

Conditional Cash Transfer and Poverty Reduction Among Vulnerable Households in Nigeria Public Service Delivery

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ABSTRACT

The Study assessed Conditional Cash Transfer and Poverty Reduction among Vulnerable Households in Nigerian Public Service Delivery. Conditional Cash Transfer Programme is one of the social safety nets intervention of the National Social Investment Programme (NSIP) established in 2015 but became operational in 2016 to give financial support to vulnerable households so that they can acquire educational enrolment of their children, healthcare services, good standard of living and improvement in household income. However, the achievement of the CCT objectives is more of mirage than reality due to some macroeconomic policies embarked upon by the Federal Government such as removal of subsidies, exchange rate instability and depreciation of the Naira, and prohibition of trade liberalization; all of which have collectively and significantly contributed to inflation that undermines the effectiveness of the Conditional Cash Transfer Programme. The broad objective of the study was to examine the effectiveness of the Conditional Cash Transfer Programme in the reduction of poverty among vulnerable households, with specific attention given to educational enrolment, healthcare services, standard of living and household income. The Principal-Agent Theory was used to explain the variables underpinning the Study because it explicitly highlighted how asymmetry information between the leaders and the citizens has made the former to act in their best interests against the interests of the latter. The Study used contextual design to analyze the data generated from secondary sources such as journals, articles, textbooks, and the internet. The Study found among others that macroeconomic policies of the government have led to inflation that erodes the purchasing power of the CCT; thereby hindering the realization of the objectives of the CCT social intervention Programme. Based on the findings, the Study recommended among others, that government should reform its macroeconomic policies to ensure that there is exchange rate stability, trade liberalization and provision of subsidies on basic items to reduce inflation and enhance the purchasing power of the Conditional Cash Transfer Programme.

Keywords: Conditional Cash Transfer, Poverty Reduction, Vulnerable Households, Educational Enrolment, Healthcare Services, Standard of Living, Household Income.

INTRODUCTION

Poverty is a measure of deprivation of the basic needs required in order to have a good standard of living. It is a global phenomenon that is not restricted by age, religion or ethnicity, and its existence has made many lives useless, helpless, powerless, voiceless and visionless (Mishra, 2010). Investigations have shown that Nigeria is one of the world's most poverty-stricken nations, with over 63% of its population totaling more than 133 million people considered multidimensional poor (National Bureau of Statistics, 2022). According to World Bank report, 47% of Nigeria's population now lives below the international poverty line of 2.15 U.S. dollar per

day with a projection of 52% in 2026 if good economic reforms are not carried out (World Bank, 2024) in Tunji (2024).

Records have revealed that between 2014 and 2022, Nigeria's Gross Domestic Product (GDP) and per capita income significantly reduced, while fiscal deficit increased due to reduction in oil price and production. The Covid-19 pandemic, and the payment of subsidies (electricity and fuel) to maintain an increasingly overvalued official exchange rate also worsened the economy within the period under review. To fine-tune solutions to this economic paralysis, the Federal Government of Nigeria began to take difficult but necessary macroeconomic reforms such as demonetization and currency redesign in October, 2022. In addition to this, the removal of the fuel subsidy and the unification of the exchange rate in 2023 exacerbated the economic challenges face by the poor, forcing many vulnerable households in the country to live below the poverty threshold. In a bid to reduce poverty and fight hunger occasioned by these macroeconomic reforms, the Federal Government adopted various social protection mechanisms to address these economic challenges, with Conditional Cash Transfers (CCTs) forming a key element of its poverty alleviation strategy. The CCT Programme is part of the National Social Investment Programme (NSIP) established in 2015 but became operational in 2016; while the CCT performs its functions under the National Social Safety Nets Coordinating Office (NASSCO) by providing direct cash transfers to vulnerable households to enable them acquire the educational enrolment of their children, healthcare services, improved standard of living and household income (World Bank, 2020). The objectives of the Nigeria's CCTs align with global trends, drawing inspiration from successful programmes such as Brazil's Bolsa Familiar and Mexico's Prospera (Fiszbein & Schady, 2009).

