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A Theoretical Overview of African Development Bank's Interventions on Community Development in Nigeria

EGBO A. EKENEDILICHUKWAU
Department of Local Government & Development Studies, Faculty of Administration, Ahmadu Bello University, Zaria, Nigeria.

***Abstract- Despite more than $2.3 trillion in aid disbursed over the last half century, population-level analyses have failed to demonstrate consistent results linking aid inputs to improvements in development outcomes. The African Development Bank's robust operations in Nigeria have had significant results and impact on the ground, helping to accelerate the country's economic transformation and improve the lives of millions.* This study, therefore, aimed at assessing the impact of the African Development Bank interventions in community development in Nigeria. 10 projects were randomly selected from all sectors as sample of the study. Three research instruments were used for data collection. *The study engaged qualitative methods of data collection. These include research, use of the Project Completion Reports (PCRs) from AfDB and internet search. Key-informant interviews and in-depth interviews were used as instruments of data collection while content analysis was employed for data analysis.* Results shows *that provision of potable water has significant impact on the socioeconomic well-being of the populace*. The *study also noted that most water projects are sited in Urban Areas and the few situated in rural communities were moribund due to lack of maintenance. It was revealed that African Development Bank (AfDB) interventions helped in the improving the Nigeria's economy through provision of capital for establishment of industries, factories and small and medium scale enterprises especially in Agriculture subsector of the economy. AfDB was noted to have embarked on lighting up Nigeria even in the rural areas to lift the living standards of the people of Nigeria and the bank has continuously increased its allocation in power sector through rural electrification project. Some of AfDB funded projects were uncompleted due to the security challenges Nigeria has experience over the years with different terrorist groups emerging to threaten the peaceful environment that allows these projects to reach the completion especially in the Northeast.* These findings were discussed, and recommendations made.**

I. INTRODUCTION

For over sixty years, development assistance has been apportioned in an attempt to reduce poverty and stimulate economic and social development. Despite more than $2.3 trillion in aid disbursed over the last half century, population-level analyses have failed to demonstrate consistent results linking aid inputs to improvements in development outcomes – Easterly cited (Olatujoye O.O, Fajobi T.A. & Adeniran A.I. 2016). In response, the past decade has witnessed a proliferation of new donor initiatives: 2000 UN Millennium Development Goals, 2000 GAVI Alliance, 2002 Global Fund to Fight AIDS, Tuberculosis and Malaria, 2003 President's Emergency Fund for AIDS Relief, 2004 Millennium Challenge Corporation, the 2005 Paris Declaration on Aid effectiveness and more recently The Sustainable Development Goals (SDGs) are a collection of 17 global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs, set in 2015 by the United Nations General Assembly and intended to be achieved by the year 2030, are part of a UN Resolution called "The 2030 Agenda". The targets and indicators for the SDGs are included in the UN Resolution adopted by the General Assembly two years later on 6 July 2017. While laudable for the awareness and resources these new programs have generated, they have essentially been evolving experiments in the field.

Previous research has highlighted the importance of the recipient country implementing environment in mediating the impact of aid, yet little is known about the donor side of the donor-recipient relationship.

Development donors have not yet been classified or evaluated in a systematic way to be able to identify what specific donor approaches under what conditions are most effective in reducing poverty and disease. From a theoretical perspective, the role of the principal in this principal-agent/donor-recipient relationship and the nature of the contracting institution have been neglected. From an empirical perspective, better understanding the influence of donors may help to account for decades of disappointing development aid results.

Several aid institutions developed from the organizations created to cater for the aftermath of war: Oxfam first catered for refugees from Greece, CARE was originally the Centre for American Relief in Europe (the Europe later became everywhere). The UN's development work began with the United Nations Relief and Rehabilitation Agency (UNRRA) founded during the war (1943), and the World Bank, whose full name is the International Bank for Reconstruction and Development, began with loans for reconstruction (Hjertholm and White 2000). The relative success of the Marshall Plan of 1948 was also a major premise upon which the necessity and importance of foreign aid were hinged. A final feature of the post-war international scene of importance was the first wave of independence, creating a constituency for aid. In addition to the above, foreign aid also played out as one of the major dynamics of the cold war between the United States and the former Union of Soviet Socialist republics. Arising from the above, studies (Stevenson 2006) indicated that the modern concept of foreign aid or assistance from mainly rich industrialized countries to less economically developed countries, has its roots in the post Second World war reconstruction era. (Todaro (1977), submitted that since the era of the Marshall Plan, the aid system has remained a subsisting phenomenon of the global economic arrangement. This view has been corroborated by (Tarp 2012) that after the success of the Marshall Plan, the attention of industrialized nations turned to the developing countries, many of which became independent during the 1960s. With regards to the need for foreign aid, rich countries of the world especially the members of Organization for Economic Cooperation and Development (OECD). More than half of the global citizens live on less than 2$ per day or less, purchasing power parity, many of them do not have access to clean drinking water, good healthcare or schools for their children. Therefore, scholars opined that attempts to assist poor countries to develop and end poverty has been the subsisting reason to initiate foreign aid policy (Zimmerman 2007).

Interventions and programs financed by loans from the multilateral development banks are often key to broader national strategies. By financing projects that cannot attract funding from commercial banks only, the multilateral development banks can enable and support investments that would not come through. Aid channeled through multilateral development banks may, accordingly, have a large impact and be very effective.

However, the effectiveness of the multilateral banks depends on their specific business model. Like other multilateral development banks, such as the World Bank and the Asian Development Bank, the African Development Bank (AfDB) consists of two parts: a Bank and a Fund. The *Bank* gives loans to creditworthy African countries (mainly middle-income countries) on commercial terms. The *Fund,* on the other hand, gives loans on preferential terms or even outright grants to poorer African countries (low income countries).

These two parts of the African Development Bank (AfDB) are highly interdependent, with regard to both finance and operations. Problems in one part (Bank or Fund) of the AfDB translate into problems for the other part. The Bank, which is the parent of the group, raises resources for lending by issuing bonds, mainly on international capital markets. Net income from the commercial loans contributes to financing the administration running both parts of the institution. The Bank is owned by African governments and a number of non-regional governments. Without its OECD members, the Bank would not get the preferential treatment it gets on financial markets and therefore would not be able to have a sufficient profit margin on loans to middle income countries in order to finance the administration. There is substantial evidence that the African continent is poor, nearly half of its population lives in dire poverty and only 15 percent live in an environment conducive to economic growth and development (Masci, 2004 p. 260).

Nigeria being part of Africa still ranks among the poorest countries in the world, many Nigerians also are wallowing in abject poverty with less than 50% living on less than 1 USD per day (CBN, 2010) Louis (2012). In 2019, Constant Tchona the Acting Country Direct of Oxfam, an International organisation, raised alarm that about 69 per cent of the Nigerian population lives below poverty level. The report, according to Tchona, ranks Nigeria last out of 157 countries overall inequality and ranks it 125 out of 145 countries on the Gender Inequality Index. Tchona, who expressed disappointment over the poor ranking of Nigeria on the global inequality, however, urged the federal government to expedite actions that would bring about reduction of inequalities in the country.

The African Development Bank's robust operations in Nigeria have had significant results and impact on the ground, helping to accelerate the country's economic transformation and improve the lives of millions.

In 2016, in a bold drive to help Nigeria plug a significant budget deficit during its first recession in more than 20 years, the African Development Bank's Board approved a US$600 million loan as the first tranche of a $1 Billion Budget support package.

1.1 Statement of the Problem

Development as a term means different things to many people across the globe. From the daily interactions and aspirations of people on the streets to debates and government policies at various levels, to the numerous discussions, agencies and assemblies of the United Nations dedicated to addressing the question of development globally. Since the emergence of nation states, the discussion on development has shifted from a general age overview of development to debates, discussions and measurement of development on national, regional and global basis. Development today is hinged on several indicators which include education, health, infrastructure, trade, economy and growth, agricultural and rural development, information and technology, transport, energy and mining, political stability and so on. Foreign aid intervention has been seen and described as a panacea to the plight of the developing world by the developed countries. That is why the stated goal of foreign aid is a rather large one: to end extreme world poverty and achieve development in poor countries.

