



## Effect of coronavirus (COVID-19) on agribusiness activities in southern Taraba state, Nigeria

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### Abstract

The study was conducted on effect of corona virus (COVID-19) on agribusiness activities in Southern Taraba state. The specific objectives of the study were to; describe socio-economic characteristics of the respondents, determine the effect of COVID-19 on Agribusiness activities and identify the problems affecting Agribusiness in the study Area. Data were collected from one hundred and sixty (160) respondents randomly using structural questionnaire and were analyzed using frequency, percentage and Chi-square. The result on socio-economic characteristics revealed that majority (96.9%) of the respondents were youths who are actively involved in Agribusiness activities, majority (75%) were men than female and majority (62.5%) were married. Majority (95%) has household size less than 11 persons therefore they have to involved in Agribusiness activities in order to Sustained their self and family. Majority (84.4%) of respondents attended one form of education or the others. Majority (50%) were producers and majority (84.4%) of respondents earned more than N30, 000 as their monthly income it also implies that agribusiness is a profitable venture in the study Area. The result on effect of COVID -19 on Agribusiness indicated that COVID -19 have negative effect on agribusiness activities in the study Area. It resulted to food deficit, reduces Farmers income and increases poverty in the study Area. In general sense it affected the economy and livelihood of those who solely depend on Agribusiness. This was based on the chi-square calculated value (9.06) was greater than tabulated value (7.82) under 3 at 0.05% degree of freedom. Recommendations were made based on the findings of this study: The government should find a lasting solution to the persistent communal crisis and the two grieve communities should accept dialogue for peace to reign, government/well to do individuals should assist the agribusiness men with finance and government should provide farm inputs to the farmers.

**Keywords:** effect, coronavirus, agribusiness, activities, Taraba and Nigeria

### Introduction

In Nigeria agriculture remains the mainstay of the economy employing about 65-70% of the Labour force. With more than half of Nigerians population currently employed in the agricultural sector and with the vast majority of these individuals living in rural areas the agricultural sector is the key to Nigerians economic development (Manyong *et al*; 2005) <sup>[2]</sup>. The agribusiness development is a approach in the agriculture development which does not only encompass agribusiness; but also includes the production, the distribution of inputs material instrument and Agricultural service as well as the distribution of Agricultural products and processing. Agribusiness refer to the generic term for the various businesses involved in the food production chain, including farming (both subsistence and mechanized farming), seed supply, manure, fertilizers and agro-chemicals, farm machinery, distribution, wholesale and retail sales, processing, research and development, marketing and financing of the agro-allied industry (pawa, 2013) <sup>[3]</sup>.

COVID-19 is the infectious disease caused by SARS-COV-2, the most recently discovered coronavirus. The outbreak that began in Wuhan, China in December 2019, has rapidly spread across the world, profoundly disrupting fundamental activities which we all depend on including agribusiness and food system and endangering all those who depend on it as their livelihood (WHO, 2020) <sup>[5]</sup>. In 2014/2015 Ebola outbreak demonstrated the devastating impact a widespread occurrence of an infectious disease which had affect the agribusiness in Africa. According to Uzu (2020) revealed

that many farmers in Guinea, Sierraleone and Liberia were unable to grow or sell the their crops because of preventive measures to contain the virus, including travel restriction, border closure and quarantine as well as fear of infection. Rice, cassava and others crops went unharvested. The COVID-19 infection seems to spread much faster than Ebola hence a much larger, proportion of population is at risk of being infected, with repercussion ranging from a few weeks of illness to death. The preventive measures being proposed for the containment of COVID-19 include; hand washing, wearing of mask, lockdown, social distancing, quarantine, self-Isolation etc. Has the potential to adversely affect agribusiness activities (Uzu, 2020).

