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DETERMINING CREDIT ACCESS PROPENSITY AND BARRIER AMONG POULTRY FARMERS IN AKINYELE LOCAL GOVERNMENT AREA, OYO STATE NIGERIA

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ABSTRACT

This study determined factors that determine credit accessibility and barriers among poultry farmers in Akirnyele Local Government Area, Oyo State. A three-stage random sampling approach was adopted in selecting the respondents for the study. Logit Model and Likert Scale were used to determine factors influencing the credit access and barriers including the level of borrowing of the respondents respectively. The study concluded that poultry farmers have access to loans mostly through the bank with the help of guarantors and interest rate, collateral facility, educational status, business worth and assets are policy driven variables that influenced credit accessibility by the poultry farmers in the study area. The study therefore recommended that there should be a downward review of collateral and interest rates so that poultry farmers would be able to access more credit.

Keywords: *Credit, access barrier, propensity, poultry, farmers.*

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1. INTRODUCTION

Poultry is one of the world's major and fastest-growing sources of meat and egg (Yakubu et al., 2018). Though, this business is lucrative but it has not been fully harnessed in Nigerian economy. Available pieces of literature (Udoh and Etim, 2010) have reported that 90% of the rural population in Nigeria depends on poultry for food and income. In Nigeria's livestock industry, it represents about 58.72% of total livestock production annually (Otunaiya et al., 2014). It has been argued that if only sufficient agricultural finance was made available, the decline in the production and supply of poultry products in Nigeria would improve (Otunaiya et al., 2014).

In Nigeria, agriculture especially poultry farming contributes low to the export earnings compared to what they are expected to contribute. Poultry farming as a veritable tool for economic empowerment in Nigeria depends largely on the attractiveness of these agricultural credit facilities to thrive (Otunaiya et al., 2014).

Agricultural loan can be obtained from two sources which is formal and informal. A formal loan refers to money obtained through a credit facility from a registered financial institution. According to the Central Bank of Nigeria (2004), the Agricultural system in Nigeria operates through four (4) broad categories of credit institutions acting as financial intermediaries. First is the Central Bank of Nigeria that is the ultimate coordinator of formal credit. The second is the banking sector comprising of all the commercial and merchant banks, and the specialized banks like the Bank of Agriculture (formerly Nigerian Agricultural, Cooperative and Rural

Development Bank (NACRDB). The third set of credit institutions includes the World Bank assisted Agricultural Development Projects (ADP), River Basin Development Authority, State ministries, Cooperative organizations and non-governmental organizations (NGOs). Lastly, other credit institutions are specialized credit/ credit enhancing institutions like the Nigerian Agricultural Insurance Corporation (NAIC) and microfinance banks.

It is believed that the formal sources of credit are rarely, easily available to the majority of the farmers because of their inability to meet the financial institutions' conditionality. It is also believed that for the farmers who are fortunate to have access to formal credit, a wide gap exists between the amount requested and the amount obtained from the lending institutions. This is borne out of the conviction by formal institutions that lending to agriculture is a risky business because its repayment can hardly be fully obtained (Kohansal and Mansori, 2009). It was in recognition of all these problems that the Federal Government of Nigeria in 1977 established the Agricultural Credit Guarantee Scheme Fund (ACGSF) to encourage commercial and other deposit banks to participate in increasing the productive capacity of farmers through a credit lending programme that will meet the farmers' needs.

However, to truly serve as a waterway for agriculture and rural development, credit should be accessible to the farmers. Credit access is important for the improvement of the quality and quantity of farm products to increase farmer's income and reduce rural-urban migration. On their part, the benefitting farmers are expected to make the best or most productive use

of the borrowed fund and be able to repay on or before the due date, to enable the loan administrators' extension of the facility to other farmers in need of it. This has not always been the case as credit administration has been plagued by numerous challenges, including incessant cases of loan default that have characterized the scheme in many parts of the developing world (Kohansal and Mansoori, 2009).