Despite the application of this social intervention programme, vulnerable households in the country are still living in poverty with little or no income to save, poor standard of living, inadequate access to healthcare and lack of interest in educational enrolment; thereby hindering the realization of the objectives of the CCT social intervention programme. The achievement of the goals of the CCT is believed to be impeded by macro-economic policies embarked upon by the federal government such as fuel subsidy removal, import restrictions and closing of borders, exchange rate volatility and corruption; all of which have collectively contributed to inflation that undermines the achievement of the objectives of the scheme (IMF, 2024; Eyo & Ezebuio, 2024). The broad objective of the study was to determine the effectiveness of Conditional Cash Transfer on poverty reduction among vulnerable households in Nigerian public service delivery with specific attention given to educational enrolment, healthcare utilization, household income and standard of living. The significance of the study is that its findings and recommendations would fill the gap in knowledge and provide credible solutions to the challenges affecting the realization of the objectives of the scheme.

Statement Of The Problem

Poverty reduction policies in Nigeria have always been formulated haphazardly without a thorough research, and the before and after policy analysis. Various poverty reduction policies have been put in place since Nigeria return to democratic system of governance in 1999 till date. Surprisingly, none has been able to meet or fulfill its objectives which always to better and improve the poverty level of Nigerians.

Poverty itself is man-made phenomenon that can be eradicated with a sincere formulation and implementation of realizable poverty 'eradication' programmes. Poverty is a global phenomenon, but various approaches adopted by government of the world differ from country to country. The Nigeria poverty dilemma is occasioned by the inability of various regimes and its bureaucracies to harness the resources (human, material/natural and financial) to solve the problems of unemployment which have become a hydra-headed monster that bedeviled the ever-increasing population of the country, hence, the various programmes of governments to curb the problem of unemployment and poverty such as the Conditional Cash Transfer policies of the Nigerian government.

The deficit of sincere commitment from the leaders to fashion out and implement policies that prioritize poverty reduction and to ensure fair allocation of resources, couple with programme failures due to poor targeting mechanisms, policy inconsistencies and a lack of data multidimensional approach to address the various facets of poverty. Nigeria's failure lies not in its ambition to alleviate poverty but in the architecture and execution of its social policy. Unlike other countries that have implemented conditional cash transfer with

measurable success, Brazil, Mexico, and Columbia among them, Nigeria has not invested in the infrastructure required to make such schemes effective. The heart of the problem is the country's opaque and outdated "social register", a list of supposed vulnerable citizens that lacks transparency, verification, and consistent methodology. (Business Day, 2025).

Objective Of The Study

The main objective of this study is to examine the Conditional Cash Transfer (CCT) and poverty reduction among vulnerable households in Nigerian public service delivery.

The study however focused on the under listed specific objectives:

1. Macroeconomic factors affecting the objectives of CCT on educational enrolment, household income, healthcare and living standards in Nigeria;
2. Macroeconomic measures and their role in enhancing the sustainability of Conditional Cash Transfer and poverty reduction in Nigerian public service delivery.

RESEARCH METHODOLOGY

The Study applied a qualitative/descriptive research, using contextual design which entails analyzing scholarly texts, journals, bulletins, articles, newspapers, textbooks, government reports, internet and international development agency publications.. This allowed data generated to be effectively analyzed. Qualitative/descriptive data analysis focuses on data that give reliable descriptive information on the phenomenon under investigation to meet the objectives of a particular study (Arinze, Osegbue & Osuji, 2022). This design enabled the researchers to and analyzed information on the variables of Conditional Cash Transfer Programme and Poverty Reduction among vulnerable households in Nigerian Public Service Delivery with a thematic analysis used to synthesize findings in educational enrolment, healthcare, household income and standard of living.

There are equally the problems of inclusivity and exclusivity. The random selections process has resulted in many of the poorest Nigerians being excluded from the program while some well to do individuals are included. This in a sense is a misplaced priority. Besides, the cash transfer amount based on the current economic situation and standard of living in the country is often too meager to meet basic needs like transportation, food, and shelter in the face of rising costs of living

LITERATURE/ THEORETICAL REVIEWS

Conditional Cash Transfer (CCT) is a social intervention scheme established as an arm of the National Social Investment Programme (NSIP) to provide financial support to vulnerable households in the country. The National Social Investment Programme (NSIP) was established in 2015 with the following arms but it became operational in 2016 (FMHADMSD, 2021).

