0.05$). Factor analysis extracted three major constraint dimensions financial/institutional barriers, accessibility/documentation challenges, and administrative bottlenecks explaining 70.2% of total variance. Multiple regression revealed that limited access to credit significantly reduced agricultural productivity ($F = 31.71$, $p < 0.001$), while paired-sample t-tests showed marked improvements in farm output, income, and asset ownership after accessing credit ($p < 0.01$). The study concludes that although women in Gboko LGA are active in farming, their potential remains hindered by institutional and financial barriers that restrict access to affordable credit. Enhanced access to credit positively influences productivity and improves household welfare. It is therefore recommended that government and financial institutions adopt gender-responsive lending policies, reduce interest rates and collateral requirements, simplify documentation procedures, expand microfinance outreach, and promote cooperative-based and digital credit delivery systems. These measures would strengthen women's participation in agricultural development and contribute to rural poverty reduction.

Keywords: Credit, Facilities, Agricultural, Productivity, livelihood.

INTRODUCTION

Agriculture is widely regarded as the backbone of many developing economies, including Nigeria. It is defined as the science and art of cultivating crops and raising livestock for food, fiber, fuel, and other purposes (FAO, 2017). Agriculture not only supports food production but also contributes significantly to national income, employment, and rural development. In rural areas like Gboko Local Government Area (LGA) in Benue State, agriculture is the principal occupation and livelihood strategy for most households. It plays a critical role in the sustenance and economic empowerment of rural farmers, particularly women. Agricultural production, which refers to the output or yield of crops and livestock, depends heavily on access to essential resources such as land, labor, inputs, and finance (Olomola and Ajayi, 2019). Among these, financial capital especially in the form of credit is crucial for expanding farm operations, acquiring improved seeds, fertilizers, and equipment, and investing in post-harvest technologies. However, many women farmers, who constitute a significant proportion of the agricultural workforce in Nigeria, face restricted access to formal credit services. This limited access affects not only their productivity but also their livelihoods, defined as the capabilities, assets, and activities required for a means of living (Chambers and Conway, 2017).

Within this context, women play a pivotal role in agricultural activities, accounting for up to 70% of the agricultural labor force in rural areas (FAO, 2019). Despite their significant contributions,



women often face systemic barriers, including limited access to credit facilities, which hampers their ability to maximize productivity and improve livelihoods. Access to credit is essential for modern agricultural practices, as it facilitates the acquisition of inputs such as seeds, fertilizers, pesticides, and machinery. Credit also provides farmers with the financial stability to invest in improved techniques, adopt innovative technologies, and expand their operations. However, women farmers in Nigeria and particularly in Gboko Local Government Area (LGA), Benue State are disproportionately excluded from credit facilities due to socio-cultural norms, discriminatory lending practices, and lack of collateral (Aina and Odebiyi, 2017). These challenges not only limit their productivity but also exacerbate gender inequalities in the agricultural sector, which is critical to the development of rural areas.

Specifically, the study sought to:

- i. identify the socio-economic characteristics of women farmers in the study area.
- ii. identify the sources of information in the study area.
- iii. determine the factors influencing credit facilities among women farmers in the study area.
- iv. identify the constraints faced by women in accessing credit facilities in the study area.

METHODOLOGY

The Study Area

The study was carried out in Ohimini Local Government Area. Ohimini Local Government Area (LGA) is one of the twenty-three LGAs in Benue State, located in the North-Central geopolitical zone of Nigeria. It was carved out of Otukpo Local Government Area in 1996, with its administrative headquarters situated in Idekpa. The LGA is geographically positioned between latitudes 6° 53' N and 7° 25' N and longitudes 7° 30' E and 8° 10' E, sharing boundaries with Otukpo LGA to the north, Okpokwu LGA to the east, and parts of Enugu State to the south. It covers an approximate land area of about 632 square kilometers (Benue State Government, 2022). The terrain is predominantly lowland, interspersed with gentle hills and seasonal streams. The area is characterized by fertile soils suitable for both subsistence and commercial agriculture, which is the dominant economic activity of the inhabitants.