Credits play a vital role in economic transformation and rural development (Ojiako and Ogbukwa, 2012). Agricultural or farm credit is a crucial input required by the smaller holder farmers to establish and expand their farms with the aim of increasing agricultural production, enhancing food sufficiency, promoting household and national income, and augmenting the individual borrower's ability to repay the borrowed fund. It enables poor farmers to tap the financial resources and take advantage of the potentially profitable investment opportunities in their immediate environment (Ojiako and Ogbukwa, 2012). The need for credit facilities is necessitated by the limitations of self-financing, uncertainty pertaining to the levels of output, and the time lag between inputs and output (Kohansal and Mansoori, 2009).

However, it is believed that farm credit is an indispensable tool for achieving the socioeconomic transformation of rural communities. If well applied, it would stimulate capital formation and diversified agriculture, increase resource productivity and size of farm operations, promote invasions in farming, marketing efficiency and value addition while enhancing net farm incomes. In Nigeria, the acclaimed importance of credits in agribusiness promotion and

development, notwithstanding, their acquisition, management and repayment have been burdened with numerous challenges (Oboh and Ekpebu, 2011; Afolabi, 2010), especially for the smallholder farmer (Awoke, 2004).

The idea of undertaking this study was informed by the perceived farmers' limited access to agricultural credit while repayment is still burdened with a number of problems especially among small holder farmers. Riding against this crest the study intends to provide empirical answers to the following research questions: (i) what are the sources and conditions for obtaining credit facilities in the study area? (ii) what are the factors that determine the credit accessibility and barriers among poultry farmers in the study area? It is assumed that assessing sources, availability, accessibility and willingness to obtain credit facilities by the poultry farmers will go a long way in reshaping and revamping the failing agricultural sector particularly the poultry farming in the study area and Nigeria in general. In addition, this study will create a literature base for future researchers who would still want to bridge the knowledge gap on a similar project.

2. REVIEW OF LITERATURE

2.1 Theoretical Framework

The theoretical conception of credit availability can be described as using the Discrete Choice Theory which is based on individual choices to apply for loan or otherwise. This choice to seek for a loan is predicated on the applicant or household's utility maximization priority. Therefore, such individuals or household's intention to borrow from any borrowing institution (formal or informal) is an opportunity cost of rate of interest. On

the other hand, the Credit Rationing Theory would be appropriate to explain the availability of credit from the borrowing institution to the applicant. It is expected that the rate at which the lender gives out the credit would depend on the ability of the borrower to provide collateral security even at high-interest rate especially when the demand for the loan is more than supply. The lender can then appropriate the available loan among the borrowers where some of them would receive the full amount or part of the amount they applied and others will not get anything at all as their applications would be turned down due to the rationing principle (see Nwafor et al., 2018).

2.2 Agricultural Credit Concept

According to Olayide (1980), Agricultural credit is one of the ways through which farmers would increase their agricultural output. Agricultural credit is crucial to any country's agricultural development sustainability. It is thus a veritable instrument to drive poverty alleviation program especially for the rural households. Due to the seasonal nature and uncertain features of farming systems, farmers do need credit for their operations in order to enhance productivity and promote the well-being of rural households by breaking vicious cycle of poverty of small holders' farmers. Furthermore, it was posted by Oni (1999) that agricultural loan is a very important tool in small scale agriculture as it allows small holder farming to boost and productive which would enable them to pay back the loan. In the same vein, credit availability is crucial to meet the need of farmers for providing necessary infrastructural facilities needed for production activities and other variable expenses.