1. N-Power (participants age: 18 to 35 years with a monthly stipend of thirty thousand naira for a period not exceeding two years)
2. Government Enterprise and Empowerment Programme (GEEP) established to provide loans between ₦10, 000 and ₦100, 000 at no monthly cost to artisans, farmers, women and enterprising youth.
3. Home Grown School Feeding Programme (HGSF) established to provide school feeding to children to increase school enrolment, reduce malnutrition and empower community women as cooks.
4. National Social Safety Net Programme (NASSCO) established with the following programmes under it: National Cash Transfer Programme (NCTP) which is otherwise known as Conditional Cash Transfer (CCT), Youth Employment and Social Support Operation (YESSO) and Community Social Development Project (CSDP)

The National Cash Transfer Office (NCTO) was therefore established in 2020 and saddled with the responsibility of housing the recipients of conditional cash transfer with the data of the beneficiaries recorded

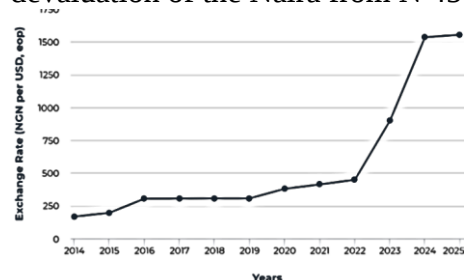
in the National Social Register (NSR), within the Federal Ministry of Humanitarian Affairs, Disaster Management and Social Development (FMHADMSD). The objectives of the Conditional Cash Transfer Programme includes providing financial support to the poorest and most vulnerable households; investing in human capital of the poor, particularly children; improving the overall standard of living of the beneficiaries, investing in human capital development by ensuring enrolment in education and access to healthcare of pregnant women and children through regular immunization to reduce Maternal Mortality Rate (MMR) especially among the poor. The Conditional Cash Transfer scheme at the beginning targeted one million households across 36 states and the Federal Capital Territory (World Bank, 2021). Since its inception, the CCT has faced various challenges such as poor data harmonization, weak conditional enforcement, regional bias in disbursement, and political interference (Ogunbameru et al., 2020). The Conditional Cash Transfer Programme has been widely adopted across the globe as a mechanism for interrupting the intergenerational transmission of poverty. Prominent examples include Brazil's Bolsa Familia, Mexico's Prospera, and South Africa's Child Support Grant (Handa & Davis, 2006). In Sub-Saharan African countries like Kenya and Malawi, CCT programme have shown improvement in mental health and school attendance. For instance in Kenya, GiveDirectly Unconditional Cash Transfers improved mental health and asset accumulation but had limited educational impact (Haushofer & Shapiro, 2016). In Malawi, the Zomba CCT increased school attendance but effects faded after withdrawal (Baird et al., 2011). In Nigeria, the CCT model has evolved under different political administrations, beginning with the Community-Based Conditional Cash Transfer (COPE) initiative established in 2007 and migrated into the NASSP-CCT scheme, targeting households in the National Social Register (Oyelaran-Oyeyinka & Bankole, 2020). Several investigations have revealed mixed outcomes for Nigeria's CCTs. While there is evidence of increased health visits and primary school enrolment (Morris et al., 2014), others have contrasting views highlighting issues with targeting inefficiency, inadequate monitoring, and weak accountability mechanisms as hindrances to the effectiveness of this social intervention (BusinessDay, 2025; HURIWA, 2025). Gendered impacts are also noted, with women bearing the burden of compliance while having limited decision-making power (Ezenwaka et al., 2021). Empirical studies have emphasized the need for effective public services as a prerequisite for CCT success (Behrman et al., 2005). It has been argued that where health centers are understaffed or schools under-resourced, the objectives of the scheme become counterproductive. This situation makes public sector reform integral to the effectiveness of any cash-based poverty reduction strategy in Nigeria. It is believed that by linking financial support to education and healthcare, CCTs serve as both a safety net and an incentive structure (Fiszbein & Schady, 2009). Empirical evidence has shown modest gains in school attendance maternal health services, and consumption smoothing (Morris et al., 2014 & Ezenwaka et al., 2021). However, other scholars have contrasting opinions by stating that poor programme targeting, corruption, inflation, inefficiencies and macroeconomic instability are major hindrances to the scheme (HURIWA, 2025).