Agribusiness activities in Nigeria involve self-contact but with this self-Isolation and lockdown it affected the agribusiness. Thus any scarcity of agricultural labour in most Africa countries is likely to result in an overall dip farm productivity which lead to shortage and attendant food price hikes (Uzu, 2020).The effect of the food price hikes may be further exacerbated by the decline in consumers purchasing power due the projected COVID-19 pandemic induced global recession resulting in widespread of hunger and starvation across the globe (Uzu, 2020). Despite the drastic measures talken by federal government of Nigeria (FGN), World health organization (WHO) and others bodies to prevent and control the spread of COVID -19 and also cushioned the impact of the pandemic on the citizens. This study is imperative to ascertain the effect of COVID-19 on agribusiness activities in the study Area.

The specific objectives were to;

1. Describe the socioeconomic characteristic of the respondents.
2. Determine the effect of COVID- 19 on Agribusiness activities in the study Area.
3. Identify the problems affecting Agribusiness in the study Area.

## Methodology

### The study Area

The study was conducted in southern part of Taraba state. Taraba state is located at the North eastern part of Nigeria. It lies between 6° 25' North and between longitude 9° 30' and 11° 45' east of Greenwich meridian. The state shares boundaries with Bauchi and Gombe state to the North, Adamawa state to the East and Cameroon Republic to the south. The state is bounded along its western side by Plateaus, Nassarawa and Benue states. The state has land mass of 54,473km<sup>2</sup>, with a population of about 2,294,800 people (NPC, 2006) <sup>[1]</sup>. The state has 16 local government area with Jalingo as the state capital. The state has an average annual rainfall of 1766mm with a temperature of about 30c - 40c. It is characterized by dry and rainy season common to tropical region. The major occupation of the people of the state is Agriculture. Cash crops produce include coffee, tea, Palm oil, groundnut and cotton. Crops such as maize, yam, rice, millet, sorghum bean and cassava also produced in commercial quantity. Fishing and hunting are some of the occupation of the people in the study Area.

### Method of Data collection

Both primary and secondary sources of data were employed for this study.

### Sampling techniques

A multi-stage random sampling technique was used for this study. In the first stage, two (2) local government area from southern Taraba were purposively selected namely; Takum and Wukari. This was because they were the major centre involved in Agribusiness activities such as production, processing and marketing of Agricultural products. Second stage eighty (80) farming households were randomly selected from each local government to make up a sample size of one hundred and sixty (160) respondents for this study.

### Method of Data Analysis

Descriptive and inferential statistics were been used for this study. Descriptive statistic such as frequency and percentage were used to analyzed objectives I and III while inferential statistic such as Chi-square was used to captured objective II respectively.

Chi-square is expressed mathematically as;

$$X^2 = \sum (O-E)^2 / E$$

Where:

$X^2$  = Chi-square

$\sum$  = Summation

O = Observed value

E = Expected value

## Results and Discussion

### Socio-economic characteristics of the respondents

The result from Table: 1 shows that (18.8%) of the

respondents were between the age of 20-29 years old, (50%) were between the age of 30-39 years old, (28.1%) were between the age of 40-49 years old while (3.1%) were between the age of 50 years and above. This revealed that majority (96.9%) of the respondents were youths who are actively involved in Agribusiness activities. The result from table: 1 shows that (75%) of the respondents were male while (25%) were female. This implies that majority of the respondents were male than female. The result from table: 1 shows that (62.5%) were married while (37.5%) were single. This indicated that majority (62.5%) of the respondents were married. The result from table: 1 shows that (37.5%) of the respondents has household size below 5, (57.5%) has household size between 6-10 while (5%) has household size between 11 and above. This implies that majority (95%) has household size less than 11 persons therefore they have to involved in Agribusiness activities in order to sustained their selves and family. The result from table: 1 shows that (15.6%) of the respondents didn't attend formal education, (28.1%) attended primary education, (50%) attended secondary education while (6.3%) attended tertiary education. This indicated that majority (84.4%) of respondents attended one form of education or the others. The result from table: 1 shows that (50%) of the respondents participated in production, (15.6%) participated in processing while (28.1%) participated in marketing. This revealed that majority (50%) of the respondents were producers. The result from table: 1 shows that (15.6%) of the respondents earned between N20,000-30000, (56.3%) earned between N40000-50000 while (28.1%) earned N60000 and above. This indicated that majority (84.4%) of respondents earned more than N30,000 as their monthly income it also implies that agribusiness is a profitable venture.

