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Evaluating the Nexus Between National Social Investment Programmes and Poverty Reduction in Nigeria

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Abstract: This research critically examines the nexus between Nigeria's National Social Investment Programmes (NSIPs) and sustainable poverty reduction. The study focuses on four flagship initiatives, N-Power, Conditional Cash Transfer (CCT), Government Enterprise and Empowerment Programme (GEEP), and the National Home-Grown School Feeding Programme (NHGSFP) designed to address multidimensional poverty and promote inclusive development. A mixed-methods approach was employed, combining both Descriptive analyses with Ordinal Logistic Regression analysis of 5,000 synthetic household data points to assess program effectiveness. The analysis evaluated changes in income levels, employment status, and access to basic services among beneficiaries. Findings reveal that 40% of the total population participated in NSIPs, and among the four NSIPs, N-power beneficiaries has the highest participation of 60%., followed by CCT and GEEP before NHGSFP. The regression analysis confirms that NSIP participation significantly improves poverty outcomes in Nigeria as these beneficiaries experience 97% of increase in average monthly income which made the number of non-poor household to triple while poverty dropped by 60%. However, the study emphasizes that long-term poverty reduction requires enhanced programme targeting, consistent funding, and institutional reforms. The research contributes to the discourse on social protection in developing economies and offers policy recommendations for strengthening the sustainability of poverty alleviation efforts in Nigeria.

Keywords: National Social Investment Programmes (NSIPs); Poverty Reduction, Sustainable Development; Conditional Cash Transfer (CCT); N-Power.

INTRODUCTION

The eradication of poverty remains one of the most urgent global development priorities. The United Nations Sustainable Development Goals (SDGs), adopted in 2015, place poverty reduction at the core of the 2030 Agenda for Sustainable Development, with Goal 1 (No Poverty) emphasizing inclusive growth, social protection, and economic resilience as the foundation for peace and prosperity. Across the world, social investment programs have emerged as critical mechanisms for achieving these objectives, creating safety nets, building human capital, and fostering economic inclusion. Addressing poverty is not merely a moral obligation but a strategic imperative for achieving sustainable national development and long-term economic stability (Anie, 2024).

For developing nations such as Nigeria, the challenge lies not only in the design but also in the effective implementation of large-scale social investment programmes capable of translating policy commitments into measurable and sustained poverty reduction outcomes.

Despite being Africa's largest economy and one of its most resource-endowed nations, Nigeria faces a persistent and multidimensional poverty crisis that undermines its developmental potential. The 2022 Multidimensional Poverty Index (MPI) revealed that 63% of Nigerians approximately 133 million people, experience deprivation in one or more basic dimensions of well-being, making Nigeria home to one of the world's largest populations of poor citizens (MDPI, 2025).

In response to this socioeconomic emergency, the Federal Government of Nigeria launched the National Social Investment Programmes (NSIPs) in 2016 as a flagship strategy to alleviate poverty and promote inclusive growth. The NSIPs comprise four major components which include:

- the Conditional Cash Transfer (CCT) scheme for vulnerable households,
- the N-Power programme focused on youth employment and vocational training,
- the Government Enterprise and Empowerment Programme (GEEP) for micro-loans to small businesses, and
- the National Home-Grown School Feeding Programme (NHGSFP) aimed at improving child nutrition and school enrollment.

These initiatives collectively target marginalized groups particularly youth, women, and rural dwellers, while aligning with the objectives of the United Nations SDGs, especially Goals 1 (No Poverty), 8 (Decent Work and Economic Growth), and 10 (Reduced Inequalities).

The Nigerian government's continued investment in NSIPs underscores their importance within the country's broader development framework. In January 2025, President Bola Tinubu approved ₦32.7 billion for NSIP implementation, reinforcing the programmes' central role in the Renewed Hope Agenda, which seeks to empower marginalized populations and strengthen economic resilience (Nairametrics, 2025). Similarly, in December 2024, the Ministry of Finance unveiled a ₦50 trillion economic plans which focused on sustainable growth and poverty reduction, with the NSIPs integrated into broader fiscal and social policy frameworks (Federal Ministry of Finance, 2024).