Studies have revealed that Conditional Cash Transfers positively influence school enrolment and attendance, particularly for girls and children in rural areas. For instance, Morris et al (2014) found a 14% increase in school enrolment in the North-Central Zone. These gains are attributed to financial incentives that help cover direct and indirect schooling costs. In contrast, Akintola (2017) posited that barriers such as insufficient funds provided by the scheme, school infrastructure and child labour responsibilities persist in rural areas, thereby making the percentage of enrolment less than expected. Conditional Cash Transfer is considered to have improved antenatal care visits, skilled birth attendance, and childhood immunization, especially among women (Ezenwaka et al., 2021). It is argued that conditions that require health check-ups increase the utilization of maternal and child health services. Nevertheless, supply-side deficiencies such as lack of medical personnel, drugs, and transport limit the full impact of the scheme (Behrman et al., 2005). The CCT Programme is also targeted at improving the household income of vulnerable by giving financial support at regular basis. Though not an employment Programme, CCTs temporary raise household disposable income and allow families to meet urgent needs such as food, rent, or school fees (World Bank, 2020). In some cases, beneficiaries invest part of their funds in micro-trading or report improved ability to purchase essential items and better access to services (Morris agricultural inputs, indirectly fostering income-generating opportunities (Adebayo & Ogunleye, 2023). Studies have revealed that CCTs have had a moderate impact on food security and household well-being. However, improvements are often marginal and can be reversed by inflation or delayed payments (Eyo & Ezebuirio, 2024). The effectiveness of CCTs in Nigeria cannot be fully understood without examining their interaction with structural constraints such as inadequate health and education services and

macroeconomic volatility, which threatens the real value of transfers and households' ability to meet certain basic conditions.

Macroeconomic Factors Affecting The Objectives Of Cct On Educational Enrolment, Household Income, Healthcare And Living Standards In Nigeria

Exchange Rate: The exchange rate policy in Nigeria has had a substantial impact on the education sector, as the instability of the Naira has driven up the cost of imported educational materials and affected the purchasing power of vulnerable households. Between 2016 and 2023, Nigeria's exchange rate has fluctuated significantly, with the Naira depreciating. The liberalization of Nigeria's foreign exchange market led to massive devaluation of the Naira from ₦450/USD in 2022 to over ₦1,400/USD in 2025 (World Bank, 2025).



Nigeria Exchange Rate Data (vs USD) for 2025 to 2023

Source: Macrobond (2025)

As a result, the real purchasing power of fixed Conditional Cash Transfer amounts eroded, reducing the ability of the vulnerable households who are beneficiaries of the scheme access to acquire food, education, and health expenditures (IMF, 2024). The depreciation no doubt has made textbooks, school supplies, and educational infrastructure more expensive, which in turn has reduced access to quality education for low-income households, despite the presence of Conditional Cash Transfer programme in the country. Reports have shown that school enrolment in Nigeria has been adversely affected by economic conditions, with primary school enrolment declining by 2% from 2016 to 2022 (UNICEF, 2022). It can therefore be argued that inadequate funding due to macroeconomic measure has resulted in increased school fees and higher dropout rates, particularly among vulnerable households.

Inflation: Since 2016, inflation in Nigeria has remained consistently high, peaking at 21.09% in 2023 (NBS, 2023) and it has currently exceeded 30% in 2025, with food inflation surpassing 40% (NBS, 2025). This inflationary pressure has drastically reduced the purchasing power of households, especially CCT beneficiaries, whose cash transfers often fail to keep pace with inflation. To corroborate this assertion, Eyo & Ezebuio, (2024) opined that since CCTs are not indexed to inflation, their real value declined substantially, undermining their poverty-reducing effect (ibid, 2024). The cost of basic goods such as food, transportation, and healthcare, has risen significantly, thereby eroding the real value of CCT payments (Fola & Olayemi, 2021). A study by the World Bank (2020) found that real household income in Nigeria dropped by about 20% from 2016 to 2020 due to inflation and rising living costs. Although CCT Programme provides financial assistance, these transfers often fail to make up for the broader economic decline in household income.