2.3 Concept of Loan Repayment

The reasons for non-repayment of credit could be classified into three key categories as advanced by Olagunju, (2007). Firstly, the innate characteristics of borrowers and the nature of the businesses they used the credit for can make loan repayment difficult. Secondly, the repayment conditions that may be attached to the loan by the lending institutions also affect loan repayment. Thirdly, external forces whether human or natural factors could also cause default. Also, lending of credit has three components such as (i) the demand for collateral security, (ii) a screening procedure using manual and technological methods and (iii) some dynamic checks and balances in the form of a threat to terminate the contract in case of default, which serves as security to ensure high repayment rates up to 100 percent. Oke et al., (2007) posited that profit made by a firm or company can significantly influence the repayment of the loan. In addition, the concept of loan repayment had been questioned as raised by Nwafor et al., (2018) who posited that the rationale behind the randomness of default being predisposed by unpredictable behavior, or steadily predisposed by area features which influenced local production conditions or branch-level efficiency. According to Roslan and Mohdzaini (2009), any borrower who lacks understanding or requisite knowledge about the business that he or she does have a very high likelihood of default.

2.4 Importance of Credit Access

Credit is a significant component of a business and household's survival. It gives opportunity for a smooth running of the business especially when there are shrinking of cash flows that

is capable of causing reduction in production and consumption. Bhattacharjee and Rajeev, (2010) posited that credit is required for working capital, fixed capital, and consumption expenditure. Similarly, if there are desirable terms and conditions, access to credit is a significant tool to the general development of an economy and poverty eradication.

2.5 Determinants of Credit Application by Farmers

Some studies such as Berger et al., (2001) have documented the credit constraints by considering only the supply while neglecting the demand aspect of credit access. In order to integrate the demand aspect, farmers were interrogated about whether they sought for credit in the last twelve months. According to the available pieces of literature, the farmers' demand for credit is influenced by variables making a difference in both the cost of capital and the returns on capital (Bigsten et al., 2003). Likewise, socio-economic characteristics such as age, farm size and membership of farmers' associations are significant factors that influence credit application by the farmers.

3. METHODOLOGY

3.1 Area of Study

The study was carried out in Akinyele Local Government (LGA), Oyo state, Nigeria. It is one of the eleven local government areas that make up the Ibadan metropolis. Its headquarters is at Moniya. Akinyele Local Government Area was created in 1976 and it shares boundaries with Afijio Local Government Area to the north, Lagelu Local Government Area to the east, Ido Local Government Area to the west and Ibadan North Local Government Area to the south. It occupies a land area of

464.892 square kilometers with a population density of 516 persons per square kilometer (Fajuyigbe et al., 2007). Using a 3.2% growth rate as provided by the Nigerians Population Commission (from 2006 census figures to 2019) the estimated population for the Local Government is above 239,745 (NBS, 2019). Akinyele LGA lies in the South–Western Zone of the State, which is roughly enclosed by latitudes 7.53060 and 3.91100E north of the equator. The major occupation of the Akinyele LGA is farming, whereby the main crops grown are fruits and vegetables. Also, many of the people in the local government area are involved in livestock production like poultry and fishery. Akinyele Local Government Area was specifically selected for this study because of its contribution to the poultry industry in Nigeria and the high concentration of poultry farmers within the area. Some of the big poultry farms within Akinyele LGA include AmoByn Farm Nigeria Limited, Ifa Farm Nigeria Limited, Ano farm Nigeria limited, Balogun poultry farm Nigeria limited. Star Sphere Corps Nigeria limited among others. Also, the climate of the area has been adjudged to be the most suitable for poultry production in the south-western Geo-political zone of Nigeria (Fajuyigbe et al., 2007).

3.2 Data Collection

Data was collected using primary data obtained from selected poultry farmers in the study area. Some of the information that was obtained focused majorly on the socio-economic characteristics of the respondents, availability, and accessibility of credit facilities, credit contract characteristics and sources of the credit among others.