Nigeria as a country, has struggled with development since independence in 1960. More than half of the age of the country was governed under military dictatorship until the country returned to democracy, the pervasive poverty situation in Nigeria clearly betrays the high hopes at independence that the country would emerge as a major industrial haven in the world (1999 Oshewolo 2011). The high hopes were hinged on the availability of abundant natural and material resources in the country.

In recent years, there has been an improvement in the economic performance of Africa based on the highlights by development researchers such as Simplice Anutechia Asongu. Multiple African countries seem to indicate signs of growth, human development, and establishing a virtuous cycle of stability. Amongst many other development finance institutions, the positive changes in the continent are attributable to the support provided by the African Development Bank and other Development Partners. Nigeria is a developing African country that embraces developmental projects initiated and financed by the African Development Bank (Lawal, & Oluwatoyin, 2011). Since 2006 up to 2018, the African Development Bank has been helping the country to undergo reforms in various sectors including education, agriculture, and infrastructural building. Following the 2015-2016 economic recession, Nigeria has been slowly regaining its potential through new measures of foreign exchange, rising oil prices, tighter monetary policy, and attractive yields on government securities (AfDB, 2013). However, these improvements have not yet achieved reduced unemployment, banking sector vulnerabilities, the targeted range of inflation, or non-oil non-agricultural activities.

While Nigeria as a country has benefitted from various schemes of African Development Bank, some countries that have benefited from foreign assistance at one time or the other have grown such that they have become aid donors (South Korea, and China etcetera), however, Nigeria has remained backward. (Oshewolo 2011) quoted Chukwuemeka who observe that the country is blessed with natural and human resources, but in the first four decades of its independence, the potentials remained largely untapped and even mismanaged. In other words, despite the huge human and mineral resources that Nigeria is endowed with, the country still wallows in poverty and underdevelopment that warrant more penchants for foreign aid intervention. Against this background, a research work of this nature to assess the interventions of African Development Bank on community development in Nigeria at this time.

1.2 Objectives of Study

The primary objective of this study is to examine the impacts of African Development Bank's interventions on community development in Nigeria. The specific objectives are to:

- Examine the impact of AfDB interventions on water and sanitation needs of communities in Nigeria.
- Examine the impact of AfDB Agricultural interventions on food production and economic empowerment of rural dwellers in Nigeria.
- Examine the impact of AfDB funded power projects on rural communities in Nigeria.

1.3 Methods of Data Collection

The study engaged qualitative methods of data collection. These include research, use of the Project Completion Reports (PCRs) from AfDB and internet search. Key-informant interviews and in-depth interviews were used for the qualitative method as instruments of data collection. Data was sourced from PCRs of defunct AfDB-funded projects in Nigeria using a simple manual search. The PCRs are available on AfDB's website as a knowledge base for the general public. These PCRs were prepared at the end of the projects, in consultation with the project staff, host governments, project beneficiaries, and all stakeholders following the submission of the project's own PCR, by teams fielded by AfDB. As such, as indicated earlier they were found to be comprehensive with useful information on project implementation and challenges, lessons learnt and recommendations.

1.4 Method of Data Analysis

Data analysis is based on the qualitative method, which is explanatory in nature. The descriptive parts will consist of explaining the impact of African Development Bank funded projects on community development. The data will be analyzed using content analysis.

II. LITERATURE REVIEW AND THEORETICAL FRAMEWORK

Through an extensive analysis of the African Development Bank, this study places the research in its contemporary context. The review examines the context in which this study finds itself, starting by exploring the existing literature on the African Development Bank's role in African economies. Foreign aid first began as international post-war assistance in the 18th century, that is, the late 1940s with the statement of the Marshal plan in which its purpose was to reconstruct the wartorn economy of Western Europe. Its success in the post WW11 period led to the development of more optimistic thinking about the role of foreign aid. The gap model and the push theory according to the United Nations (2006), propose that an access to transfer the resource, low income countries and/or the Less Developed Countries (LDCs) could come to the development track as Western Europe countries did. In addition to this, foreign aid was also set as an essential prerequisite for the economic advancement of developing countries by (which is low due to the vicious cycle of poverty) and propelling the economy out of "lo-level equilibrium trap.

Based on this, the wealthier countries of the west and some international organizations decided to help the low income or less developed nations to come up to the desired level of economic growth as well as well-being. This aid according to the Encyclopedia Britannica (2015), comes in form of economic, military or emergency humanitarian for example, aid given following natural disaster. The commonest type, the encyclopedia explains, is the Official Development Assistance (ODA) or the economic which is majorly allocated to promote development and combat poverty.

There have been arguments as to whether the foreign aid that goes to Africa generally is effective. Some scholars have argued that aid, for all its problems has helped Africa and has resulted in poverty reduction and thereby contributed to their development progress (CAREs Carter cited by Masci, 2004 p. 261). In defense of this argument, Ambassador Lyman of the United States maintained that, "Things in Africa are not good right now, but if we didn't have aid, I guarantee there would be much human suffering than there has been. Similarly, CARE Carter stated that', many indicators in Africa in areas like education and health are higher today than they were 50 years ago, and that due to aid, "No question about it" (Masci, 2004 p. 261). In another study, David Dollar and Craig Burnside found that aid has a positive effect on growth in a good policy environment (Dollar & Burnside 2000). This implies that countries with sound monetary policy, rule of law, open trade and other hallmark of developed economies will be able to put foreign aid to good use.

On the contrary, the opponents of foreign aid to Africa were of the view that aid has not impacted Africa positively rather, it has worsen poverty (Easterly, 2003 p. 35; Easterly, 2005 Pasicolen as cited by Masci, 2004 p. 260; Magnon, 2012; Preble and Tupy 2005). All these scholars pointed to the fact that many countries in Africa are still very poor despite the hundreds of billions of dollars in aid over the last five decades. Another reason given against the effectiveness of aid in Africa is that it does not help Africans rather it hurts them. They contend that foreign aid is not an effective way to promote prosperity that it makes things worse because it strengthens the very institutions that thwart or work against prosperity. They also mentioned that aid damages free market and will not allow Africans to develop economically. Some even suggested that the aid should be tied with some conditions otherwise the countries may not use the resources well and how and what they use the money is based on political consideration. This position truly matches the situations in most African countries. For example, in Nigeria 1985 when the International Monetary Fund (IMF) intervened/assisted Nigeria to come out of its economic quagmire, it gave Nigeria many conditions before the assistance.

Preble, one of the opponents of aid to Africa continuing the arguments stated that giving money to these countries to establish small businessmen is always based on political consideration and this frustrates the people. Others argue that aid creates a damaging dependency for African countries which they see as welfare (Pasicolan). The opponents of aid further stated that instead of given more aid to Africa, it will be better to open their domestic markets to Africa by removing trade barriers, for instance, eliminating agricultural subsidies and tariffs. However, all these critics agree on one thing, that much work needs to be done before Africa can begin living up to its enormous potential, and that all the developed countries have an important role to play. There might be a modicum of truth in these arguments for and against aid to Africa. In addition to the points they raised, the African governments and or the developing countries should do an institutional overhaul and diversify their economics to try to catch up with the developed countries.

In '*The Wretched of the Earth*' it argues that Europe is the creation of the Third World. The wealth which is visible is that which was stolen from the underdeveloped people. He went as far as saying that:

> We should not tremble with gratitude when any help comes from Europe. He says this should be the ratification of a double realization: the realization by the colonized people that it is their due and the realization by the capitalist power that in fact they must pay (Fanon, 1961:11).

What Fanon is basically saying is that Africans should realize that Europe was created by them and therefore should disregard anything that comes from them in the name of gifts or aid. Fanon enumerated the criminal activities of the colonialists in their robbery adventure in Africa. These include deportations, massacre, forced labor and slavery. These are the methods that capitalism used to increase its wealth and establish its power. He noted that violence was their main instrument of accumulation. He mentioned in detail how the European activities fueled the underdevelopment of Africans both mentally and physically as well as the imposition of western culture on Africa.