Nigeria has also experienced inflation in the health sector, with medical costs rising in parallel to the broader inflationary trend. For example, a consultation fee that was ₦1,500 in 2016 increased to ₦5000 in 2023 (Nigerian Medical Association, 2023). This rise in medical costs, driven by currency depreciation, has made healthcare increasingly unaffordable, particularly for households receiving Conditional Cash Transfers. It has been observed that macroeconomic policies have led to insufficient government spending on healthcare, exacerbating the shortage of essential drugs and medical facilities. As of 2022, Nigeria ranked 187th out of 191 countries in the World Health Organisation's (WHO) healthcare ranking, highlighting the low quality of service despite the government's CCT initiative (WHO, 2022). According to the National Health Insurance Scheme (NHIS), more than 70% of healthcare expenditures in Nigeria come from out-of-pocket payments, with vulnerable populations bearing the brunt of these costs (NHIS, 2021).

Investigations have also revealed that despite the CCT Programme, the overall standard of living for vulnerable households in Nigeria has continued to deteriorate due to adverse macroeconomic policies. Factors such as rising inflation, poor fiscal management, and a stagnant economy have compounded the challenges of poverty reduction efforts. According to the National Bureau of Statistics (2021), the poverty rate in Nigeria increased by 2% between 2016 and 2021, despite CCTs interventions. This is largely due to the economic recession, high unemployment rates, and the failure of government policies to stimulate economic growth. In fact, over 40% of Nigerians were living below the poverty line by 2021 (NBS, 2021; National Population Commission, 2023).

Removal of Fuel Subsidy: The removal of fuel subsidies in 2023 led to skyrocketing transport costs, especially in rural areas. This affected beneficiaries' ability to meet CCT conditions, such as taking children to school or attending health clinics (UNICEF, 2024). The removal of subsidies increased vulnerability, especially among female-headed households as fuel price hikes, have further strained household budgets, contributing to an increased dependency on cash transfers that cannot sustain the lives of the poor (Adegbite & Bakare, 2023).

Import Restrictions and Border Closures: Policies that restricted food imports and closed land borders from 2019 to 2021 led to food price hikes due to domestic supply shortfalls (FAO, 2022). This situation made it harder for CCT beneficiaries to maintain food security, especially in Northern Nigeria (Adebayo & Ogunleye, 2023). Macroeconomic instability has compounded structural inefficiencies in Nigeria's social protection landscape. Inflation, subsidy removal and poor trade policy coordination have collectively and significantly eroded the purchasing power of Conditional Cash Transfers. It is worthy to note that while CCTs are designed to bridge poverty and social service gaps, their effectiveness is undermined in contexts where broader economic conditions worsen the very indicators they aim to improve. It therefore argued that for CCT Programme to succeed, macroeconomic stabilization and inflation-indexed transfer values are considered relevant. In addition to the macroeconomic impediments to the effectiveness of Conditional Cash Transfers, investigations have revealed other associated barriers to the effective implementation of the scheme. For instance, corruption and political manipulation have been pinpointed as part of the condition undermining the effectiveness of CCT, with funds reportedly diverted to non-eligible individuals or used for patronage rather than poverty alleviation. This is evident in the manner beneficiary lists are often manipulated, and fund disbursement lack transparency. Civil society groups, such as Human Rights Writers Association of Nigeria, have challenged government claims of reaching 2.3 million households, citing lack of public data and transparency; and demanded disclosure of beneficiary lists and independent audits to ensure integrity of the scheme (HURIWA, 2025). Many deserving households are excluded from the scheme due to outdated or inaccurate social registers (PolicyVault Africa, 2025). Infrastructure gaps such as weak health and education services have also hindered compliance with CCT conditions; while manual processes and weak ICT systems have resulted in irregular payment delays (Olatunji, 2021).

THEORETICAL FRAMEWORK

The Study applied Principal-Agent Theory to explain the variables underpinning Conditional Cash Transfer (CCT) and Poverty Reduction among Vulnerable Households in Nigerian Public Service Delivery. The theory was propounded by Michael Jensen and William Meckling in 1976 and published in a book titled "Theory of the Firm: Managerial Behaviour, Agency Costs, and Ownership Structure" (Jensen & Meckling, 1976) cited in (William, Duncan & Josephat, 2024). One of the assumptions of the theory is that it explains how the principal (citizens) delegate decision-making authority to the agent (elected representatives), who is expected to act in the principal's best interests. The theory states that there is always information asymmetry or imbalance between the principal and the agent. The agent usually possesses more information than the principal about the tasks being performed, leading to the potential for moral hazard and adverse selection. Moral hazard of the theory explains that the agent might not always act in the best interests of the principal due to differing goals or incentives. The agency costs incurred to monitor and ensure that the agent acts in the principal's interest. Agency costs include monitoring costs, bonding costs, and the cost of the agent's behaviour that deviates from the principal's objectives. The central element in the theory involves designing contracts to align the incentives of the agent with those of the principal. This often involves offering the agent rewards for achieving certain goals, thereby mitigating the agency problem. (William et al., 2024).