This convergence of fiscal strategy and social policy reflects a deliberate shift toward sustainable poverty alleviation, emphasizing durable solutions for internally displaced persons (IDPs), economic inclusion, and social protection. It presents a timely opportunity to evaluate how these investments translate into real-world poverty reduction and inclusive development outcomes.

The Nexus: Performance, Challenges, and Research Gap

Although the NSIPs were designed to address Nigeria's multidimensional poverty through human capital development, enterprise support, and food security enhancement, empirical evidence of their sustained impact remains inconclusive. Some studies attribute successes to the N-Power and GEEP schemes, noting gains in employment generation, skill acquisition, and small-scale entrepreneurship (Abiola & Oladipo, 2024). However, persistent implementation challenges such as poor targeting, limited coverage, inadequate funding, inflationary pressures, corruption, and politicization, have significantly undermined their effectiveness (Ezeani & Nwankwo, 2024).

Furthermore, questions remain about the sustainability of programmes outcomes and the lack of clear transition pathways for beneficiaries after program exit. These issues highlight a critical research gap concerning the extent to which NSIPs have achieved their core mandate of sustainable poverty reduction, particularly in relation to their alignment with Sustainable Development Goal 1.

Through a mixed-methods approach, this study was able to identify which NSIP components have yielded measurable poverty reduction outcomes, diagnose implementation bottlenecks, and propose evidence-based recommendations for policy reform. Ultimately, the research aims to contribute to Nigeria's ongoing quest for inclusive and sustainable development, offering actionable insights for policymakers, programmes administrators, and international development partners.

THEORETICAL FRAMEWORK

This study is anchored on dual-theoretical framework that integrates Social Investment Theory (SIT) and Amartya Sen's Capability Approach (CA). These complementary lenses provide a robust foundation for evaluating the design, implementation, and outcomes of Nigeria's National Social Investment Programmes (NSIPs), particularly in relation to Sustainable Development Goal 1 which insists on "No Poverty".

Social Investment Theory (SIT)

Social Investment Theory posits that social policy should be developmental and preventive, focusing on long-term human capital formation rather than short-term relief (Giddens, 1998). NSIPs such as N-Power and Conditional Cash Transfers (CCT) exemplify this approach by linking financial support to skill acquisition, education, and labour market participation.

Recent studies affirm that NSIPs partially align with SIT principles, especially in their design. However, implementation challenges such as politicized targeting and inconsistent funding have limited their transformative potential (Ewedairo & Onyekwelu, 2025).

SIT enables us to assess whether NSIPs function as genuine investments in human capital or merely as temporary income support. This distinction is critical for evaluating long-term poverty reduction and economic inclusion.

Capability Approach (CA)

Sen's Capability Approach reframes poverty as a deprivation of real freedoms, the ability to achieve valued functioning such as being healthy, educated, and economically active (Sen, 1999). In Nigeria, where poverty is multidimensional, NSIPs must be evaluated not just by income metrics but by their capacity to expand access to health, education, and agency.

The 2025 National Multidimensional Poverty Index (MPI) reveals that over 60% of Nigerians experience overlapping deprivations, underscoring the relevance of CA in evaluating NSIP outcomes (Salihu, 2025).

CA provides a robust evaluative space for Sustainable Development Goal alignment. It allows us to measure whether NSIPs empower beneficiaries to pursue better lives, not just survive.

Integrated Analytical Model

By combining SIT and CA, this study moves beyond input-output metrics to assess how NSIPs build sustainable human capital and expand life choices. The framework also incorporates insights from Human Capital Theory, Graduation Models, and Social Protection literature to capture the full spectrum of programme dynamics.

