

Budgetary Allocation and Central Bank of Nigeria Interventions
to Agricultural Sector as Correlates of Attainment of
Food Security in Nigeria

Sakiru Abiola LAWAL, Ph.D
Department of Banking and Finance
Lagos State Polytechnic

ABSTRACT

The study examined the budgetary allocation and Central Bank of Nigeria interventions to agricultural sector and attainment of food security in Nigeria. Ex-Post Facto research design was adopted in the study. The study area was Nigeria. Annual data for this study was sourced from the Central Bank of Nigeria (CBN) Statistical Bulletin for the period 2000–2018 as the periods of major financial and economic reforms aimed at enhancing agricultural sector financing and food security and the economic recession. Hence, food security (FOS) (dependent variable), total budgetary allocation to agricultural sector (TBA), and total Central Bank of Nigeria interventions to agricultural sector (TLCBN) (independent variable) were used. In order to test the hypotheses, the obtained data were subjected to appropriate statistical techniques such as descriptive statistics and simple regression. For the inferential statistics, the test for significance was done at 0.05 alpha level. The result of the descriptive analysis proved that the overall mean and standard deviation for budgetary allocation to agricultural sector were investigated, and the result proved that the mean of food security (FOS) was 89270804.7516, which is very high compared to the mean of budgetary allocation to agricultural sector that stood at 28.7674 and that of Total Central Bank of Nigeria interventions to agricultural sector that stood at 7508756.2805. The result also indicated that the two variables have high level of consistency as their mean and median values are perpetually within the maximum and minimum values of these series. Based on the results, the study concluded that budgetary allocation to agricultural sector has no significant effect on the attainment of food security in Nigeria. Also, Central Bank of Nigeria interventions to agricultural sector financing has no significant effect on the attainment of food security in Nigeria. One of the recommendations made was that government should increase and monitor the budgetary allocation to agricultural sector so as to positively contribute to the attainment of food security in Nigeria. This is because budgetary allocation to agricultural sector over the years has not contributed positively to the attainment of food security in Nigeria.

KEYWORDS: Budgetary Allocation, Central Bank of Nigeria Interventions, Agricultural Sector, food security and Nigeria

Introduction

Prior to the advent of oil in commercial quantities, agriculture was the mainstay of the Nigerian economy. The agricultural sector contributed about 65% of the Gross Domestic Product (GDP) in the 1980s, but its contribution in the last two decades has declined to an abysmal level of less than 30% of the GDP. Poor performance can be seen in the precarious food situation, with an apparent failure of the agricultural sector to

ensure food security and a ridiculously high food import bill. Okpanachi (2004) defined food security as access by all people at all times to enough food for an active and healthy life. Idachaba (2004) described food security as the ability of individuals and households (especially the rural and urban poor) to meet staple food needs all year round. Ogunbodede (2011) stated that Nigeria is still far from attaining food security. Ogunbodede (2011) defined food security as a situation where everyone has access to food three times a day, all year round, and at affordable prices. With about 70-80% of the population living at a subsistence level of less than \$1.00 a day, accessibility to food three times a day by the generality of the population may not be realistic today, considering the high food price index and constraints. The food imports bill of Nigeria since 2008 has been hovering around USD4bn (about N630 bn) yearly, of which, in the year 2010 alone, the rice importation bill was USD1bn (N155 bn), wheat, USD1.1bn (N165 bn), fish, USD0.7bn (N105 bn), sugar, USD0.4bn (N60 bn), etc. (CBN, 2010).

Adofu, Abula, and Agama (2012) viewed budgeting as a tool for planning and controlling finances by both private individuals, establishments, and governments. Budgets are created with specific goals in mind, such as reducing inflationary pressure to sustain growth and development, increasing employment opportunities, reducing poverty and providing food security, and meeting individual set goals. It could also be aimed at developing a specific subsector (or sector), e.g., the agriculture sector, or a certain group of subsectors, or indeed, an aspect of the economy to achieve specific goals. Strong and efficient agriculture ensures adequate food security for the growing population, generates employment, enough raw materials for industries, and maintains the balance of payment equilibrium. Sustaining growth in agriculture is a major factor in the eradication of poverty and hunger as it aids reasonable stability in the prices and availability of food, apart from being the foundation of export earnings that sustains the balance of payment equilibrium.