He further castigates the indigenous Bourgeoisie for availing themselves as tools for the internal weakness of the colonized. He noted that the internal weakness which was almost congenital to the national consciousness of underdeveloped countries, is not solely the result of the mutilation of the colonized people by the colonial regime but as a result of the intellectual laziness of the national middle class; their spiritual penury and profoundly of cosmopolitan mould that their mind are set in.

According to him, this Bourgeoisie class who took over from the colonialist had little or nothing before they came into power. At the attainment of independence, they engaged in the accumulation of capital to the neglect of the masses that stood behind them during the struggle for independence. Instead of investing in productive ventures, they prefer to invest in activities that will yield quick money. Hence, he succinctly remained:

> The landed Bourgeoisie refuses to take the slightest risks and remained opposed to any ventures and to any hazard, it has no intention of building upon sand, it demands solid investments and quick returns. On the other hand, large sums are spent on display on cars, country house and all those things which has been justly described by economists as characterizing an underdeveloped bourgeoisie (Fanon, 1961:23).

Fanon, after condemning bourgeois activities recommended that such activities should not be allowed to find the enabling conditions to thrive. In other words, the combined effort of the masses led by a party and intellectuals who are highly conscious and armed with revolutionary principles ought to bear the way to dislodge the useless and harmful middle class. He also recommended the complete obliteration of the type of business to which this group of people. finally, he advised the underdeveloped countries not to imitate the European way of life and not to expect anything from them but to try and fashion out new life for the entire people of the underdeveloped society and recommended socialism if possible by violence.

Fanon is really saying that the Europeans and nefarious activities of the indigenous bourgeoisie are true. But unfortunately he did not tell us how this indigenous bourgeoisie emerged and the condition which was instrumental to their emergence and behavior. In other words, he failed to tell us the conditions or the forces that made the activities of the group of people successful.

In *The Political Economy of Africa*, the author dealt extensively on the contemporary features of Africa, the chain of events that generated the present condition of Africa and how they might be changed in the future, he traced the history of Africa from the colonial period to the neo- colonial period, he also directed extensively on the strategies which the national leaders have adopted to effect development, these strategies failed to work because of the international atmosphere which made the plan unrealistic, but said that: More often than not, the plan is really not a strategy for development but an aggregation of projects and policies, which may sometimes be incompatible (Ake, 1981:12).

This suggests that the leaders tend to tackle the problem from the wrong angle like the other writers mentioned already, he agreed that the underdevelopment of Africa is as a result of its long contact with capitalism, also he said that the national bourgeoisie contributes a lot to underdevelopment of Africa, but he went further than Rodney and Fanon to show the conditions that led to the emergence of the petty bourgeoisie, the instrument of this accumulation and the national post-colonial state.

According to him, the post-colonial state involves itself in class struggle. That is to say that the state was highly politicized. The state is an instrument of wealth accumulation, he said: Partly because of this fact whose significance is the perception of the state as being very partial and partly because the state power in question is highly developed, there is a better struggle to gain control of it, a critical focus of this struggle is the control of government, which is the formal access to state power, thus in Africa, those in office do all they can to perpetuate their hold on it, and those out of office do all they can to get it, there is hardly any restraint beyond prudence as to permeable means for this struggle. Because of the state and the ruling class, the boundary between them is blurred. the implication of this and he went on is a crudely oppressive class rule because the state and government are too involved in the class struggle, and because of the high premium placed on political power on the tone in politics is highly authoritarian and hegemonic faction of the bourgeoisie adopts a siege mentality. Fortunately, the tendency to accumulate through the use of state power rather than through productive activities makes post-colonial capitalism less conducive to the development of productive forces and the increase of

surplus (Ake, 1981:1-14).
In conclusion, he recommended socialism but went on to say that the state of the development forces in Africa will be detrimental to the attainment of socialism. He also mentioned the interaction of the external forces as an obstacle to socialism, but said that "in the long run, objective conditions are more likely to move Africa to socialism.

Nigerian Imperialism and Dependency recommended a change in the international economic order (Offiong 1980),. Like the three writers already mentioned, he believed that the underdevelopment of the Third World countries is brought about by capitalists' intervention in the economy of the Third World countries. Thus he asserted that, the perseverance and extensive interactions (imperialism and exploitation) of the developed countries are the underlying reason for Third World underdevelopment, and the distorted and balanced growth in those countries. The distortions in the organization and utilization of a nations human and natrual resources makes it extremely difficult for such a country to make a transition for a balanced and self-sustaining growth
But this transition has to be made to cope successfully with the survival challenges; he traced the history of underdevelopment from the period of slavery to the present stage of neo- colonialism. He discusses obstacles that impede Africa much towards economic freedom. He goes on to say that foreign aid is an instrument of dependency. He refuted the allegation that multinationals the in developing the economies of the host nations. Instead, they prompt the policies of their mother country and commit all sorts of atrocities that are detrimental to their hosts' growth. He also sees the CIA as an instrument of promoting interest of multinationals. This is why the USA is concerned with the activities of the leaders in the Third World countries. He further criticized the local bourgeoisie who collaborate with their international counterparts to defraud and exploit their fatherland. But unlike Fanon (1961), he did not recommend how these local bourgeoisies should be brought under control. He examines the effect of underdevelopment in the Third World countries.
Unlike Ake, Offiong did not trace the history of the active local bourgeoisie and what gave rise to their nefarious activities and how to deal with them. He dwells extensively on the activities of the multinationals but did not recommend an effective way of checking them. His moral recommendation on how to bring multinationals under control is utopian, knowing full well that once they are allowed to exist at all in a country, that it will be impossible to bring their nefarious activities under control. Even the moves already taken to check their activities by the Third World countries have proved abortive. I strongly believe that anything short of outright nationalization of the multinationals will not be an effective move to achieve economic independence. So far the Third World countries are still in contact with the developed countries, the question of achieving new economic order recommended by Offiong will never materialize. It is another way of maintaining dependency. Finally, his failure to recommend the serving of contact with the developed countries reduces the achievement of new economic order or attainable.

Nwankwo like Offiong dwells extensively of the nefarious activities of the multinational corporations (MNCS) in Nigeria, but unlike Offiong he recommends outright nationalization of these companies. He enumerated the visible activities of the multinationals which include:
1. Monopolization of the means of production.
2. The repatriation of profits among others
On the invisible activities of MNCS, he says that they engage in transfer pricing and over invoicing after weighing the advantages and disadvantages of the multinationals, he concluded that their disadvantages outweighed the advantages. He argues that the contributions of these corporations are at belt illusory.

The inability of the indigenous businessman to invest in productive ventures accounts for the incessant multiplicity of foreign industries in the country which are the extended arms of the multinationals, instead of investing in productive venture they engage in contracts and quick money yielding business, according to him trading and the contracting activities are regarded as the quickest means of increasing income. Entrepreneurial attitude accounts for preponderance of foreign entrepreneurs in the manufacturing sector of Nigerian economy.

The industrial scene is dominated by industries which are invariably the extended arms of multinationals, the absence of Nigerians in conceiving, designing and implementing manufacturing activities on their own has led to a new type of economic domination of the economy by foreign companies who subtly dictate terms and type (Nwosu, 1980:8).

He goes on to say that unless this attitude to production is changed that the prospects of industrial take-off will still be undermined. In other words, the attitude of the indigenous upper class towards production undermines industrial take-off in Nigeria, that crying against the perseverance domination of the Nigerian economy, through factual is not enough that the most important is the economical emancipation for the citizens by Nigerians both industrially and collectively in order to dominate the reunite capability for self-reliance. In the end, he recommends mass production and processing of manufactured goods into useable commodities by Nigerians them success as a pure way to self-reliance. The role of corruption as the midwife of the crisis is undeniable for both the military and civilian governments were in the main drive over the years in quest for personal enrichment which their legitimate earnings regardless of the situation of the nation would not confer (Umoren, 2001: 18).