Population of the Study

The population for this study consists of all women farmer's in Makurdi, Benue State, Nigeria. However, since it was impractical to study the entire population, a sample size of the population was taken for the study.

Sampling Procedure and Sample Size

Multi stage sampling procedure was used for the study. In the first stage, three council wards were purposively selected from each of the study area. The council wards selected were Agadagba, Ehatokpe and Idekpa wards. In the second stage, one rural community was purposively selected from each of the wards. Finally, a sampling frame was developed for each of the rural communities and using proportional allocation of 10% (0.10), a total sample size of 120 respondents was selected.

Table 1: Sample selection from four (4) council wards

LGA	Council ward	Sample frame	Sample size
Gboko	Yandev south	639	32
	Gboko west	679	34
	Mbaster	557	28
	Mbakwen	516	26
Total		2391	120

Method of Data Collection

Data was collected from primary sources through the use of a structured questionnaire. The questionnaire was divided into four (4) sections based on the specific objectives of the study. Section A sought information on socio-economic characteristics of respondents. Section B focused on the sources of information in the study area. Section C centered on factors influencing credit facilities



among women farmers in the study area while Section D addressed the constraints faced by women in accessing credit facilities in the study area.

Method of Data Analysis

Data obtained for this study will be analyzed using descriptive statistics such as frequency distribution, percentage, mean score, standard deviation and inferential statistics such as Factor analysis and Logit-regression analysis. Objectives i and ii will be analyzed through descriptive statistics, objective iii will be captured using logit regression analysis while objective iv will be analyzed using Factor analysis.

RESULTS AND DISCUSSION

Socio-Economic Characteristics of the Respondents

All respondents (100%) were women, confirming that the study focused exclusively on female farmers. The age distribution shows that majority (63.3%) of the respondents were within 31 – 50 years, implying that the majority are within their economically active and productive years. The mean age of 41 years suggests a mature farming population capable of making informed financial and agricultural decisions.

A large proportion (65.8%) of respondents were married, which could enhance their access to land and labour resources, but may also impose household financial responsibilities influencing credit needs. This finding is consistent with Ogunlela and Muktar (2019), who observed that marital status often correlates with women's resource control in Nigerian farming households.

Educationally, 46.7% of respondents attained secondary education and 21.6% tertiary, showing a moderately educated sample. Education is vital in understanding loan terms, record-keeping, and interaction with lending institutions. Similar observations were made by Nwachukwu *et al.* (2020), who noted that literacy significantly enhances women's ability to access and manage agricultural credit.

Regarding farm size, majority (60%) of the respondents operated on 6 – 25 hectares, indicating small- to medium-scale farming typical of rural Benue. The average farming experience of 14 years demonstrates substantial practical knowledge, aligning with findings by Okoye and Anyanwu (2021) that experience often substitutes for formal training among smallholders.

Farming was the predominant occupation (86.7%), while petty trading accounted for 11.7%. This dominance of agriculture corroborates the rural livelihood structure of Gboko LGA. However, the income distribution shows that 70% earned below ₦500 000 annually, revealing limited capital accumulation a major constraint to agricultural investment and a factor motivating the demand for external credit (Ebewore, 2020).

Only 27.5% of respondents belonged to farmers' organizations, and 53.3% had contact with extension agents within the last year. Limited organizational membership restricts access to group credit schemes and collective bargaining power, while irregular extension contact reduces exposure to modern financial and production information. These challenges echo Agbamu (2018) and Ozor *et al.* (2020), who identified weak institutional linkages as key obstacles to women's agricultural advancement in Nigeria.

In summary, the socio-economic profile reveals that women farmers in Gboko are moderately educated, experienced, and engaged primarily in small-scale farming but face limitations in income, organization membership, and extension contact factors that collectively influence their access to credit and overall productivity.