The justification for the application of the theory to this study is that it explicitly explains the relationship between the political leaders and the citizens. The citizens voted for the elected representatives who are expected to manage the state resources in the best interests of the citizens. However, because there is information asymmetry between the principal and the agent in the management of state resources, the leaders exhibit the character of moral hazard by acting in their best interest and making policies that favour them and work against the wishes of the citizens. This is evident in the manner Nigerian political representatives are living in affluent with fleet of cars, providing good security network for themselves, while the citizens who voted for them to act in their best interest are living in abject poverty due to unfavourable macroeconomic policies embarked upon by the political leaders. In an attempt to divert the attention of the citizens away from monitoring the activities of the leaders, the political leaders provide Conditional Cash Transfer of ₦ 25,000 monthly for a period not exceeding three months for the citizens to use and acquire healthcare services, educational enrolment of their children, improved household income and standard of living, thereby making the leaders to act more in their interests as against the interest of the citizens, considering the present economic realities.

Macroeconomic Measures And Their Role In Enhancing The Sustainability Of Conditional Cash Transfer And Poverty Reduction In Nigerian Public Service Delivery

Exchange Rate Management: The exchange rate is a critical macroeconomic variable, as it affects the cost of imports, inflation, and the purchasing power of households. In the context of CCT Programme, an unstable exchange rate can increase the cost of living, undermining the effectiveness of cash transfers, which are designed to improve the purchasing power of vulnerable households. Maintaining a stable exchange rate helps to protect the real value of cash transfers. A stable currency means that the value of the transfer remains predictable, which is essential for ensuring that vulnerable households can use the funds effectively for basic needs (Tobin, 1980). Volatility in the exchange rate, however, could erode the value of transfers and create uncertainty for beneficiaries, making it harder for them to plan for future expenses. A favourable exchange rate makes domestic goods and services more affordable for beneficiaries, ensuring that CCT payments have the desired impact (Meltzer & Sachs, 1990).

Provision of Subsidies: Provision of subsidies whether for food, fuel, or transportation can help to reduce the cost of living for vulnerable households, ensuring that CCT funds are used for their intended purposes: improving welfare through health, education and nutrition. In Nigeria, subsidies on essential items like fuel and food have historically helped to keep inflation in check and reduce the immediate financial burdens on poor households (Eichengreen & Gupta, 2017). By making these essential goods more affordable, the value of CCT transfers can be maximized, as they can be used to meet other household needs. Aligning subsidies with CCT Programme, such as providing education or health subsidies for CCT beneficiaries can ensure that resources are used effectively to improve long-term human capital (Sachs, 2025).

Reduction of Inflation: Inflation erodes the purchasing power of households, including CCT recipients. High inflation undermines the effectiveness of CCT Programme by reducing the real value of the cash transfers. Keeping inflation low and stable is essential for sustaining the purchasing power of vulnerable households. This can be done by ensuring good monetary policy and inflation control because low inflation ensures that the nominal value of CCT payments translates into real improvement in welfare (Ghosh & Phillips, 1998). A focus on price stability will help prevent sudden price shocks on essential goods, making CCTs more effective in improving household welfare by ensuring that transfers maintain their purchasing power.

Trade Liberalization and Creation of Employment Opportunities: Trade liberalization which involves the reduction of tariffs and trade barriers can improve the availability and affordability of goods, especially essential commodities for CCT beneficiaries. It can stimulate economic growth, lower prices, and expand access to necessary goods and services. Lowering costs for vulnerable households by reducing tariffs on imports, particularly on food and medical supplies, trade liberalization can lead to lower prices which directly benefit CCT recipients by increasing the purchasing power of the transfer (Rodrik, 1999). Trade liberalization often leads to the expansion of industries and services that can provide employment opportunities for

vulnerable populations. A growing economy can reduce dependence on cash transfers by increasing self-sufficiency through job creation (Winters, 2004).

