

Rural Governance and Community Development Levy in Uyo Local Government Area, Akwa Ibom State

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Abstract

This study was conducted to examine rural governance and how development levy contributes to community development in Uyo Local Government Area, Akwa Ibom State, Nigeria. Community development is mostly enforced through rural governance by utilization of development levies. A community development levy is a charge or fee imposed by governments or local authorities on developers, businesses, or landowners when they undertake new developments, such as houses, commercial properties or infrastructure projects. The levy collected is typically used to fund local projects according to the felt needs of the community. In Nigeria, some states and local government councils have implemented a form of levy where developers pay a fixed or percentage-based fee toward community development. This paper explored the rationale behind the community development in Uyo Local Government Area, Nigeria. Anchored on the Endogenous Theory of Development, the research utilised secondary data from extant literature and used a descriptive method of data analysis for evaluation. The study revealed that a lack of transparency and accountability was the major problem of rural governance and community development. It was recommended that for effective rural governance and community development to take place, there must be a change of attitudes by leaders.

Keywords: Rural governance, community, development, levy, compliance, transparency.

Introduction

The Community Development Levy (CDL) is a fiscal policy instrument used by community leaders to ensure that new development sited in the community contribute to the provision of essential infrastructure and services within the host communities. It is typically imposed on real estate developers, businesses and landowners undertaking construction or infrastructural projects, with the primary aim of promoting equitable and sustainable community development. The leadership of rural communities also manages and uses remittances sent from their children abroad to support community projects to help alleviate poverty (Ojo, 2021).

The community development levy also provides a sense of integration and security to non-indigenes who acquire land for development and settlement. The community development levy stimulates development in rural areas, notably through construction and housing improvements, encouraging more people to acquire land in those areas. Every community projects bothers on the issues of fund raising which is the most important aspect, this is because without safe guarding fund to carry out these plans, it is as bad as having conceived no plans, it is no plans at all, no matter how lofty the ideas are. As community development projects are initiated and implemented by the community, they equally fund the projects (Onodugo, 2016).

Apart from the community land development levy, there are other sources of raising community development funds. These funds are acquired mostly by levying all taxable adults in most cases, and in other cases, the well-to-do sons and daughters abroad, who include businessmen, politicians and civil servants, who usually come to their communities at the end of the year. Donations and fundraising events are other sources of acquiring funds. Community development, on the other hand, is initiated by the community itself and the emphasis is on self-help, including the use of local resources, labour and local organisational or managerial ability. The provision of basic services for the community is paramount in these initiatives, and efforts are concentrated on activities which utilise local resources and require minimum outside assistance in the form of finance, technical and managerial skills. Most communities in Akwa Ibom State and Nigeria in general acquire the basic development facilities through self-help by contributing funds to finance community schools, hospitals, boreholes, markets and electricity projects. The rural people organised themselves so as to provide themselves with these necessities, and as such, the Akwa Ibom state government and donor agencies also provide aid to provide them with modern boreholes, schools and hospitals (Odo, 2014).

Community development depends on the felt-need of the people, which is predicated upon the fact that different communities have different resources, needs, problems, capabilities, strategies and cultural patterns. This implies that in the design of programmes for community development, each community has to formulate the policies and programmes that suit its individual requirements, taking into account its stage of development, resource condition and most pressing needs. The strategies to be followed for achieving community development, therefore, vary from community to community by embarking on projects in the priority areas. This means that community development causes things to happen by improving the living standards of people residing in rural areas and making the process of their development self-sustaining (Nwanegbo, 2017).

It is through active and viable rural governance that community development is achieved. Fund collections are enforced through rural governance by ensuring total compliance by people residing in the area. Community development is a process by which the efforts of people are united with those of government to improve the social, economic and cultural condition of communities and of integrating these communities into the life of the nation. It involves comprehensive changes

in the cultural, economic, social, educational and political affairs of the rural people, designed basically for self-reliance (Coker, 2014).

Statement of the problem

Community development is a strategy designed to improve the economic and social life of the people in rural area and this could be achieved through rural governance. Rural governance and community development are usually undermined by poor government policies and programmes that do not meet the felt needs of the rural people. Lack of active participation by major stakeholders occurs in a situation where certain sections of the community are not consulted during the planning stage. This situation arises mostly when a development plan is initiated by the government, maybe due to political reasons, without targeting the felt-needs of the people. The people do not know what they want, and some communities do not have priority areas where they want the desired objectives. A situation where a community does not know what to request, the government has no other option but to impose whatever it feels is necessary on the community (Cabaj, 2016).