3.3 Sampling Size and Techniques

Akinyele Local Government Area (LGA) is subdivided into 12 wards. The field survey for this study was conducted between March and April 2023. A three-stage random sampling approach was adopted in selecting the respondents for the study. At first stage - Six wards were purposively selected from the twelve wards that make up the Akinyele LGA particularly those that fall within the outskirts (based on their potential in poultry farming and the concentration of poultry farms in those wards). Another reason for choosing these wards was because they were mostly targeted by the Bank of Agriculture and other micro finance officials who usually visit them to give credit facilities. These wards include: Ikereku, Olanla/Oboda/Labode, Olode/Amosun/Onidundu, Iwokoto/Talonta/Idi-oro, Ijaye/Ojedeji and Olorisa-Oko/Okegbemi/Mele. In the second stage - Three villages were randomly chosen in each of the above six purposively selected wards making eighteen villages in total. In the third stage - seven poultry farmers were randomly selected from each village. A total of one hundred and twenty-six poultry farmers were interviewed in the eighteen selected villages. The instrument for the data collection was copies of a well-structured questionnaire while some uneducated respondents were asked questions and the information was transferred into the questionnaire.

4. ANALYSIS

Simple descriptive statistics such as frequency counts and percentages were used to analyze the socio-economic characteristics of the respondents, borrowing propensity features and medium of obtaining loans. Likewise, Logit Model

was used to determine the factors influencing credit access and barriers among the respondents while the Likert Scale was used to analyze the level of borrowing propensity of the respondents. In order to understand the determinants of credit access among poultry farmers, a two-step Heckman / Heckit model would be used because the model offers a means of correcting for non-randomly selected samples. However, in this study, not all the poultry farmers accessed credit facility as there were farmers who were unable to access credit, so using only the proportion that accessed the credit facility (70 percent of the total sample) may give a selection bias. So, to determine whether the poultry farmer would access credit (Y=1) or not access credit (Y=0), a binary logit model was used. According to Mpuga, (2008) and Kasirye, (2007), both probit and logit analyses are well-established approaches in the credit demand related studies. The choice of whether to use a probit or logit model depend on computational convenience (Greene, 1997; Wooldridge, 2009; Gujarati, 2004). Logistic regression is used since the dependent variable is a dichotomous dummy variable and maximum likelihood estimation is applied after transforming the dependent into a logit variable (Garson, 2008). It estimates the odds of a certain event occurring. The dependent variable is a logit, which is the natural log of the odds.

4.1 Logit Model Specifications

Several dependent variables are dichotomous in nature whereas various independent variables affecting them are measured at other levels. The Logit Model guarantees that the

estimated probabilities are 0-1 range and they are non-linearly related to explanatory variables.

$$L_i = \ln \left[\frac{p_i}{1-p_i} \right] = \beta_1 + \beta_2 X_i$$

Where:

Li is Log of odds ratio (logit); Pi is the Probability of accessing for credit; 1-P1 is the Probability of not demanding for credit; β1 is intercept; β2 is slope (coefficient). The explanatory variables (Xi) are specified as follows:

X1 =Age of the respondent (in years); X2 =Gender of respondent (Dummy, Male =1, Female =0); X3 =Marital status (Dummy, Male =1, Female =0; X4 = Education level (Formal education =1, Non formal education =0); X5 = Household size (In number); X6 = Family asset/income per month (In naira); X7 = farm size (in hectares); X8 = Rate of interest (in percentage); X9=Collateral security (landed property = 1, other assets = 0); X10= Credit availability (Credit is available =1, Credit is not available =0); X11=Credit use (Poultry enterprise =1, consumption and land=0); X12=Repayment term (At the beginning of season =1, at any other time=0); X13=Preference for credit source (Formal =1, informal=0).

5. RESULTS AND DISCUSSION

5.1 Socio-economic Distribution of Poultry Farmers

Table 1 presents the socio-economic distribution of the poultry farmers. The results showed that the majority of the farmers were male (80.6%) while 19.4% are female. The possible reason that can be advanced for the male dominance over the female may be credited to the tedious nature of poultry farming which is somehow hard for women to undertake like men. The male dominance could also indicate a high preference of male respondents for common agricultural occupations like poultry farming. This goes in line with some prior literatures on the subject matter that included such demographic variables on determinants of microcredit access among poor people in Southwestern Nigeria (Ashraf and Ibrahim, 2014 and Taofeek et al., 2016).