Nigeria, under pressure and using the suggestions from the World Bank and the International Monetary Fund, the military government adopted a series of structural adjustment programmes. These programs included the devaluation of its currency, the reduction of its government size, the encouragement of export of agricultural and other non-oil products, and the privatization of some of its government enterprises. Among these policies was one directed specifically towards the development of indigenous technology in the private sector with contracts and financial resources provided by various ministries of the national government? (Dibie, 2003:17)

2.1 Theoretical Framework

Giovanni E.R. (2001) identified the following theories as principal theoretical explanations to interpret development efforts carried out especially in the developing countries. These theoretical perspectives allow us not only to clarify concepts, to set them in economic & social perspectives, but also to identify recommendations in terms of social policies.

However, for clearer analysis and understanding of this study, dependency theory is hereby applied as the theoretical framework.

- Theory of Dependency

The foundations of the theory of dependency emerged in the 1950s from the research of the Economic Commission for Latin America and the Caribbean - ECLAC-. One of the most representative authors was Raul Prebisch. The principal points of the Prebisch model are that in order to create conditions of development within a country, it is necessary:

1) To control the monetary exchange rate, placing more governmental emphasis on fiscal rather than monetary policy;
2) To promote a more effective governmental role in terms of national development;
3) To create a platform of investments, giving a preferential role to national capitals
4) To allow the entrance of external capital following priorities already established in national plans for development;
5) To promote a more effective internal demand in terms of domestic markets as a base to reinforce the industrialization process in Latin America;
6) To generate a larger internal demand by increasing the wages and salaries of workers, which will in turn positively affect aggregate demand in internal markets;
7) To develop a more effective coverage of social services from the government, especially to impoverished sectors in order to create conditions for those sectors to become more competitive; and
8) To develop national strategies according to the model of import substitution, protecting national production by establishing quotas and tariffs on external markets.

The Prebisch and ECLAC's proposal were the basis for dependency theory at the beginning of the 1950s. (18) However, there are also several authors, such as Falleto and Dos Santos who argue that the ECLAC's development proposals failed, which only then lead to the establishment of the dependency model. This more elaborated theoretical model was published at the end of the 1950s and the mid 1960s. Among the main authors of dependency theory we have: Andre Gunder Frank, Raul Prebisch, Theotonio Dos Santos, Enrique Cardozo, Edelberto Torres-Rivas, and Samir Amin.

The theory of dependency combines elements from a neo-marxist perspective with Keynes' economic theory - the liberal economic ideas which emerged in the United States and Europe as a response to the depression years of the 1920s-. From the Keynes' economic approach, the theory of dependency embodies four main points: a) To develop an important internal effective demand in terms of domestic markets; b) To recognize that the industrial sector is crucial to achieving better levels of national development, especially due to the fact that this sector, in comparison with the agricultural sector, can contribute more value-added to products; c) To increase worker's income as a means of generating more aggregate demand in national market conditions; d) To promote a more effective government role in order to reinforce national development conditions and to increase national standards of living.

According to (Foster-Carter 1973), there are three main differences between the classic orthodox Marxist movement and the neo-marxist positions, the latter providing a basis for the dependency theory. First, the classical approach focuses on the role of extended monopolies at the global level, and the neo-marxist on providing a vision from peripheral conditions. Second, the classical movement foresaw the need for a bourgeois revolution at the introduction of national transformation processes; from the neo-marxist position and based on current conditions of Third World countries, it is imperative "to jump" to a socialist revolution, mainly because it is perceived that national bourgeoisies identify more strongly with elite positions rather than with nationalistic ones. Third, the classical Marxist approach perceived the industrial proletariat as having the strength and vanguard for social revolution; the neo-marxist approach emphasized that the revolutionary class must be conformed by peasants in order to carry out an armed revolutionary conflict.

Although the modernization school and the dependency school conflict in many areas, they also have certain similarities, the most important being: a) A research focus on Third World development circumstances; b) A methodology which has a high-level of abstraction and is focused on the development process, using nations-state as a unit of analysis; c) The use of polar theoretical structural visions; in one case the structure is tradition versus modernity -modernization-, in the other it is core versus periphery -dependency-.

The major hypotheses with regard to development in Third World countries according to the dependency school are the following: First, in contrast to the development of the core nations which is self-contained, the development of nations in the Third World necessitates subordination to the core. Examples of this situation can be seen in Latin America, especially in those countries with a high degree of industrialization, such as Sao Paulo, Brazil which Andre G. Frank uses as a case study.

Second, the peripheral nations experience their greatest economic development when their ties to the core are weakest. An example of this circumstance is the industrialization process that took root in Latin America during the 1930s, when the core nations were focusing on solving the problems that resulted from the Great Depression, and the Western powers were involved in the Second World War.

A third hypothesis indicates that when the core recovers from its crisis and reestablishes trade and investments ties, it fully incorporates the peripheral nations once again into the system, and the growth of industrialization in these regions is stifled. Frank in particular indicates that when core countries recuperate from war or other crises which have directed their attention away from the periphery, this negatively affects the balance of payments, inflation and political stability in Third World countries. Lastly, the fourth aspect refers to the fact that regions that are highly underdeveloped and still operate on a traditional, feudal system are those that in the past had the closest ties to core.

However, according to Theotonio Dos Santos, the basis of dependency in underdeveloped nations is derived from industrial technological production, rather than from financial ties to monopolies from the core nations. In addition to Dos Santos, other classical authors in the dependency school are: Baran, who has studied conditions in India in the late 1950s; and Landsberg, who has studied the processes of industrial production in the core countries in 1987.

The principal critics of the dependency theory have focused on the fact that this school does not provide exhaustive empirical evidence to support its conclusions. Furthermore, this theoretical position uses highly abstract levels of analysis. Another point of critique is that the dependency movement considers ties with transnational corporations as being only detrimental to countries, when actually these links can be used as a means of transference of technology. In this sense, it is important to remember that the United States was also a colony, and this country had the capacity to break the vicious cycle of underdevelopment.

The new studies of dependency theory are due to the work of (Enrique Cardozo 1979 and Falleto 1980). These authors take into account the relations that exist in a country in terms of its systemic -external-, and its sub-systemic -internal- level, and how these relationships can be transformed into positive elements for the development of peripheral nations. O'Donell studied the case of relative autonomy between economic and political elements within conditions of Third World countries, especially those in South East Asia. Evans studied the comparative advantage that Brazil has with its neighbors in South America, and Gold studied the dependency elements which were operating at the beginning of the process by which Taiwan constituted itself in a country.

A predominant point of the new dependency studies is that while the orthodox dependency position does not accept the relative autonomy of government from the powerful elites, the new authors of this school perceive a margin of movement of national governments in terms of pursuing their own agenda. These arguments originated mainly from the writings of Nikos Poulantzas. For this political scientist, governments in Third World countries have a certain amount of autonomy from the real axis of power within the nation.

One of the main current critiques of the theory of dependency and the theory of modernization is that they both continue to base their assumptions and results on the nation-state. This is an important point that allows us to separate these aforementioned schools from the theoretical perspective of world-systems or globalization theory. These last movements have focused their attention mostly on the international connections among countries, especially those related to trade, the international financial system, world technology and military cooperation.

2.2 THE ROLE OF THE AFRICAN DEVELOPMENT BANK

The African Development Bank Group (AfDB) is one of a "family" of international development institutions called multilateral development banks (MDBs). The AfDB was created 50 years ago by 23 African countries, and today has 53 African shareholding countries and 25 non-regional shareholding countries. It provides financing (mainly loans, but also equity investments and guarantees) for development projects within the African continent.

As with the World Bank, Asian Development Bank (AsDB) and Inter- American Development Bank (IADB, the AfDB has two main lending "windows" through which it provides resources to borrowers: The *non-concessional African Development Bank (AfDB)* which lends at market-based rates for medium and long-term maturities (max. 20 years).The *concessional African Development Fund (ADF)*, which lends at minimal or zero interest to poorer countries at longer maturities (35- 50 years), or offers grants.

The AfDB is the smallest of the major regional MDBs in terms of lending volume, with total lending of USD 6.3 billion in 2013. Of that, USD 2.8 billion was committed by the ADB no-concessional window, and USD 3.5 billion by the ADF. On average over 2011-2013, the ADB has committed slightly more than the ADF: USD 3.8 billion on average per year compared to USD 3.1 billion in concessional ADF funding.