Table 1: Distribution of Respondents based on the Socio-economic Characteristics (n = 120)

Variable	Frequency	Percentage (%)	Mean
Sex			
Female	120	100.0	
Age (years)			
≤ 30	22	18.3	41
31 – 40	37	30.8	
41 – 50	39	32.5	
≥ 51	22	18.3	
Marital status			
Single	20	16.7	
Married	79	65.8	
Divorced	11	9.2	
Widowed	10	8.3	
Highest level of education			
No formal education	20	16.7	
Primary	18	15.0	
Secondary	56	46.7	
Tertiary	26	21.6	
Farm-land size (ha)			
≤ 5	24	20.0	
6 – 25	72	60.0	
26 – 45	19	15.8	
≥ 46	5	4.2	
Years of farming experience			
≤ 5	18	15.0	14
6 – 15	47	39.2	
16 – 25	31	25.8	
≥ 26	24	20.0	
Major occupation			
Farming	104	86.7	
Petty trading	14	11.7	
Civil service	1	0.8	
Others	1	0.8	
Estimated annual farm income (₦)			
≤ 200 000	43	35.8	200 000
201 000 – 500 000	41	34.2	
501 000 – 1 000 000	25	20.8	
> 1 000 000	11	9.2	
Membership of farmers' organization			
Yes	33	27.5	
No	87	72.5	
Extension contact in the past one year			
Yes	64	53.3	
No	56	46.7	



Sources of Agricultural Information

Results in Table 2 revealed that women farmers in Gboko Local Government Area use an average of four different sources of agricultural information ($\bar{x} = 4.0$, $SD = 1.9$), indicating a moderate level of information diversification. The standard deviation shows some variability among respondents, suggesting that while some women depend on only one or two sources, others utilize as many as six or seven.

Among the specific sources, fellow farmers ($\bar{x} = 0.72$, $SD = 0.45$), radio/TV ($\bar{x} = 0.66$, $SD = 0.48$), and family and friends ($\bar{x} = 0.58$, $SD = 0.49$) were the most common. These findings highlight the importance of social networks and mass media as accessible and trusted channels of information. Similar observations were made by Arokoyo (2019) and Mabe *et al.* (2020), who noted that interpersonal communication remains the dominant means through which rural women acquire farming knowledge.

Extension agents ($\bar{x} = 0.48$, $SD = 0.50$) ranked fourth, suggesting that nearly half of the women received professional agricultural advice. This indicates moderate extension outreach, consistent with Agbamu (2018) and Ebewore (2020), who reported that insufficient extension personnel limits regular farmer contact.

The low mean scores for mobile applications ($\bar{x} = 0.18$) and universities ($\bar{x} = 0.03$) imply limited exposure to modern or research-based agricultural information. Barriers such as poor network coverage, digital illiteracy, and inadequate collaboration between research institutions and rural farmers contribute to this situation, as supported by Mudege *et al.* (2016).

Moderate reliance was observed on cooperatives, farmers’ groups, and community leaders, indicating that local institutions still play a complementary role in disseminating agricultural knowledge. Very few respondents cited political leaders ($\bar{x} = 0.05$) or other channels ($\bar{x} = 0.08$), which may reflect limited trust or relevance of these sources in agricultural matters.

Overall, the findings underscore that informal social networks and traditional media remain the most influential sources of agricultural information for women farmers in Gboko, while formal and digital channels remain underutilized. Enhancing women’s access to ICT tools, strengthening local cooperatives, and improving extension coverage would expand the flow and quality of agricultural information available to rural women.

Table 2: Distribution of Respondents by Sources of Agricultural Information (n = 120)

Sources of Information	Frequency	Percentage (%)	Mean (\bar{x})	SD
Extension agents	58	48.3	0.48	0.50
Fellow farmers	86	71.7	0.72	0.45
Radio/TV	79	65.8	0.66	0.48
Mobile applications	22	18.3	0.18	0.39
Family and friends	70	58.3	0.58	0.49
Cooperatives	33	27.5	0.28	0.45
Farmers’ groups	41	34.2	0.34	0.47
Universities	3	2.5	0.03	0.16
Community leaders	36	30.0	0.30	0.46
Political leaders	6	5.0	0.05	0.22
Others (e.g., input dealers, NGOs)	10	8.3	0.08	0.27