In terms of age factor, the majority (81.1%) of the poultry farmers fall within the age brackets of 20-45 years. This outcome suggests that the poultry farmers in the study area were youths and they were very active in economic activities. This result almost fell within the range of farmers in Mukono District Uganda where the age group 36-50 years had the highest proportion of farmers who applied for credit as well as those who were denied access to credit (Ssonko and Nakayaga, 2014). The reason for the youth involvement may be due to their interest and awareness of myriads of intervention programs and empowerment schemes of both the State and Federal governments of Nigeria on agriculture.

Regarding marital status, more married farmers are involved in poultry farming than single farmers. This result may presumably

suggest that married farmers are more well-disposed to managing homes than their unmarried counterparts. According to Afolabi (2010), marriage usually confers responsibility. As regards educational status, most poultry farmers in the study area (about 91.1%) had tertiary education like the College of education and polytechnic. This means that most residents of the area were well-educated. Lastly, about 50.0% of the respondents have a family size ranging between 3 and 4 members.

Table 1. Socio-economic Distribution of Poultry Farmers

Variable	Frequency	Percentage
Gender		
Male	100	80.6
Female	24	19.4
Total	124	100.0
Age (Years)		
20-35	52	41.7
36-45	49	39.4
46-55	18	14.5
56-65	2	1.6
66years and above	3	2.4
Total	124	100.0
Marital status		
Single	11	11
Married	110	110
Divorced	2	2
Widowed	1	1
Total	124	124
Education		
Primary Education	1	.8
Modern School Education	3	2.4
Secondary Education	8	5.7
Tertiary Education	112	91.1

Total	124	100.0
Family size		
Less Or Equal To 2	28	22.6
3-4	62	50.0
5-6	32	25.8
> 6	2	1.6
Total	124	100.0

Source: Field survey 2022

5.2 Characteristics of Credit Barriers to Poultry Farmers

The results of Table 2 revealed that credit accessibility is high with 99.2% which implies that the poultry farmers have access to credit probably because they are educated. It can also be due to the fact that the medium of accessing money does not require much stringent conditions or huge collateral. Similarly, commercial banks were the highest source through which the credit had been accessed by the poultry farmers and followed by Thrift (21.0%), family and friends (16.1%) and money lender with 3.2% in that order. This shows that people don't explore family and friends' sources perhaps because most family and friends may lack enough and required capital base needed to finance their businesses most especially during the Covid-19 outbreak which stuck the economy almost to zero.

Banks and other informal credit lending institutions do not usually demand huge collateral from customers as a requirement for credit facilities approval. Although, type and magnitude of collateral prerequisite is dependent on the customers' capital and the amount of money requested for by different customers. However, some collateral requirements that were usually demanded from most poultry farmers include; a guarantor (65.3%), followed by landed property (21.0%), and

jewelry (0.8%). This simply means that collateral requirement does not significantly affect the rate at which poultry farmers get loan credit.

Furthermore, the results also revealed that there are no much motivations for poultry farmers in getting loan from most financial institutions (formal or informal). However, different respondents gave different opinions regarding what usually motivate them in approaching different financial institutions for credit facilities. Some of the leeway that was adduced in this respect includes; easy repayment terms (33.1%) followed by affordable interest rate (28.2%), easy accessibility is the third factor that motivate poultry farmers in that area to obtain loan with 24.2%.

Moreover, the result also indicated that poultry farmers like to borrow loans within a short period of time to finance their business and to sustain their livelihood. For example, 65.3% of the poultry farmers obtained loans mostly every three months intervals. Likewise, 16.9% of the respondents obtained loans at six-month intervals, 8.1% obtained loans on a weekly basis while 7.3% of the respondents got their loans on monthly basis and the least is one year (2.4%).