2.2.1 History of the Formation of African Development Bank

The African Development Bank was created on 4 August 1963 in Khartoum, Sudan, where 23 newly independent African countries signed the Agreement establishing the institution. On 10 September 1964, the Agreement came into force when 20 member countries subscribed to 65% of the Bank's capital stock which then stood at US$ 250 million. The inaugural meeting of the Board of Governors (mostly finance ministers) was held from 4-7 November 1964 in Lagos, Nigeria. The headquarters of the AfDB was opened in Abidjan, Côte D'Ivoire, in March 1965. The AfDB commenced operations in July 1966 with ten staff members. When the Bank was established, only independent African countries were eligible to be shareholders. Thus, for 19 years, the AfDB depended on African countries for its capital resources. In 1982, the Bank's capital was opened to non-African Countries. The African Development Fund (ADF): The Agreement establishing the African Development Fund was signed on 29 November 1972, by the African Development Bank and 13 nonregional countries (State Participants). The ADF emerged as the solution to two major constraints which became apparent after the Bank commenced operations: the nature as well as terms of lending to the poorest of the countries, especially for projects with long-term maturities or non-financial returns such as roads, education, and health. The Nigeria Trust Fund (NTF): The Nigeria Trust Fund was set up in 1976 by an agreement signed between the Government of the Federal Republic of Nigeria and the Bank Group. The NTF became operational in April 1976 following approval of the agreement establishing it by the Board of Governors.

2.2.2 Objective of the African Development Bank

The overall objective of the AfDB Group is to support the economic development and social progress of African countries individually and collectively, by promoting investment of public and private capital in projects and programs designed to reduce poverty and improve living conditions. Combating poverty is at the heart of the Bank's efforts to assist the continent to attain sustainable economic growth. The Bank Group, therefore, strives to mobilize internal and external resources to promote investment and provide technical assistance to the Regional Member Countries (RMCs). Additional resources are usually mobilized through co-financing with bilateral and other multilateral development agencies as well as from the financial markets. The AfDB Group also promotes international dialogue on development issues concerning Africa. It supports policy reforms, capacity building, knowledge sharing, studies and preparation of development projects. As from 2006, the Institution has placed greater emphasis on the following strategic areas: Investing in infrastructure; the private sector, supporting economic and governance reforms; promoting higher education, technology and vocational training; promoting regional integration. Through these core investment areas, the AfDB Group provides support to fragile states, low-income countries, middle-income countries, agriculture and rural development, social and human development, the environment and climate change, and gender issues.

2.2.3 Membership of the African Development Bank

At the end of December 2012, the Bank had 77 member countries, comprising 53 African or regional member countries (RMCs) and 24 non-African or non-regional member countries (NRMCs). Initially, only independent African countries could become members of the Bank. With a larger membership, the institution was endowed with greater expertise, the credibility of its partners and access to markets in its non-regional member countries. The Bank however maintains its African character by virtue of its geographical location and ownership structure. It is always headquartered in Africa, its investment operations are exclusively in Africa and its President is always an African.

2.2.4 African/Regional Member Countries

Algeria, Angola, Benin, Botswana, Burkina-Faso, Burundi, Cameroon, Cape-Verde, Central African Republic, Chad, Comoros, Congo, Democratic Republic of Congo, Côte d'Ivoire, Djibouti, Egypt, Eritrea, Equatorial Guinea, Ethiopia, Gabon, The Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, Sudan, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe.

2.2.5 Non-African/Non-Regional Member Countries

Argentina, Austria, Belgium, Brazil, Canada, China, Denmark, Finland, France, Germany, India, Italy, Japan, Korea, Kuwait, Netherlands, Norway, Portugal, Saudi Arabia, Spain, Sweden, Switzerland, United Kingdom and United States of America. To become an AfDB member, non-regional States must first and foremost accede to ADF membership. Only one ADF member state, the United Arab Emirates, is yet to accede to AfDB membership. South Africa is currently completing the requirements of accession to ADF. Turkey whose membership was approved by the Board of Governors in Maputo, Mozambique, in May 2008 is in the process of completing the requirements of state participation in the ADF.

2.2.6 Sources of Funds for African Development Bank Group

Bank funds are derived from member countries' subscriptions, borrowings on financial markets and loan repayments. Its resources also come from Special Funds including the ADF and the NTF sources. The ADF provides the Bank Group's low-income regional member countries (numbering 37 in April 2012) with concessionary resources to boost their productivity and economic growth. Its resources are derived directly from special contributions from states participants, especially non-regional member countries. Similarly, the Nigeria Trust Fund established by the Nigerian Government in 1976 helps the AfDB's most underprivileged member countries by providing them with 2-4% interest rate loans repayable in 25 years.

2.3 Empirical Literature Review

Many studies have been conducted on the impacts of foreign aids on economic growth and other related issues. Previous empirical studies generate mixed results. Prominent among them are mentioned in this study.

In the studies (Addison, T et al., 2005) examined trends in official aid to Africa over the period 1960 to 2002. The authors largely emphasize the tremendous decrease in aid over the last decade which will have an impact on Africans living in poverty and the African economy as a whole. As a result of the shortfall in aid, the MDGs will be much harder if not impossible to be achieved. This paper concludes that aid in fact does promote growth and reduces poverty. Furthermore, it also positively impacts public sector aggregates, contributing to higher public spending and to lower domestic borrowing. Nevertheless, it is apparent that the MGDs cannot be achieved with development aid alone, but other innovative sources of development finance need to be explored as well.

Another studies (Akonor, K 2008) examined foreign aid impact to Africa using theoretical and descriptive quantitative analyses revealed that aid is not a panacea for Africa‘s development woes. The study revealed further that foreign aid has so far created a welfare continent mentality and has become the hub around which the spokes of most African economies turn. The study also stated that dependency on foreign aid has compromised the sovereignty of African countries and that it is very unfortunate that aid has taken 50% of Sub-Saharan African countries budgets and seventy percent of their public investment.

(Alesina, A et al., 2000) studied the effect of corrupt governments on aid allocation for 20 developing counties. The study adopted a panel analysis and as well Tobit model for 5 year. The study revealed that there is no evidence of less corrupt countries receiving more foreign aid and the study never uncovered any weak evidence of a negative effect of corruption on received foreign aid.

(Alesina, A et al., 2002) studied the pattern of foreign aid allocation from various donors to receiving countries. The study revealed that the direction of foreign aid is dictated by political and strategic considerations of the recipients and that colonial past and political alliances are the major determinants of foreign aid. The study used probit model to estimate the likelihood that a developing country receives aid and also adopted Tobit model to estimate the response of the aid flow to the variables.

In his paper, (Papanek, G 1973) studied the relationship between aid, savings, foreign investment and growth in thirty-four LDCs for the 1950s and fifty-one LDCs for the 1960s, applying cross-country regression analysis. Treating each of these components as separate explanatory variables, he found out that over a third of GDP growth is explained by domestic savings and foreign inflows. Also the effect foreign aid has relative to other variables is considerably higher, his results also suggests no inverse relationship between aid and foreign private investment as well as showing a non-correlation between growth and factors such as; exports, education, country size or per capita income. Unlike Chenery and Strout's result which showed that Country's size and per capita income has a positive relationship with growth, Papanek's result did not show such positive relationship as said earlier. This is because Papanek's work had savings as one of the independent variables and this was seen to be significantly correlated with per capita income.

In 2000, a study of the interactions among choice of macroeconomic policies and growth and revealed that aid is beneficial to countries that adopt appropriate and stable policies. However, the study revealed no evidence that foreign aid encourages the adoption of good macroeconomic policies. The study then showed that foreign aid is a waste to countries without appropriate and stable domestic policies (Burnside, C 2000).

(Dacy, D. C 1975) in his paper viewed the subject of foreign aid and economic growth with respect to consumption on the side of the government as well as domestic savings. Contrary to other researches, Dacy in his paper viewed foreign aid as a substitute for domestic savings, saying that there would not be an increase in total savings by the full amount of foreign savings. Thus, LDCs will increase consumption as well as investment if foreign aid is made available. Das, A et al., [23] used both time series methods and panel co integration. They have reported that that there is long run positive relationship between foreign aid and per capita income in Nepal, Sri Lanka, Bangladesh and Pakistan.