Statement of the Problem

Over the years, the public sector has almost been the sole provider of financial and other capital resources to support agricultural activities in Nigeria. The public sector (government) has attempted to increase its expenditure on agriculture through budgetary allocation, financing through government financial institutions, and the provision of cheap and readily available credit facilities. Despite the government's persistent increase in annual budgetary allocation to the agricultural sector in Nigeria, attainment of food security appears to be a mirage as virtually all indices of attainment of security, such as food availability at an affordable cost, have remained largely elusive. The government at various levels in Nigeria has supported agricultural sector development through the development and implementation of various agricultural policies, programmes, schemes and the establishment of development financial institutions. For instance, the Bank of Agriculture (BOA), as a development financial institution, was established by the federal government to provide technical and financial support for agricultural sector development in Nigeria. The CBN has equally provided intervention funds for different agricultural schemes and programmes across different levels of government in Nigeria. Despite the concerted efforts of the government through the establishment of development financial institutions in the agricultural sector, in addition to the provision of different agricultural support services to its citizenry, attainment of food security appears to have remained largely unrealizable judging by the increasing food scarcity and sky rocketing food prices in Nigeria. Hence,

it is on this ground that this study was conducted to examine the budgetary allocation and Central Bank of Nigeria interventions to the agricultural sector as correlates of attainment of food security in Nigeria.

Research Objectives

1. To ascertain the effect of budgetary allocation to agricultural sector on the attainment of food security in Nigeria.
2. To examine the effect of Central Bank of Nigeria interventions to agricultural sector through commercial banks on the attainment of food security in Nigeria.

Research Questions

1. To what extent did budgetary allocation to agricultural sector affect the attainment of food security in Nigeria?
2. To what extent did Central Bank of Nigeria interventions to agricultural sector financing affect the attainment of food security in Nigeria?

Research Hypotheses

- H0₁:** Budgetary allocation to agricultural sector had no significant effect on the attainment of food security in Nigeria.
- H0₂:** Central Bank of Nigeria interventions to agricultural sector financing had no significant effect on the attainment of food security in Nigeria.

Conceptual Review

Concept of Budgetary Allocation

In many definitions of the word "budget," it is seen as a financial plan used to estimate revenues and expenditures for a specific period of time. It is a management and planning tool, not just an accounting document, and it assists in the allocation of resources. A budgetary allocation is the amount of cash, or budget, you allocate to each item of expenditure in your financial plan. Ryckman (2019) described budget allocation as the amount of funding designated for each expenditure line. It designates the maximum amount of funding an organisation is willing to spend on a given item or program, and it is a limit that is not to be exceeded by the employee authorised to charge expenses to a particular budget line. Similarly, Ibrahim (2012) defined budgetary allocations as integral components of an annual financial plan, or budget, of all organizations. They indicate the level of resources an organisation is committing to a department or program. Additionally, Truong (2018) viewed budget allocation as when an organisation allocates the maximum amount of funding they are willing to spend on an activity or program. Essentially, it is a limit that employees cannot exceed when charging expenses. However, budgetary allocation could be used, among other things, to eradicate any disequilibria in the economy (Olomola, 2012). The goal of budget allocation is to ensure that a company's resources are efficiently and effectively used. It also helps management make informed decisions to protect the business's bottom line (Truong, 2018).

Budgetary Allocation to Agricultural Sector

Agriculture remains important in the history of economic development in Nigeria. It generates employment for both skilled and unskilled labour and contributes enormously to national and state gross domestic products (IFAD, 2013). Agriculture helps to provide raw materials to the country's industrial sector and foreign agro-allied industries, which enhances both national and state food security. Nevertheless, part of the effort by the government to sustain the country's agricultural sector is evidenced by its various allocations to the sector in terms of lending and budgetary provisions. Budgetary provisions are often made for specific programmes or projects in agriculture, under numerous sub-sectors, mainly crops, livestock, fisheries, and forestry (CBN, 2003). These allocations are often expended either on physical structures, grants and other inputs distributed to farmers or funding to agencies that perform agriculture-related services (Petershie, 2008). The allocation is normally specified in the government's budget. Ozor, Chukwuone, Madukwe and Garforth (2007) noted that budgetary allocations provide the agricultural sector with factors of production such as capital, labour, land, research and all other resources used in production. The government partners with farmers to enhance the provision of funds for agricultural production and technology transfer. Allocations and other forms of agricultural (farm) credits, including insurance provisions from the government, often help to expand the scope of operations, research, investment, and production in the agricultural sector (Ibitoye, 2012). In Nigeria, the government at all levels often makes budget provisions for agricultural development. Indeed, an increase in budgetary allocations to the agricultural sector remains a necessary strategy to achieve increased agricultural productivity and poverty reduction.