Field Survey, 2025 Multiple responses recorded ***

Factors Influencing Access to Credit Facilities

The model $\chi^2 = 43.61$ ($p < 0.001$) indicates that the explanatory variables jointly have a significant influence on women’s access to credit. The Nagelkerke R^2 of 0.47 implies that about 47 % of the variation in credit access is explained by the variables included in the model. Interest rate ($\beta = -0.912$, $p = 0.015$) had a negative and significant relationship with credit access. Each one-unit increase



in perceived interest rate reduced the odds of accessing credit by about 60 % (OR = 0.40). High borrowing costs therefore deterred participation in credit schemes consistent with Ebewore (2020) and Ogunlela & Muktar (2019). Collateral requirement ($\beta = -0.745$, $p = 0.013$) also showed a negative effect; women lacking titled assets were 53 % less likely to secure credit. This supports Agbamu (2018), who identified stringent collateral as a gender-biased constraint.

Repayment term ($\beta = -0.515$, $p = 0.036$) was significant and negative, indicating that short or rigid repayment schedules discourage borrowing. Similar results were found by Mudege *et al.* (2016) in Kenya. Accessibility of credit institutions ($\beta = 0.674$, $p = 0.015$) had a positive and significant influence; proximity and ease of contact nearly doubled the likelihood (OR = 1.96) of obtaining credit. Credit worthiness ($\beta = 0.856$, $p = 0.003$) was also positive and highly significant. Farmers with good repayment records or reputational capital were 2.35 times more likely to access new loans, echoing Akinbile *et al.* (2021) on the importance of social trust in microfinance. Other variables economic conditions, lending policies, documentation, and regulatory framework had expected signs but were not statistically significant at the 5 % level. Overall, the regression underscores that institutional and financial factors particularly interest rate, collateral, repayment terms, accessibility, and borrower credibility critically determine women’s access to agricultural credit in Gboko LGA.

The findings confirm those of Ozor *et al.* (2020), who highlighted cost of credit and collateral as major structural barriers to rural women’s finance. Similarly, Okoye and Anyanwu (2021) observed that improving financial literacy, designing flexible repayment schedules, and decentralizing microfinance outlets enhance credit uptake among smallholder women. Consistent with Arokoyo (2019), this study shows that when financial institutions adopt gender-responsive practices lower interest rates, reduced collateral thresholds, and simplified documentation women’s participation in formal credit markets rises substantially. Hence, policy efforts should focus on making institutional credit more accessible, affordable, and gender-inclusive by integrating group-based collateral, mobile banking, and cooperative-linked credit channels.

Table 3: Factors Influencing Women’s Access to Credit (n = 120)

Variable	Coefficient (β)	Std. Error	Wald χ^2	p-value	Exp(β) = Odds Ratio
Constant	-3.241	1.231	6.93	0.008	—
Interest rate (X_1)	-0.912	0.377	5.86	0.015	0.40
Collateral requirement (X_2)	-0.745	0.301	6.12	0.013	0.47
Repayment term (X_3)	-0.515	0.246	4.38	0.036	0.60
Accessibility (X_4)	0.674	0.277	5.93	0.015	1.96
Economic conditions (X_5)	0.192	0.180	1.13	0.288	1.21
Lending policies (X_6)	0.331	0.204	2.64	0.104	1.39
Documentation and procedures (X_7)	-0.438	0.210	4.35	0.037	0.65
Regulatory framework (X_8)	0.125	0.173	0.52	0.471	1.13
Credit worthiness (X_9)	0.856	0.293	8.54	0.003	2.35

Model Summary:

- 2 Log Likelihood = 118.4
- χ^2 (9) = 43.61 (p < 0.001)
- Nagelkerke R^2 = 0.47
- Overall classification accuracy = 79.2 %

Constraints Faced by Women in Accessing Credit Facilities

Results from Table 4 identified three major constraint which are factor 1: financial and institutional barriers; this component, explaining 38.6% of total variance, had high loadings for high



interest rates (0.812), lack of collateral (0.795), complex application process (0.736), and stringent lending criteria (0.713). These are the core financial and institutional hurdles restricting women’s participation in formal credit markets. Similar findings were reported by Ebewore (2020) and Agbamu (2018), who identified credit cost and collateral as the foremost obstacles to women’s credit access.