The effects of foreign aid on the economic growth of developing countries analysed by (Ekanayake, E. M et al., 2004). They used annual data on a group of 85 developing countries covering Asia, Africa, and Latin America and the Caribbean for the period 1980- 2007. They explore the hypothesis that foreign aid can promote growth in developing countries. They tested this hypothesis using panel data series for foreign aid, while accounting for regional differences in Asian, African, Latin American, and the Caribbean countries as well as the differences in income levels. Their results indicate that foreign aid has mixed effects on economic growth in developing countries

The empirical analysis rests on the neo-classical modelling analytical framework and combined several procedures in modern econometric analysis/estimation techniques. Their findings show that aid flows has significant impact on economic growth in Nigeria: domestic investment increased in response to aid flows and population growth has no significant effect on aid flows (Fasanya, I. O et al., 2012). Aid flows also provides free resources to increase domestic investment, thus confirming the aid-policy-growth hypothesis.

By using the Harold model of economic growth (Griffin, K. B et al., 1970) suggested that foreign aid distorts domestic saving, they showed that, the increase of foreign aid discourage domestic saving in the public sector as a result discouraging the government effort in raising the domestic tax base and revenues. They argued that foreign donors provide aid according to their political desire in developing countries. From this point thus, foreign aid cannot guarantee economic growth in developing countries.

Taking a closer look at the problem of causality which (Boone 1996) tried to address, concurs that the issue of causality is a tough knot to tie. He also suggests that the debate on if foreign aid contributes largely to economic growth is one that cannot be fully decided, as there would be a need to take into consideration the response of individuals as well as groups. Such consideration includes checking if these individuals or groups behave in a certain way where there is an increase in aid compared to where there is no aid.

A study by investigates the correlation between foreign aid and growth in per capita GDP using annual data from the 1960 to 1997 for a sample of 71 aid-receiving developing countries. This paper concludes that the effect of foreign aid on economic growth is positive, permanent, and statistically significant. More specifically, a permanent increase in foreign aid by $20 per person results in a permanent increase in the growth rate of real GDP per capita by 0.16 percent. These results are obtained without considering the effects of policies.

Using a sample of 22 Low Income Countries in Sub-Saharan Africa except for a few African countries which had their level of development like that of middle-income countries. Using time series data for his analysis, two important things were revealed, which is a positively significant relationship between aid, investment, and economic growth in Africa (Levy, V 1988). The second important finding is that there is a significant contribution by fixed capital formation to the rate of economic growth. Although the exclusion of some African countries which he classified as like middle income countries from his analysis seems questionable, Levy's contribution to the subject matter is very significant. According to, most researches such as that of [30] and a few others who made an attempt to measure the impact of aid on domestic savings, investment and growth in developing countries, have had results which faced several econometric difficulties.

The poverty of people in the poorest African Countries to be on the increase despite the many years of development assistance (Burnside, C et al., 2000). According to him, there has remained a stagnant or declining real per capita income since the 1960s, thus the disturbing question is "why could these countries not break the poverty trap despite receiving large inflows of foreign aid?". This question he sought to answer using the co-integration analysis for six poorest African Countries, the results from this analysis showed the existence of a long run relationship between real GDP, aid and investment as a percentage of GP and trade openness. But showing the effect of foreign aid on growth, the result indicated a long run negative relationship for most of these countries.

The European Union Micro Project Programme (EU-MPP) “aimed at the economic and social development of rural communities and this is in response to the felt needs of those living in the region” (Okon (2012). The programme is the result of a co-operative instrument developed by the European Community between it and some of its member countries, to finance local micro-projects that have an economic and social impact on the lives of those in developing countries. The programme is concerned with the provision of basic healthcare facilities, education, rural transportation, water supply, sanitation and electricity, among other development issues (EU-MPP6 Fact Sheet, 2012).

The EU programmes in the Niger Delta region of Nigeria are in phases (Anam 2014). The first phase, which was referred to as MPP3 (covered 3 states; Rivers, Bayelsa and Delta), funded 858 micro projects. The second phase, MPP6 (covered 6 states of Abia, Akwa Ibom, Cross River, Edo, Imo and Ondo States) witnessed the execution of 1900 micro projects and now the third phase, MPP9 (Okon, 2012). The ongoing MPP9 is targeted at 1200 micro projects (Martins, 2013). He stated that the programme also includes an additional 125 pilot projects in the Etung Local Government Area of the Cross River State. The projects are to contribute to poverty reduction in rural and semi-urban communities through the promotion of community/ rural participation in the process. He maintained, “This it is hoped, will in turn contribute to strengthening peace and stability in the Niger Delta and achieving the Millennium Development Goals (MDGs). The MPP9 programme is funded by a grant of 9.2 billion naira from the 9 European Development Fund and represents a continuation and expansion of earlier EU micro project interventions in the Niger Delta” (MacRae, 2012).

The micro project programme (MPP6) has been involved in several poverty alleviation projects in local government areas of Cross River State. These include boreholes drilling and water supply schemes, health care delivery projects, building and renovation of classroom blocks as well as environmental protection projects. The adoption of these projects is consistent and sustainable due to the fact that the poor have been identified (Bassey, 2014).

Potable safe water is a basic necessity of life. Water is needed in all human activities. Its importance in enhancing the well-being of the rural class cannot be overstressed. Water quality is prerequisite for socioeconomic development (Ojo, 2001). In Nigeria, only 60 percent of households have access to adequate sanitation facilities remains low (UNDP, 2007). Tinubu (2007) stated that in Nigeria, more than half the population has no access to clean water and many women and children walk for hours a day to fetch it. Essien (2008) reported from his study on availability of safe water in Cross River State that water supply coverage is estimated at 35%. In recognition to the harmful effect of inadequate potable water supply on the health of people, the Cross River State government in corroboration with the international community and Nigeria respectively has continued to make efforts to address the needs for availability of safe water (Esrey, 2001).

According to World Health Organization (2010), safe drinking water and basic sanitation is of crucial importance to the preservation of human health, especially among children. Water related diseases are the most common cause of illness and health among the poor in developing countries. The World Health Organization (2010) reported that 1.6 million deaths of children per year may be attributed to unsafe water, poor sanitation and lack of hygiene (WHO, 2010). Drinking or using unsafe water in food preparation leads to widespread acute and chronic illnesses and is a major cause of death and suffering worldwide in many different countries. Reduction of waterborne diseases and development of safe water resources is a major public health goal in developing countries (Ottong & Bassey 2009).

Expanding access to water and sanitation is a moral and ethical imperative rooted in the cultural and religious traditions of communities around the world. Extending water supply and sanitation services have largely contribute to promoting good health among people in Cross River State (Nkpoyen, 2012). According to the World Water Council (2014), the availability of safe water has helped in improving the health of human beings in the community. Water has an economic value in its competing uses has been recognized as an economic good. This principle has brought about greater willingness to accept pricing in managing water with considerable debate on how pricing can be reconciled with affordability, especially the rural and urban poor consumers (Oludimu, 2004). Juma (2013) in his study on availability of safe water in rural communities reported that executing water is a significant step to community development approach in empowering and dwellers especially towards enhancing their socioeconomic conditions, by providing them with fresh and accessible water, thereby increasing their living standards.

2.3.1 Analysis of AFDB Interventions in Nigeria

The African Development Bank Group's mission is to help reduce poverty, improve living conditions for Africans and mobilize resources for Africa's economic and social development. Its interventions in Nigeria are guided by its Country Strategy Paper (CSP-2013-2019). The Bank's ten-year strategy (2013-2022), and a focus on its High 5 strategic priorities to Light up and Power Africa, Feed Africa, Industrialize Africa, Integrate Africa and Improve the Quality of life for the People of Africa.

Nigeria joined the Bank on September 10, 1964, with a capital stock of US$8.568 Billion, representing 9.376% of total shares. In March 2019, Nigeria had a voting power of 9.330% and a capital stock of UD$855.157 million, making it the largest shareholder.