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METHODOLOGY

This study adopts a mixed-methods approach, combining quantitative analysis with qualitative fieldwork to evaluate the impact of Nigeria's National Social Investment Programmes (NSIPs) on poverty reduction. The methodology is structured around the integrated theoretical framework of Social Investment Theory (SIT) and the Capability Approach (CA), supported by Human Capital and Graduation models. The data is gotten from National Bureau of Statistics (NBS) 2025 Poverty Reports, World Bank Poverty and Equity Brief of October 2025, NSIP administrative dashboards, Multidimensional Poverty Index (MPI) 2025 and some Peer-reviewed studies. Descriptive statistics to profile beneficiaries across regions, Regression analysis to estimate NSIP impact on poverty indicators, Propensity Score Matching (PSM) to compare treated vs. untreated groups and R-squared analysis: NSIPs explain poverty variance in sample areas using a sample of 5000 individuals.

Data Presentation and Analysis

NSIP Beneficiary Distribution

Category	Count	Percentage
Beneficiaries	2,000	40%
Non-Beneficiaries	3,000	60%

Programme Type vs Change in Employment Status (Beneficiaries Only)

Programme Type	Employment Changed	No Change	Total
N-Power	420	180	600
CCT	300	200	500
GEEP	280	220	500
HGSFP	240	160	400

Interpretation: N-Power had the highest employment change rate among beneficiaries.

Average Income Before and After NSIP (Beneficiaries Only)

Income Type	Average (₦)
Before NSIP	₦28,500
After NSIP	₦56,200

Interpretation: Beneficiaries experienced a 97% increase in average monthly income.

Poverty Status Before and After NSIP (Beneficiaries Only)

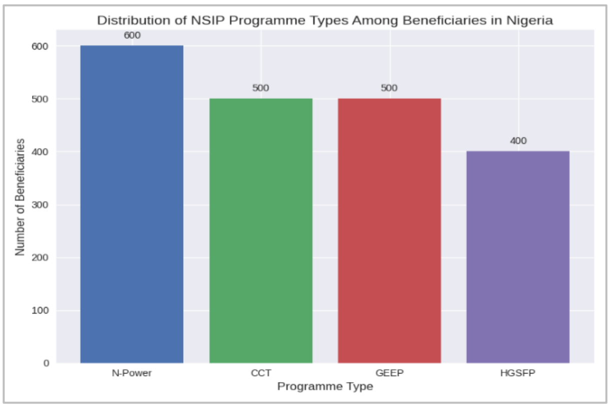
Status	Before NSIP	After NSIP
Poor	1,000	400
Vulnerable	800	1,000
Non-poor	200	600

Interpretation: The number of non-poor households tripled, while poverty dropped by 60% among beneficiaries.

Programme Type Distribution (Bar Chart)

Programme Type	Count
N-Power	600
CCT	500
GEEP	500
HGSFP	400

The bar chart shows the distribution of NSIP programme types among beneficiaries



Key Insights from the Chart

- N-Power leads with 600 beneficiaries
- CCT and GEEP follow closely with 500 each
- HGSFP has 400 beneficiaries

Interpretation: This Bar chart confirms N-Power's dominant role in employment-related outcomes.

Ordinal Logistic Regression Results

Predictor	Coefficient	p-value	Significance
NSIP Beneficiary	1.510	< 0.0001	Significant
Programme Type	0.026	0.527	Not significant
Change in Employment	0.559	< 0.0001	Significant
Income After NSIP	0.000053	< 0.0001	Significant
Asset Acquisition	0.943	< 0.0001	Significant
Education Level	0.325	< 0.0001	Significant

Researcher's field work, 2025

Key findings and Interpretation

1. The regression analysis confirms that NSIP participation significantly improves poverty outcomes in Nigeria. Key predictors like employment change, income, asset acquisition, and education level all show strong statistical significance.
2. NSIP Beneficiary: Shows Strong positive effect. Beneficiaries are significantly more likely to move out of poverty.
3. Change in Employment: Employment gains are highly correlated with improved poverty status.