Infrastructure Development: Investment in infrastructure such as transportation, healthcare facilities, and education can complement CCT Programme by ensuring that beneficiaries have access to the service needed to meet the Programme conditions (education and healthcare requirements). Infrastructure also supports broader economic development, which is essential for poverty reduction in the long term. Investment in transportation infrastructure can make it easier for beneficiaries to access schools, clinics and markets, thereby ensuring that the objectives attached to cash transfers (such as school attendance and health check-ups) are met (Galiani, et al., 2005). Infrastructural development, particularly in rural areas, can create the conditions necessary for economic growth and sustainable development. A robust infrastructure network promotes trade, investment, and employment, which reduce long-term poverty and reliance on CCTs (Galdero & Serven, 2010).

DISCUSSION OF FINDINGS

The analysis of the Study on Conditional Cash Transfer and Poverty Reduction among Vulnerably Households in Nigerian Public Service Delivery revealed that macroeconomic policies such as removal of subsidies, exchange rate and lack of trade liberalization have resulted in inflation and this has hindered the realization of the objectives of the CCT Programme on educational enrolment, access to healthcare, household income and standard of living. Inflation in Nigeria has remained consistently high, peaking at 21.09% in 2023 (NBS, 2023) and it has currently exceeded 30% in 2025, with food inflation surpassing 40% (NBS, 2025). This inflationary pressure has drastically reduced the purchasing power of households, thereby affecting their standard of living. The rise in medical costs, driven by currency depreciation, has made healthcare increasingly unaffordable, particularly for households receiving Conditional Cash Transfers. It has been observed that macroeconomic policies have led to insufficient government spending on healthcare, exacerbating the shortage of essential drugs and medical facilities. Reports have shown that school enrolment in Nigeria has been adversely affected by economic conditions, with primary school enrolment declining by 2% from 2016 to 2022 despite the availability of the CCT Programme (UNICEF, 2022).

CONCLUSION

Conditional Cash Transfer is globally considered as a good social safety net necessary to combat poverty among vulnerably households. In Nigeria, the CCT Programme has been used for decades to reduce poverty among vulnerable households by providing financial support to meet basic needs such as educational enrolment, healthcare services, good standard of living and improvement in household income. However, investigations have shown that macroeconomic policies such as exchange rate, lack of trade liberalization and removal of subsidies, have collectively and significantly resulted in inflation; thereby eroding the purchasing power of the beneficiaries of the CCT funds. This inflationary pressure arising from macroeconomic policies have led to a decline in educational enrolment, access to healthcare services, reduction in household income; and subjected vulnerable households to poor standard of living, thereby undermining the objectives of the Conditional Cash Transfer Programme.

RECOMMENDATIONS

Based on the findings of the Study, the following recommendations were made:

1. Government should make good macroeconomic policy that will ensure stability of the exchange rate and avoid consistent depreciation of the Naira in order to prevent inflation that negatively affects educational enrolment of the children of the vulnerable households. Equal exchange or favourable foreign exchange is dependent on balance of trade, where importation equals exportation or even exportation surpassing importation. This implies that overdependent of foreign goods and services more often than not lead to depreciation of currencies of the depending economy. Eradication of parallel exchange market should be vigorously stamped out;
2. There should be adequate economic policies geared toward reducing inflation in the health sector, with proper provision of health facilities to enable CCT beneficiaries have adequate access to healthcare

services. This can be done by legalizing certain traditional medicine into the health sector. Education is the first fight to better the health sector, because when the people are educated they will take precautionary measures that will curb incidence of severe health conditions;

3. Subsidies should be provided on basic food items to enhance the purchasing power of the beneficiaries of CCT funds and this in effect, would improve the standard of living of the vulnerable households. This is achievable through commodity board to regulate prices of food stuff. Before this could be effective, subsidized and grants/ soft loans should be given to the rural and real farmers;
4. There should be trade liberalization and creation of employment opportunities in order to reduce high cost of imported goods and improve household's income through job performance. This is a clarion call for investment in agriculture. If the agricultural sector is heavily invested for business and fully tapped, it would not only provide the country with about 75% to 80% increase of its GDP but also to diminish youth insatiable interest in politics. (Udotim, 2025).

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