The Bank Group's three lending windows, in order of size are AfDB, ADF & NTF (Nigeria Trust Fund). Nigeria graduated to the ADB lending window in January 2019, and consequently stopped receiving ADF funding.

The Nigeria Trust Fund, established in 1976, is the only African-funded trust fund. It provides concessional financing to Regional Member Countries (RMCs) and especially the least developed countries. Established for an initial period of 30 years, with provisions for extensions, by mutual agreement, the Bank and the Federal Republic of Nigeria recently extended the closing date of the NTF to 24 April 2023. The initial capital of the NTF was NGN 50 million (Approximately $80 million in 1981, 1984 & 1985), the Federal Republic of Nigeria replenished the NTF with $52.29 million, $ 10.87 million and $7.38 million respectively.

Overall, the NTF has approved more than $300 million in loans (approx. $8 million yearly) to over 30 RMCs covering a broad range of projects, including transport, agriculture, social sector, energy, water supply and sanitation and finance. In addition, the funding has also been used for the clearance of arrears from Liberia ($13million), a 2015 contribution to Africa 50 ($10 million), and the establishment of NTCF (Nigerian Technical Corporation Fund) in 2004 ($25 million). Also, from 2006 to 2009, the Federal Republic of Nigeria withdrew a total of $ 400 million from NTF.

2.3.2 Overview of The Bank's Portfolio in Nigeria

The African Development Bank's robust operations in Nigeria Have had significant results and impact on the ground, helping to accelerate the country's economic transformation and improve the lives of millions.

In 2016, in a bold drive to help Nigeria plug a significant budget deficit during its first recession in more than 20 years, the African Development Bank's Board approved a US$600 million loan as the first tranche of a $1 Billion Budget support package.

At the end of March 2019, the Bank's active portfolio in Nigeria comprises 60 operations with total commitments of UD$4.5 Billion. These include 228 public sector operations with a total commitment of US$1.7 Billion (21 national and 7 regional); 34 non-sovereign operations with total commitments of US$2.8Billion.

Additionally, the African Development Bank has disbursed US$2.8 Billion, representing 71% of approved funding. Public sector cumulative disbursements to date on the active portfolio amount to$2.5 Billion (30%) while cumulative disbursement on the private sector portfolio stands at $2.5billion (90%).

2.3.3 The Public Sector Portfolio Covers Five Major Sectors

There are:
1. Water supply and sanitation (26%)
2. Power (22%)
3. Transport (20%)
4. Human Capital Development (16%)
5. Agriculture (10%)
6. Multisector (2%)
7. Policy-based non-lending (2%)
8. Non-lending policy dialogue and technical assistance

2.3.4 The Private Sector Portfolio Covers Five (5) Major Sectors)

There are
1. Financial sector – mostly lines of credit (70%)
2. Power (11%)
3. Agriculture/Agro-processing (9%)
4. Industry (6%)
5. Human Capital Development (2%)
6. Transport (2%)

2.3.5 2012 -2018: Focus on Bank-Funded Transformative Projects

The African Development Bank is actively engaged in changing lives through transformational projects in Nigeria. The Bank's 60 projects in Nigeria with commitments of US$4.7 billion, include:

- Lending-based operations:

Public Sector Projects (2012 -2018)

The Bank has invested in six major projects that constitute about 34% of the portfolio with a significant part of resources from the ADB window. These include the Nigeria Electrification Project ($200 million), the Agricultural Transformation Agenda Program (ATASP I) ($138 million), the Development Bank of Nigeria ($450 million), the Urban Water Sector Reform and Port Hart Court Water Supply and Sanitation Project ($204 million), and the partial Risk Guarantee for Nigeria Power Sector Privatization (PRG) ($167 million).

2.3.6 Energy Sector – (Light Up & Power Africa)

The Nigeria Electrification Project (NEP) is a nationwide initiative to be implemented by the Rural Electrification Agency (REA) that is designed to deliver energy access to unserved and underserved communities in Nigeria. The Project which will provide electricity to 500,000 people, households, small-to-medium-sized enterprises, and public institutions with affordable off-grid and mini-grid solutions, will add approximately 76.5 MW in increased installed power generation capacity. The Nigeria Electrification Project consists of four components:
1. Solar Hybrid Mini-Grids for Rural Economic Development: Funding the rollout of a minimum subsidy tender for mini-grids in 250 sites across six geopolitical zones in the country.
2. Productive appliances and Equipment for Off-Grid Communities: funding performance-based grants to both mini-grid and stand-alone solar installation companies that increase the number of productive appliances in their operations.
3. Energizing education (Phase 3): Financing the installation of dedicated power systems for eight federal universities across the country's six geopolitical zones: and
4. Institutional capacity strengthening: Providing technical assistance and capacity building to the

Rural Electrification Agency and other relevant stakeholders to support national rural electrification scale-up activities

2.3.7 Agriculture Sector: - (Feed Africa)

1. The Potato Value Chain Project ($10 million): The Project which is being implemented in Plateau State, supports the vision of the Federal Government to build an Agribusiness economy capable of delivering sustained prosperity, meeting domestic food security goals, generating exports, and supporting sustainable income and job growth. The focus of the Potato Value Chain Support Project is employment generation; improving the competitiveness of the potato commodity value chain; and increasing incomes of commodity value chain actors.
2. The Agriculture Transformation Support Programme Phase 1 (US$138 million): With an estimated cost of $ 138 million over five years, the ATAPS Phase I project is undergoing implementation in four staple crop processing zones of Adami-Omor, Bida-BAdeggi, Kano-Jigawa and Kebbi-Sokoto. The program aims to increase the income of smallholder farmers and rural entrepreneurs engaged in the production, processing, storage and marketing of rice, cassava and sorghum, by developing market information systems; implementing policies to promote private investment in Agriculture; and program management.

2.3.8 Multisector Projects: (Improve the Quality of Life for the People of Africa)

1. Inclusive Basic Social Service Delivery & Livelihood Empowerment Project for Northeast Nigeria (US$250 million): 2.3.9

The Inclusive Basic Social Service Delivery & Livelihood Empowerment Project for Northeast Nigeria (US$250 million) is to improve the quality of life by increasing access of the poor and vulnerable to basic social services in water, sanitation, hygiene, health and education. It also provides livelihood opportunities; food security and strengthened safety net systems in affected states in the Northeast. Displaced persons who have returned to their communities. An estimated 14 million people including over 1.5 million internally displaced persons (of which 53 percent are women, and 57 percent are children) are projected to benefit from the project.

2. The Say No to Famine – Addressing food and nutrition insecurity in North-East Nigeria ($16.5 million): The project which seeks to curb fragility aggravated by the Boko Haram Insurgency, designed under the Bank's Say No to Famine framework is part of ongoing Federal Government North-East States' Emergency Transition, Recovery and Peace Building, as articulated in the five-year programmatic "Buhari plan' of 2016. The multi-sectoral project focuses on intermediate and long-term components (12-60 months) of the 'Buhari Plan'.

The project will provide conflict-affected populations of Borno, Adamawa, and Yobe with the means to resume agriculture-based and other environmental-friendly livelihoods, that allow communities to progressively sustain their food and nutritional needs. In total, the project will improve the food security of 31,500 households of 157,500 people. The Project is financed through an ADF loan of US$16.64 million.
Overall budgetary requirements for the "Buhari Plan' are currently projected at US$9 Billion, of which Government funding commitments are estimated at US$2.24 billion over the five-year period (2016-2020).

It is anticipated that a 70% funding gap will be bridged by DFI's, international Aid Agencies, NGOs and private sector stakeholders acting in the North East. The initial pool of indicative commitment by DFIs in response to this call is currently estimated at US$2.1billion.

The Water & Sanitation Sector – USD$500 million (Improve the Quality of Life for the People of Africa)
The Bank's portfolio in the water sector in Nigeria is estimated at about $500 million and comprises rural and urban water supply and sanitation projects across the country.