Nigerian Agricultural Intervention Programmes

In an attempt to address the dwindling resources accrued from agriculture, successive governments implemented programmes aimed at increasing food production and reviving agriculture. These are:

National Accelerated Food Production Programme (NAFPP): was an agricultural extension programme initiated in 1972 by the Federal Department of Agriculture during General Yakubu Gowon's regime. The programme focused on bringing about a significant increase in the production of maize, cassava, rice and wheat in the Northern states through subsistent production within a short period of time. The programme was designed to spread to other states in the country after the pilot stage that was established in Anambra, Imo, Ondo, Oyo, Ogun, Benue, Plateau and Kano states.

Operation Feed the Nation (OFN): This programme evolved on May 21st, 1976 under the military regime of General Olusegun Obasanjo. The programme was launched in order to bring about increased food production in the entire nation through the active involvement and participation of everybody in every discipline, thereby making every person capable of partly or wholly feeding him or herself. Under this programme, every available piece of land in urban, sub-urban, and rural areas was meant to be planted while the government provided inputs and subsidies (like agrochemicals, fertilizers, improved varieties of seed/seedlings, day old chicks, machetes, sickles, hoes, etc.) freely to government establishments. Individuals received these inputs at a subsidised rate.

River Basin Development Authority (RBDA): The River Basin Development Decree was promulgated in 1976 to establish eleven River Basin Development Authorities (RBDAs) (Decree 25 of 1976). The initial aim of the authorities was to boost the economic potential of the existing water bodies, particularly irrigation and fisheries, with hydroelectric power generation and domestic water supply as secondary objectives. The objective of the programme was later extended to other areas, most importantly to production and rural infrastructural development.

Green Revolution: The Green Revolution was a programme inaugurated by Shehu Shagari in April 1980. The programme was aimed at increasing production of food and raw materials in order to ensure food security and self-sufficiency in basic staples. Secondly, it aspired to boost production of livestock and fish in order to meet home and export needs and to expand and diversify the nation's foreign exchange earnings through production and processing of export crops. The federal government provided agrochemicals, improved seeds and seedlings, irrigation systems, machines (mechanization), credit facilities, improved marketing and favourable pricing policies for agricultural products.

Concept of Agricultural Financing

According to Sanusi (2012), for the government to revamp and improve the performance of the agricultural sector towards the attainment of food security in Nigeria, the federal government has embarked on setting up and implementing several agricultural policies, programs, and institutions. Some of which are defunct or abandoned, others restructured, while others are still in place. These include the farm settlement scheme, National Accelerated Food Production (NAFP), Agriculture Development Projects (ADP), River Basin Development Authorities (RBDA's), National Seed Service (NSS), National Centre for Agriculture Mechanization (NCAM), Agriculture and Rural Management Training Institute (ARMTI), and Agriculture Credit Guarantee Scheme Fund (ACGSF). Others were the Nigerian Agriculture Cooperative and Rural Development Bank (NACRDB); Operation Feed the Nation (OFN); Green Revolution Programme (GRP); Directorate of Food, Roads and Infrastructures (DFRRI); Nigerian Agricultural Insurance Company (NAIC); National Agricultural Land Development Authority (NALDA); Specialized Universities of Agriculture; Root and Tuber Expansion Programme (RTEP) and Rural Banking scheme. The commercial agricultural credit scheme (CACS) is an agricultural financing scheme established by the government in 2009. It addressed the source of funding for agricultural development. The government policy has only mandated the banks to channel their funds, sourced from the short-term money markets, to finance agriculture, which is mainly of long gestation period, thus creating a mismatch in operation procedures for most banks, which, as private commercial banks, have a responsibility to maximise profits for their shareholders' welfare (Owo, 2016).

CBN's Efforts to Stimulate Domestic Production

The CBN has implemented several policies to complement the fiscal initiatives of the Federal Government to curb importation and conserve foreign reserves. In this regard, the bank classified 41 items (including some agricultural-based commodities) as "Not Valid for Forex" in June, 2015. Accordingly, the CBN no longer allows importers of these items to access the official foreign exchange window. This is expected to discourage the

importation of the items and stimulate domestic production. As a follow-up to this administrative measure, the CBN Governor met with stakeholders in the rice value chain to discuss effective linkages and consider measures to attain self-sufficiency in rice production. He also engaged the Chief Executives of DMBS as well as stakeholders in the wheat, textile, and oil palm value chains. With the support of the Presidency, Federal Republic of Nigeria, Federal Ministry of Agriculture and Rural Development, Federal Ministry of Finance and other stakeholders, ABP is expected to achieve the following in the short to medium term:

- ❖ Increase the total value of agricultural lending from 3.72 per cent as at 2014 to about 7.0 per cent of total bank lending within the next 5 years.
- ❖ Increase capacity utilization in the agro-allied industry from the current level of less than 50 per cent to at least 70 per cent in the next 5 years.
- ❖ Empower at least 600, 000 farmers in the rice (100, 000), oil palm (100, 000), wheat (100, 000), cotton (200, 000) and fish (100, 000) value chains in the next 5 years.
- ❖ Create at least 1, 000,000 direct and indirect jobs in the processing segment of the value chains of selected commodities including rice (3 000,000), oil palm (200, 000) in the next 5 years.
- ❖ Reduced Nigeria's import bill on the identified commodities by 10 per cent annually.
- ❖ Increase output per Ha of selected commodities to international standards and increase hectareage for small holder farmers from an average of 1 Ha per farmer to at least 2 Ha per farmer in 2 years i.e. 4 seasons.

Concept of Food Security

Heidhues, Atsain, Nyangito, Padilla, Ghersi and Le Vallée (2004) defined food security as the availability at all times of adequate world food supplies of basic foodstuffs to sustain a steady expansion of food consumption and offset fluctuations in production and prices. Later definitions added demand and access issues to the definition. The final report of the 1996 World Food Summit stated that food security "exists when all people, at all times, have physical and economic access to sufficient, safe, and nutritious food to meet their dietary needs and food preferences for an active and healthy life. Okpanachi (2004) defined food security as access by all people at all times to enough food for an active and healthy life. Idachaba (2004) described food security as the ability of individuals and households (especially the rural and urban poor) to meet staple food needs all year round. Food security is described as a state of affairs where all people, at all times, have access to safe and nutritious food to maintain a healthy and active life (Gurkarm, 2005). Food is not only a basic need; it also provides the physiological foundation upon which other considerations and human activities are structured. The Food and Agricultural Organization (FAO) (2008) also defined food security as a state of affairs where all people, at all times, have access to safe and nutritious food to maintain a healthy and productive life. Hence, individuals who are food secure do not live in hunger or fear of starvation. Food insecurity

Evaluating Nigeria's Food Security

In the 40s and early 50s, Nigeria did not have to contend with the problem of food insecurity. The system was able to feed its citizens and, at the same time, export surplus food items. Every region of the country specialised in the production of one or two major crops, whether food or cash crops, and together, the country was relatively self-sufficient in food production. Nigeria had groundnut pyramids in the north, cocoa plantations in the west, oil palm and kernel heaps in the east, and rubber plantations in the middle (Ojo and Adebayo, 2012). But when oil was discovered in 1956 and exportation of it started in 1958, things started changing gradually, and later furiously. It was like declaring a holiday for hoes and machetes. As oil prices went up, interest in agriculture waned, which marked the beginning of the decline into the abyss as a polity. The consequential effect of the decline: like in some countries around the world, the nation's economy is feeling the brunt of the rising cost of food items, especially the rise in the prices of staple foods. As things stand now, Nigeria is likely to spend even more. With the global rise in food prices, the United Nations Food Security Information Note (FOSIN) of November 2007 showed that "market tensions manifest, in part, through price increases, would be most acutely felt by vulnerable households, where difficulties in accessing cereals would lead to localised food security problems (Ojo and Adebayo, 2012).

Food Security and Why It Matters

The Food and Agriculture Organization (FAO) (2008) defined food security as when all people, at all times, have physical, social, and economic access to sufficient, safe, and nutritious food that meets their dietary needs and food preferences for an active and healthy life. Food security has four interrelated elements: availability, access, utilization, and stability.

Availability is about food supply and trade, not just quantity but also the quality and diversity of food. Improving availability requires sustainable and productive farming systems, well-managed natural resources, and policies to enhance productivity. Access covers economic and physical access to food. Improving access requires better market access for smallholders, allowing them to generate more income from cash crops, livestock products, and other enterprises.