### Effect of COVID-19 on Agribusiness Activities

The result from table: 2 shows that the calculated value was 9.06 while the tabulated value was 7.82 under 3 at 0.05% of degree of freedom. Since the calculated value was positive and greater than the tabulated value then reject the null hypothesis (Ho) which started that there is no significant relationship between COVID-19 and Agribusiness and Accept The alternative hypothesis (Ha) which started that there is significant relationship between COVID-19 and Agribusiness. This indicated that COVID-19 have negative effect on agribusiness activities such as production, processing and marketing. It also implies that farmers loose a lot of money as the result the outbreak of COVID -19 they left their crops like cassava unharvest and perishable crops been destroyed. With the preventive measures such as self-isolation and lockdown, marketing activities were also lockdown for example wukari yam market and Takum yam market were lockdown. This resulted to food deficit, reduces farmers' income and increases poverty in the study Area. In general sense it affected the economy and livelihood of those who solely depend on Agribusiness.

### Problems affecting Agribusiness

The result from table:3 shows the problems affecting agribusiness in the study Area: (37.5%) opined on communal conflict, (28.1%) opined on lack of financial support from either government /individual, (25%) opined on lack farm inputs, (6.3%) opined on lack of infrastructural facilities while (3.1%) opined on lack of Agricultural labour supply. This revealed that communal crisis, lack of financial

support from either government/individual and lack of farm inputs were the most problems associated with agribusiness in the study Area.

### Conclusion and Recommendations

Based on the findings of this study revealed the COVID -19 outbreaks have negative effect on agribusiness activities such as food production, processing and marketing. But the major problems were communal crisis, lack of financial

support from either government /individual and lack of farm inputs. Recommendations were made that the government should find a lasting solution to the persistent communal crisis and the two grievance communities should accept dialogue for peace to reign, government / well to do individuals should assist the agribusiness men with finance and government should provide farm inputs to the farmer

**Table 1:** Socio-economic characteristics of respondents (n=160)

Variables	Frequency	Percentage (%)
Age (years)		
20 – 29	30	18.8
30 – 39	80	50
40 – 49	45	28.1
50 and above	05	3.1
Gender		
Male	120	75
Female	40	25
Marital status		
Married	100	62.5
Single	60	37.5
House hold size		
Below 5	60	37.5
6-10	92	57.5
11 and above	08	5.0
Educational status		
Non – formal education	25	15.6
Primary education	45	28.1
Secondary education	80	50
Tertiary education	10	6.3
Agribusiness activities		
Production	80	50
Processing	25	15.6
Marketing	55	34.4
Farm size (Ha)		
1 – 5	80	50
6 - 10	45	28.1
11 and above	35	21.9
Monthly income		
20000-30000	25	15.6
40000-50000	90	56.3
60000 and above	45	28.1

Source: Field Survey, 2020.

**Table 2:** Effect of COVID -19 on Agribusiness activities (n=160).

Variation	Calculated value	Tabulated value	DF = at 0.005%	Decision Rule
COVID -19 has no significant Effect on Agribusiness Activities	9.06	7.82	3	Reject the Ho and Accept the Ha

Source: Field Survey, 2020.

**Table 3:** Problems affecting Agribusiness in the study Area

Variable	Frequency	Percentages %
Communal crisis	60	37.5
Lack of financial support from government/ individual	45	28.1
Lack of farm inputs	40	25
Lack of infrastructural facilities	10	6.3
Lack of Agricultural labour supply	05	3.1
Total	160	100

Source: Field survey, 2020.

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