1. Urban Water Supply and Sanitation Improvement Project in Oyo and Taraba States: This US$75% Million (ADF loan) project for the rehabilitation and extension of water sanitation infrastructure in Jalingo and Ibadan, increases access to potable water supply for 80% of the population in Ibadan and Jalingo, while delivering sanitation facilities to

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markets, health clinics and public schools in both cities.

The project aims to reduce school dropout rates particularly for girls by 25% in both cities.

The following results have been achieved to-date: 42 boreholes rehabilitated and constructed in Jalingo by 2015; 250 km in Jalingo and 450 km in Ibadan comprising of rehabilitated transmission lines, and 100 water kiosk constructed in both locations. The project is also expected to provide new household water connections for 30,00 low income people in Jalingo and 20,000 in Ibadan. There will also be an estimated 30,00 low income household connections, and some 300 public water, sanitation and hand washing facilities with sufficient stances for men, women and disabled persons to be installed in schools, health centres and public places.

2. Zaria Water Supply Expansion and Sanitation Project in Kaduna State: Through a US$100 million (ADF loan), the project will improve access to safe water supplies for residents (of which 51% are female) in the city of Zaria and its environs from current level of about 30% to 80%. The project is expected to also improve sanitation in schools, health centres and other public places including markets and motor parks by 90%.

3. Urban Water Reform and Port Harcourt Water Supply and Sanitation Project: A $200 million (US$3.3 million ADF Loan) Federal & State level investment will provide sustainable access to safe drinking water and sanitation to the residents of Port Harcourt City in Rivers State. The project will strengthen the Federal Government's capacity to reform urban water supply and sanitation sectors and improve service delivery across the country. As of end-June 2016, the project had achieved the following outputs: a rehabilitation and expanded water supply system with sanitation facilities in place: technical support for tariff setting; water supply management systems provided to the Port Harcourt Water Corporation> A significant part of the operations has been outsourced to a private operator to improve service. Social safety and hygiene practices, sanitation and environmental health promotion campaigns have also been undertaken, and a long term sanitation and water management plan developed along with resources mobilized for implementation.
4. Rural Water Supply and Sanitation in Osun & Yobe States: This is a US$75 million (ADF Loan) project approved in October 2007 which aims to increase and sustain the provision of safe potable water and sanitation services to the rural population in the states of Yobe & Osun, and build institutional capabilities for effective operation and maintenance. Despite security challenges in Yobe, the project has achieved the following results. Some 1,200 of 1,310 water points contracts awarded, have been completed, and 800 of 1,080 contracts for the construction of toilets in schools have been completed in the state of Yobe. In Osun State, the construction works for 800 water points have been completed and contracts for the construction of 550 toilets in schools have also been completed. The project has a disbursement rate at 62%.

III. SUMMARY OF FINDINGS

1. The study observed that provision of potable water has significant impact on the socioeconomic well-being of the populace. The AfDB assisted Zaria Water Supply & Sanitation Expansion Project (ZWSESP) contributed to the Kaduna State Government's efforts to increase access to Water and Sanitation in Zaria.
2. The study noted that most water projects are sited in Urban Areas and the few situated in rural communities are moribund due to lack of maintenance.
3. The study asserts that African Development Bank (AfDB) interventions helped in the improving the Nigeria's economy through provision of capital for establishment of industries, factories and small and medium scale enterprises especially in Agriculture subsector of the economy. The Indorama Fertilizer Plant which is the world's largest single-train urea plant has created over 50,000 jobs across the agriculture value-chain, while its affordable fertilizer is boosting farm yields and putting big smiles on farmers' faces.
4. The bank as well embarked on lighting up Nigeria even in the rural areas to lift the living standards of the people of Nigeria and this has seen the

continuous bank increase its allocation in power sector through rural electrification project.

5. The study also observed that some AfDB funded projects uncompleted due to the security challenges Nigeria has experience over the years with different terrorist groups emerging to threaten the peaceful environment that allows these projects to reach the completion especially in the Northeast.
6. The Plateau state potatoes value chain project funded by the Bank was observed to have significantly boosted potatoes production and the state internally generated revenue of the State.
7. The study also noted that the African Development Bank has inadequacy recorded in the staffing to carry out the huge workload of the projects considering the fact that the bank is involved in development projects in many countries across Africa

IV. SUMMARY, CONCLUSION & RECOMMENDATION

The study examined the impact of African Development Bank Interventions in community development in Nigeria and shows that the bank's interventions in Nigeria increase the rate of economic growth. In addition, it was discovered that the Bank's interventions caused significant impacts in the socioeconomic well-being of the populace. Thus, the study asserts that African Development Bank (AfDB) assisted projects helps in improving the Nigeria's economy through provision of capital for establishment of industries, factories and small and medium scale enterprises.

Even though the rate of unemployment remains high with about 120 million people staying without jobs, the various project plans by the Bank have been in the frontline to assist human development. Initiative programs such as school building and health facilitation have gone all the way to enhance the living of people (Nzotta, & Okereke, 2009). The projects have focused on making growth inclusive were more economic opportunities have opened up for my African people that have led to them improving the way of living and becoming economically better.

The African Development Bank portfolio in Nigeria from 2006 to 2018 involves several projects he initiated in the country. The initiated projects include all the sectors that have seen the sectoral growth in the country over the period. Depending on the need of the country, different areas funded by the bank involved different amounts (Balassa, 2000). These sectors include agriculture, communication, environment, finance, industry and governance, power, transport, and water supply. In all these areas, the bank sanctioned financial resources to support various projects some of which were canceled, while others closed, as other projects are still ongoing (Oyejide, 2006). Throughout 12 years from 2006 to 2018, the bank was involved in supporting 94 projects in different sectors. Some of these projects that were started were completed and closed, other cancelled, as others are ongoing (Aigbokhan, 2008). The years before and after the recession in 2015, was when the country was funded the highest with 17 projects initiated in 2014 worth $1,239 million. Similarly, immediately after the recession in 2016, 19 projects were funded with $1,677 million with the intent to boost the economy that was still suffering a recession.

4.1 RECOMMENDATIONS

Below are a few recommendations to further strengthen the impacts of the African Development Bank interventions in Nigeria:

1. There is need to improve the provision of infrastructural facilities in rural dwellers such as Energy, Transportation, Water etc. It is also very important to set up maintenance mechanisms for rural projects including water facilities in rural areas. Most rural projects, water schemes in particular are not functioning due to faulty installation or lack of maintenance. This trend has to be corrected.
2. There should be more access to potable water in rural communities as most economic activities and health status of the people large depends on it. The major water development projects are concentrated in the urban areas. And most of these projects remain uncompleted, while those that were completed have long broken down without any serious plans to rehabilitate them. There is therefore need to improve, refocus provision priority to the rural areas where there is felt need for water supply.
3. More AfDB interventions should be directed towards assistance in the development of critical

social infrastructures and amenities especially in the rural areas. This will further contribute to national development by discouraging rural urban migration thereby reducing overpopulation, unemployment and strain on social and infrastructural facilities in urban centers. Continuous investment in Agriculture and power especially rural electrification is advocated.

4. The Nigerian Government should provide adequate logistics such as security support and good roads as well as other related needs for the international donors to reach out to all the remote areas
5. Assessment of needs should be carried out as a major precursor to granting aids in order to ensure that projects or programs to be executed are not jamborees, but essentials, and vital to the enhancement of the well-being and development of both the people and the benefitting communities. This will also ensure that projects administered are of utmost priority to beneficiaries. A feedback mechanism that will involve interaction with members and leaders of benefitting communities should also be engaged by the Bank to assess the level of impact of projects on the benefitting communities.
6. The African Development Bank address the issue inadequacy of staffing to carry out the huge workload of the projects considering the fact that the bank is involved in development projects in many countries across Africa. There is need to strengthen the numeric strength of the Bank Staff to ensure proper project monitoring and implementations.

The African Development Bank (AfDB) needs to increase its policy engagement with state authorities and to expand its analytic work at the state level. As part of this effort, the Bank should fine-tune the lead state's approach. The Bank does not have the staff and budget to put teams in each of the focus states, but it can make better use of its partnership with the International Economic Relations Department (IERD), Federal Ministry of Finance, Budget & National Planning, which is increasingly basing its support at the state level.

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