Utilization is about how the body uses the various nutrients in food. A person's health, feeding practices, food preparation, diversity of their diet, and intra-household distribution of food all affect a person's nutrition status. Improving utilization requires improving nutrition and food safety, increasing diversity in diets, reducing post-harvest loss and adding value to food

Stability is about being food secure at all times. Food insecurity can be transitory, with short-term shocks the result of a bad season, a change in employment status, conflict, or a rise in food prices. When prices rise, it is the poor who are most at risk because they spend a much higher portion of their income on food. Poor people in Malawi spend nearly 78% of their income on food, while the poor in the US spend just 21% (CCAFS). Social nets can play an important role in supporting people through transitory food insecurity (FAO, 2008).

Empirical Review

Adofu, Abula and Agama (2012) investigated on government budgetary allocation to the agricultural sector and its effect on agricultural output in Nigeria. The study attempting to highlight the quantity and quality of national commitment (through public expenditure/budgetary allocation) to agricultural development over the years, they used government budgetary allocation to the agricultural sector and commercial bank credit to the agricultural sector as the explanatory variables. Data were obtained from CBN's Statistical Bulletin and NBS's Annual Abstract of Statistics. Employing the OLS regression technique, the study revealed that budgetary allocation to agricultural sector has significant effect on agricultural production in Nigeria and that the relationship between them is strong, positive and significant. Hence, this implies that the more the public spending on agricultural sector, the more the improvements in the performance of the agricultural sector. Also, a large degree of change in agricultural output is accounted for by change in budgetary allocation to agricultural sector. Thus, budgetary allocation to agriculture has a large impact on agricultural output. They also noted that budgetary allocation to the agricultural sector increases and guarantees food security, employment and overall economic growth and development in Nigeria.

Tibebu and Sisay (2017) examined the determinants of food security in North Wollo Zone. Primary data from 335 households were collected from 16 kebeles of the North Wollo Zone. Multistage sampling technique and questionnaire were used to collect primary data. Both descriptive and econometric methods of analysis were used. For econometric analysis, a logistic regression procedure was employed on household socio-economic cross-sectional data collected in 2016 (April and May). Of the fifteen variables fitted in the model; the age of household head, dependency ratio, average monthly expenditure, non-farm income, family size, and distance from input market, farmland size, the number of oxen and livestock ownership were found to be significant. About 42 percent of the sample households were measured to be food insecure. Also, the incidence of food insecurity, food insecurity gap, and severity of food insecurity was 42, 14 and 7 percent respectively. These results have important policy implications for the expansion of non-farm activities and the introduction of livestock stocking programs at the household level to improve the food security status of households.

Methodology

Ex-Post Facto research design was adopted for the study. The study was conducted in Nigeria. Annual data for this study was sourced from the Central Bank Nigeria (CBN) Statistical Bulletin for the period 2000-2018 as the periods of major financial and economic reforms aimed at enhancing agricultural sector financing and food security and the economic recession. Food security (FOS) (dependent variable), total budgetary allocation to agricultural sector (TBA), and Total Loans from Government owned development financial institutions (TLG) (Independent variable) was used. Beside total Central Bank of Nigeria interventions to agricultural sector (TLCBN) were under effective investigation. The data obtained were subjected to appropriate statistical techniques such as descriptive statistics and simple regression in testing the hypothesis. For the inferential statistics, the test for significance was done at 0.05 alpha level.

Results

Hypotheses Testing

Hypothesis One: The null hypothesis states that budgetary allocation to agricultural sector had no significant effect on the attainment of food security in Nigeria. In order to test the hypothesis, simple regression analysis was performed on the data (see table 1).

Table 1: Descriptive Statistics

	Mean	Std. Deviation	N
FOS	89270804.7516	348028089.82947	19
BAT	28.7674	17.16826	19

Table 2: Simple Regression Analysis of budgetary allocation to agricultural sector and its effect on the attainment of food security in Nigeria

Model	R	R-Square	Adjusted R Square	Std. error of the Estimate	R Square Change
1	0.78a	0.01	-0.05	357028545.76	0.01

*Significant at 0.05 level; df= 17; N= 19; critical R-value = 0.482

The above table 2 shows that the calculated R-value (0.78) was greater than the critical R-value of 0.482 at 0.5 alpha levels with 17 degrees of freedom. The R-Square value of 0.01 predicts 01% of the effect of budgetary allocation to agricultural sector and the attainment of food security. This rate of percentage is weak and therefore means that is no significant effect of budgetary allocation to agricultural sector and the attainment of food security in Nigeria. It was also deemed necessary to find out the influence of the variance of each class of independent variable as responded by each respondent (table 3).