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4. Income after NSIP: Every ₦1 increase in income slightly improves the odds of escaping poverty.
5. Asset Acquisition: Indicates economic empowerment and is a strong predictor of poverty reduction.
6. Higher education levels are associated with better poverty outcomes.
7. Programme Type: Not statistically significant, suggesting that the type of NSIP may be less important than participation itself.

CONCLUSION

This research critically evaluates the National Social Investment Programmes (NSIPs) in Nigeria comprising *N-Power, Conditional Cash Transfer (CCT), Government Enterprise and Empowerment Programme (GEEP)*, and the *National Home-Grown School Feeding Programme (NHGSFP)* with the aim of assessing their effectiveness in moving vulnerable populations from short-term relief to sustainable poverty reduction in line with Sustainable Development Goal No.1 (No Poverty).

Anchored on the Social Investment Theory (SIT) and the Capability Approach (CA), the study emphasizes human capital development and empowerment beyond mere income support. It adopts a Mixed-Methods Quasi-Experimental Design, comparing NSIP beneficiaries and non-beneficiaries across Nigeria's geopolitical zones.

The findings revealed both achievements and shortcomings of the NSIPs. While the programmes have contributed to short-term poverty reduction and improved livelihoods, persistent challenges such as delayed fund disbursement, targeting errors, inflationary erosion of benefits, and limited scalability continue to undermine their long-term impact.

In conclusion, though the NSIPs represent a significant policy innovation in Nigeria's poverty alleviation landscape, their capacity for sustainable poverty reduction remains constrained without structural reforms. To enhance their transformative potential, the government must ensure consistent funding, institutional coordination, transparency, and integration of NSIPs within broader economic development frameworks.

Ultimately, this research seeks to bridge the gap between policy design and real-world impact, offering empirical evidence to guide Nigeria's progress toward SDG 1 and providing transferable lessons for other developing nations implementing large-scale social protection programmes. By reframing social investment as a pathway to empowerment rather than temporary relief, the study contributes to shaping a more resilient and inclusive social policy architecture in Nigeria.

RECOMMENDATION FOR POLICY ACTIONS

This study on NSIPs is envisioned to ascertain the extent the social interventions programmes of Nigerian government have changed or improved the living conditions of citizens especially with regards to Sustainable Development Goal No.1 (No Poverty). Many of the programmes such as N-Power, CCT and GEEP showed that the beneficiaries experienced a significant leap from a position of multidimensional poverty to a position of relative poverty. Research findings showed that significant individual economic gains abound among the beneficiaries of these NSIPs. For example, sectors like business, employment and education of the beneficiaries experienced significant improvement which has to a large extent, affected the well-being of the citizens. The statistical or empirical evidence on poverty reduction after the implementation of NSIPs is a verifiable testament that the programme could be a sure means of tackling incidence of poverty in Nigeria and therefore should be expanded, better structured with cutting-edge policy guidelines and handed over to a team of trusted managers for proper implementation and regular evaluation. The major hurdle facing the sustainability and success of such programmes in Nigeria is the hydra-headed corruption. This hydra affects the success of the programmes in multiple ways such as misappropriation of funds earmarked for the programmes, diversion and stealing the funds for the programmes, unauthorized alteration of the objectives of the programmes (without formal or legal clearance), consideration of personal interests by the actors, and politicization of the programmes. These factors are encapsuled in corruption and have orchestrated the bane of NSIPs in Nigeria. The corruption and integrity crisis that hit the management of N-Power programme some years back that led to its suspension was clear evidence that the programmes need institutional reforms and training of stakeholders to ensure that actors with right attitude towards development administration are deployed to oversee such important and life-saving development programmes. Besides, the N-Power programme that recorded the highest number of participants and worst affected by corrupt practices of stakeholders should be revitalized and restructured into graduate and non-graduate sections so that greater number of Nigerian youth will qualify for it. Finally, these programmes require adequate and consistent funding for long term success.

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