Similarly, in terms of payback medium, about 98.4% of poultry farmers usually pay back their loans in cash while only 1.6% of them pay back in kind. Regarding the challenges facing poultry farmers in obtaining loans, the majority (42.7%) of them indicated the provision of guarantors as a major challenge, followed by a high interest rate (20.2%). This outcome suggests that getting guarantors among other barriers confronting poultry farmers was a great difficulty. In the same vein, some

respondents explained that interest rate has increased from 10% to 15-25% due to the Central Bank policy cum post-Covid-19 economic mess in the country. Other challenges include the bureaucratic system and unnecessary bottlenecks that characterized the Nigerian banking industry. In other words, the procedure of administering loan credit to farmers in most commercial banks and other specialized and informal financial institutions were somewhat cumbersome, particularly for the non-educated farmers. The least of the challenges is paucity of fund having 4.0% encounter rate.

However, in trying to lessen some of these challenges, some respondents (46.8%) suggested that interest rates should be reduced while some (1.6%) suggested that the frequency at which the credit loan is being granted should be increased. This means that more poultry farmers in the study area would have demanded for loans if the interest rate is reduced and as frequent as possible.

Table 2. Characteristics of Credit Barriers to Poultry Farmers

Variable	Frequency	Percentage
Easy accessibility of credit		
Yes	90	72
No	34	28
Total	124	100.0
Credit Source		
Bank	74	59.7
Family and Friends	20	16.1
Money Lenders	4	3.2
Thrift	26	21.0
Total	124	100.0
Collateral		
Land	26	21.0

Jewelry	1	.8
Promissory Note	7	5.6
None	9	7.3
Others (Guarantors)	81	65.3
Total	124	100.0
Motivational Factors		
Affordable Interest Rate	35	28.2
Easy Accessibility	30	24.2
Easy Collateral	13	10.5
Easy Repayment Terms and Condition	41	33.1
Frequency of Collection	5	4.0
Total	124	100.0
Frequency of obtaining credit		
Once in a Week	9	7.3
Once in a Month	10	8.1
Once in three Months	81	65.3
Once in six Months	21	16.9
Once a Year	3	2.4
Total	124	100.0
Pay back medium		
Cash	122	98.4
Kind	2	1.6
Total	124	100.0
Challenges of accessing loan		
Paucity of Fund	5	4.0
Bureaucracy	24	19.4
Insult	9	7.3
High Interest	25	20.2
Collateral	8	6.5
Others	53	42.7
Total	124	100.0

Solutions		
Reduce Interest	58	46.8
Reduce the Procedure to Obtain Loan	30	24.2
Reduce the Collateral Requirements	10	8.1
Make Loan Frequent	2	1.6
Others	24	19.4
Total	124	100.0

Source: Field survey 2022

5.3 Levels of Barriers to Credits

From Table 3, it shows that the rate at which money is been accessed from banks is higher than the non–banking financial institutions such as thrift, family and friends and money lenders. So, this result shows that poultry farmers in the study area preferred old methods and non-formal means of getting credit facility through thrift exercises. The third medium of accessing money that was adopted by the respondents is family and friends with 16.1% while the least is through money lenders with 3.3%.

Table 3. Levels of Barriers to Credits

Level	Very high	High	Moderator	Low	Very low	Total
Banks	21.9%	17.1%	10.1%	7.1%	3.5%	59.7%
Non-Bank	6.7%	5.1%	4.3%	2.9%	1.9%	20.9%
Money lenders	1.4%	.9%	.6%	.3%	.1%	3.3%

Family& friends	6.1%	3.8%	3.2%	2.4%	.6%	16.1%

Source: Field Survey, 2022

5.4 Determinants of Farmers' Access to Credit

Logit model analysis was used to determine the factors that determine the credit accessibility to poultry farmers in the study area and the result is presented in Table 4. The Mc Fadden R squared value of 0.610351 revealed that the explanatory variables explain over 61% of the dependent variable Interest rate, collateral, educational status, business worth and assets were having expected positive signs. This result indicates that interest rate, collateral, educational status, business worth and assets are policy-driven variables that determine the credit access of the poultry farmers in the study area. These variables were significant at 5%, 10% and 1% in that order. Further, the negative coefficient of collateral availability and interest rate reveals that the more difficult the issue of collateral, the less the access to credit facility and the higher the interest rate, the lesser the chances of accessing credit facility by the poultry farmers. In terms of interest rate, a slightly different outcome was posited by Ssonko and Nakayaga, (2014) in Uganda where a substantial number of farmers were even not aware at how much they had acquired loans indicating that the farmers were not not bothered by the interest rates at which they acquire credit. In the same vein, the use of collateral is mostly reflected in the formal and semi-formal sector, whereas almost all loans within the informal sector were obtained without collateral.