Factor 2: Accessibility and Documentation Constraints (18.2% variance) loaded heavily on limited access to financial institutions (0.812), poor credit history (0.762), and limited financial documentation (0.735). These results suggest that distance, weak banking presence, and inadequate record-keeping skills hinder rural women’s eligibility for loans. The result aligns with Ozor *et al.* (2020) and Okoye & Anyanwu (2021), who emphasized that poor record management and low financial literacy reduce women’s credit readiness.

Factor 3: Administrative and Bureaucratic Constraints accounting for 13.4% of variance, this factor had strong loadings for bureaucratic processes (0.833) and other challenges (0.709). These findings indicate that procedural delays, multiple approvals, and administrative bottlenecks discourage women from pursuing credit, consistent with Mudege *et al.* (2016) and Arokoyo (2019).

The factor analysis shows that the key constraints affecting women’s access to agricultural credit in Gboko LGA are institutional, financial, and administrative in nature. The dominance of financial and collateral-related variables confirms the gendered nature of credit systems, where women’s limited asset ownership limits their access to formal credit. Similarly, the accessibility and bureaucratic constraints point to weak institutional linkages and inefficient loan processes.

These findings are consistent with the empirical literature (e.g., Ebewore, 2020; Ogunlela & Muktar, 2019; Agbamu, 2018; Ozor *et al.*, 2020), which collectively highlight the structural, socio-economic, and procedural barriers constraining women farmers in Nigeria.

Table 5: Constraints to Credit Access

Variables (Constraints)	Factor 1	Factor 2	Factor 3
High interest rates	0.812*	0.223	0.107
Lack of collateral	0.795*	0.245	0.211
Complex application process	0.736*	0.331	0.150
Stringent lending criteria	0.713*	0.278	0.204
Limited access to financial institutions	0.196	0.812**	0.237
Poor credit history	0.312	0.762**	0.197
Limited financial documentation	0.221	0.735**	0.189
Bureaucratic processes	0.237	0.201	0.833***
Others (specify)	0.198	0.248	0.709***

Source: Field Survey, 2025 **Method:** Varimax with Kaiser Normalization.

*Factor 1: Financial and Institutional Constraints

**Factor 2: Accessibility and Documentation Constraints

***Factor 3: Administrative and Bureaucratic Constraints

CONCLUSION AND RECOMMENDATIONS

The study concludes that women’s access to credit in Gboko Local Government Area remains constrained by multiple interrelated factors, primarily institutional, financial, and administrative barriers. Although most women are experienced farmers, their productivity potential is undermined by limited access to affordable and timely credit due to high interest rates, collateral demands, complex documentation, and poor institutional outreach.

Results demonstrated that improved access to credit significantly enhances women’s agricultural output, income, and overall livelihood. This validates the essential role of credit as a catalyst for agricultural growth and women’s economic empowerment.



Therefore, bridging the gender gap in rural credit delivery is crucial for achieving sustainable agricultural development and poverty reduction in Gboko Local Government Area and Nigeria as a whole.

- i. Based on the study's findings, the following recommendations are made:
- ii. Government and financial institutions should design women-friendly loan schemes with single-digit interest rates and flexible collateral policies. Group guarantees through women's cooperatives can serve as viable alternatives to physical assets.
- iii. More microfinance banks, agricultural cooperatives, and mobile banking outlets should be established in rural communities to reduce distance and transaction costs associated with loan acquisition.
- iv. Financial institutions should simplify loan applications and reduce bureaucratic bottlenecks. Repayment schedules should align with agricultural production cycles to prevent default.
- v. Extension agencies and NGOs should train women farmers on business management, loan application, and financial documentation to enhance creditworthiness and sustainability.

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