TABLE 3: Analysis of variance of budgetary allocation to agricultural sector and its effect on the attainment of food security in Nigeria

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	13244421246973492.000	1	13244421246973492.000	.104	.751 ^b
Residual	2166979502339378690.000	17	127469382490551680.000		
Total	2180223923586352130.000	18			

a. Dependent Variable: Food Security

b. Predictors: (Constant), Budgetary Allocation

The calculated F-value (0.104) and the P-value as (.751^b). Being that the P-value (.751^b) is higher than the probability level of 0.05, the result therefore means that there is no significant effect exerted by the independent variables i.e. budgetary allocation on the dependent variable which is food security. The result therefore is in disagreement with the research findings Adofu, Abula and Agama (2012) who averred that budgetary allocation to agricultural sector has significant effect on agricultural production in Nigeria and that this relationship between them is strong and positive. Hence leading to an increase and guaranty food security, employment and overall economic growth and development in Nigeria. The non-significance of the result caused the null hypotheses to be retained while the alternative was rejected.

Hypothesis Two: The null hypothesis states that Central Bank of Nigeria interventions to agricultural sector financing had no significant effect on the attainment of food security in Nigeria. In order to test the hypothesis, simple regression analysis was performed on the data (see table 4).

Table 4: Descriptive Statistics

Variables	Mean	Std. Deviation	N
FOS	89270804.7516	348028089.82947	19
CBN	7508756.2805	5025525.57619	19

Table 5: Simple Regression Analysis of Central Bank of Nigeria interventions to agricultural sector financing and its effect on the attainment of food security in Nigeria

Model	R	R-Square	Adjusted R Square	Std. error of the Estimate	R Square Change
1	0.98a	0.10	-.049	356392205.19	0.10

*Significant at 0.05 level; df= 17; N= 19; critical R-value = 0.482

The above table 5 shows that the calculated R-value (0.98) was greater than the critical R-value of 0.482 at 0.5 alpha levels with 17 degrees of freedom. The R-Square value of 0.01 predicts 10% of the effect of Central Bank of Nigeria interventions to agricultural sector financing. This rate of percentage is weak and therefore means that is no significant effect of Central Bank of Nigeria interventions to agricultural sector financing and its effect on the attainment of food security in Nigeria. It was also deemed necessary to find out the influence of the variance of each class of independent variable as responded by each respondent (table 6).

TABLE 6: Analysis of variance of Central Bank of Nigeria interventions to agricultural sector financing and its effect on the attainment of food security in Nigeria

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	20962056986613884.000	1	20962056986613884.000	.165	.690 ^b
Residual	2159261866599738370.000	17	127015403917631664.000		
Total	2180223923586352130.000	18			

a. Dependent Variable: Food Security

b. Predictors: (Constant), CBN Interventions

The calculated F-value (0.165) and the P-value as (.690^b). Being that the P-value (.690^b) is higher than the probability level of 0.05, the result therefore means that there is no significant effect exerted by the independent variables i.e. CBN interventions on the dependent variable which is food security. The result therefore is in support of the statement of Sanusi (2012) who depicted that, for government to revamp and improve on the performance of agricultural sector towards the attainment of food security in Nigeria, the federal government had embarked on set up and implemented several agricultural policies, programs and institutions. Hence, the non-significance of the result caused the null hypotheses to be retained while the alternative was rejected.

Conclusion

Based on the findings of this study, it was concluded that budgeting is a tool for planning and controlling finances by both private individuals, establishments, and governments. Budgets are created with specific goals in mind, such as reducing inflationary pressure to sustain growth and development, increasing employment opportunities, reducing poverty and providing food security, and meeting individual set goals. Hence, food security is a state of affairs where all people, at all times, have access to safe and nutritious food to maintain a healthy and productive life. Individuals who are food secure do not live in hunger or fear of starvation. Therefore, the result reveals that budgetary allocation to agricultural sector has no significant effect on the attainment of food security in Nigeria. And also that Central Bank of Nigeria interventions to agricultural sector financing had no significant effect on the attainment of food security in Nigeria.

Recommendations

1. Government should increase and monitor the budgetary allocation to agricultural sector so as to contribute positively the attainment of food security in Nigeria. This is because budgetary allocation to agricultural sector over the years have not contributed positively to the attainment of food security in Nigeria.
2. Government should continuously adopt Central Bank of Nigeria interventions to agricultural sector so as enhance the attainment of food security in Nigeria.
3. Government should set up a monitoring body to evaluate how the budgetary allocation to the agricultural sector is being applied periodically.
4. Government should use this budgetary allocation to make agriculture an attractive industry so as encourage attract employment.

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