However, in the case of education, business worth and repayment terms, the higher the level of education, business

worth and repayment terms, the more the chances of getting credit, which means they also observe the economic principle of return–to–scale that is, when capital base rises, financial institutions would be at safe side to give out credit to the poultry farmers. This view has been supported by the finding of Azeez (2011) who argued that stringent conditions of collateral would negatively affect the credit accessibility among the forest entrepreneurs in South-western Nigeria. Further, noting the fact that the repayment terms and education status are significant factors in fulfilling the application procedure factors that are required for obtaining credit, the ease of application procedures by one unit increases the marginal contribution to the probability to apply for credit by 29.9 percent compared to having complex procedures (Ssonko and Nakayaga, 2014). This assertion was corroborated by the findings of Namasaka (2007) whose findings strongly suggest that regulatory application frameworks and credit access are strongly related.

Table 4. Determinants of Farmers Access to Credit

Variable	Co-efficient	Standard error	Marginal effect
Constant	-0.44816	0.2779	-
Age	0.1100	0.4496	0.0904
Gender	0.2101	0.0156	0.5646
Household Size	0.1220	0.0902	0.0861
Interest rate	- 0.0061**	0.0056	0.1069
Collateral availability	- 0.0008***	0.0081	0.4496

Educational status	0.0881*	0.0480	0.0666
Business worth	0.09259*	0.0904	0.5326
Assets	0.05646 *	0.0904	0.5326
Repayment terms	0.0900	0.0570	0.5316
Log likelihood	-15.981		
AVG log likelihood	– 0.232760		
LR statistics (Sig.)	129.02(0.000)		
Mc Fadden R-squared	0.610351		
Degree of Freedom	3		

Source: Field Survey, 2022

**Significant at 10% probability level; ** Significant at 5% probability level ***Significant at 1% probability level*

6. CONCLUSION AND RECOMMENDATIONS

The study assessed barriers to credit facilities among poultry farmers in Akinyele Local Government. The results concluded that poultry farmers have access to loans mostly through the bank with the help of guarantors in the study area. Also, interest rates and lack of guarantors were the main challenges facing poultry farmers in obtaining loan facilities in the study area. Similarly, most poultry farmers suggested that interest rates should be reduced because more credit facilities would have been accessed if the interest rate was reduced. The Logit regression model results also indicated that interest rate, collateral, educational status, business worth and assets are

policy-driven variables that influenced credit accessibility by the poultry farmers in the study area.

Based on these findings, the study therefore recommended that there should be a downward review of collateral and interest rates so that poultry farmers would be able to access more credit. Also, Central Bank should make its monetary policy productive to Commercial Banks and other specialized Banks to ease the burden of accessing credit. Similarly, due to the bureaucratic bottlenecks that poultry farmers underwent in obtaining credit, poultry farmers in the study area preferred old methods and non-formal means of getting credit facility through thrift exercises. Therefore, the commercial banks should lessen the application and repayment terms and conditions in order to encourage the poultry farmers in accessing credit as easy as possible. Also, improved educational standard is another significant factor that influenced credit accessibility among the poultry farmers. So, adult education program should be encouraged among these farmers. Though, the study has been delineated to focus on poultry farmers alone. So, the outcome of this study cannot be generalized to have covered the challenges facing all the farmers in the study area. Thus, a further study on this knowledge gap within the study area and beyond is very necessary in order to provide a holistic research knowledge base that would engender appropriate and all-inclusive policy framework on the subject matter.

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