There is the problem of representation, conflict and inequality. This situation is even more complex when representatives are selected from different communities with conflicting interest groups, each with its own leadership structure. The government would be confused about the rights team to work with. Also, the gap between the community development planners, administrators or extension workers and that of the people whose participation they seek to obtain poses a great problem to community development and rural governance. Then there is a lack of maintenance culture. This is a situation where a project has been executed, and the people who are directly benefiting from the project would not care for the project either out of ignorance or deliberate wickedness (Okafor, 2021).

Objectives of the study

The main objective of this study is to investigate how rural governance and community levy contribute to community development.

1. To examine the roles of rural governance and community development levy in Uyo Local Government Area.
2. To examine how rural governance contributes to community development through development levy.
3. To investigate the challenges associated with community development levy.
4. To investigate the projects facilitated through community development levy.
5. To make some policy suggestions that would encourage community development.

Research questions

The following research questions were formulated for study:

1. What are the roles of rural governance in community development through development levy?
2. How does rural governance contribute to community development through the development levy?
3. What are the challenges associated with community development levy?
4. What are the projects facilitated through community development levy?
5. What are the policy suggestions that would encourage community development?

Conceptual Clarification

Community Development: Community Development refers to the means for the provision of basic amenities, infrastructure, improved agricultural productivity and extension services and employment generation for rural dwellers (Ugwuanyi & Chuwuemeka, 2020).

Development Levy: Development Levy is a type of tax or fee imposed by the government or local authorities for development.

Rural Governance: Rural Governance refers to the systems, processes, institutions and practices used to make decisions, manage resources and deliver services in rural areas

Community-Based Organisation (CBO): A community-based organisation is a non-profit, grassroots organisation that is created, led and operated by members of a local community to address the community's specific needs and promote its development.

Decision Making: Citizens take part in shaping laws, politics and government actions.

Accountability: Refers to holding community and public leaders accountable by giving citizens a voice.

Transparency: Refers to openness in how decisions are made.

Empowerment: Refers to building a sense of ownership and responsibility in the community.

Collaboration: Refers to the encouragement and cooperation between the public and government or institutions.

Literature Review

Development levy is the fee charged by the host communities through their planning authority for all new developments in their area of jurisdiction. It has become a common practice among communities in Akwa Ibom State that community development levies must be paid to the leadership of the host communities. Community development levy is one of the strategies used to generate revenue for the community. These levies are used for development, such as the creation and grading of new roads to encourage people to have access to available lands in the community. Community development levy is also used to facilitate electricity projects by connecting the newly developed area to the national grid. Community development levies are also used to facilitate borehole projects to address water problems where such facilities are inadequate or completely absent (Ekpe, 2022).

Community development levies are also used in building markets, where such never existed. This is usually done through the construction and renovation of market stores and toilets. Some communities also use these levies to establish community schools without waiting for government intervention. Community leaders in rural governance also use the community development levy to grant educational support, business grants and artisan grants to their people to improve their social and economic well-being. It is through the development levy that some communities achieve their felt needs. It is also through the development levy that some communities were able to build their civic centres, where they usually have their meetings (Evelyn, 2018).

The community development levy has been widely recognised as a grassroots approach to mobilising local resources for development. Okon (2022) reports that community levies have been instrumental in financing infrastructure, social services and local economic initiatives, especially in areas where government interventions are minimal. Ekekpa & Okolo (2020) observe that elite manipulation often diverts levy resources from intended communal projects, undermining trust among community members and external stakeholders.

Ekpe et al. (2021) note that economic disparities within communities hinder equitable participation, as poorer members are unable to contribute adequately, while wealthier members dominate decision-making processes. In terms of inclusivity, literature underscores the importance of gender and youth participation in the management of community levies. Ekpe & Udo (2022) observe that women and young people are frequently marginalised in decision-making processes, limiting the effectiveness and equity of levy-funded projects. Strengthening inclusivity, they argue, not only enhances social cohesion but also improves the sustainability of developmental outcomes. Additionally, the integration of technology has been suggested as a mechanism to improve transparency and accountability. Adeola (2024) highlights the potential of digital platforms for tracking levy contributions and expenditures, enabling broader participation and increasing trust among stakeholders.

Community development is built on certain elements that make it thrive, especially at the local level. Abugu (2014) adds that community development occurs when the citizens are fully involved in the development of their community. In affirmation, Nwanegbo et al. (2017) add that governance is a function of effective, visionary, transparent, trustworthy and credible political leadership whose driving force is an improvement in the collective well-being of the citizens through well-conceived, effectively implemented economic policies and human development programmes. Rural governance creates an inclusive and responsive political process. It is concerned with institutions of governance at the rural level, including public administration and management, and equal distribution of public services and aspects of democracy and rule of law.

Ojo & Ako (2021) opine that community development is a process whereby those who are marginalised are enabled to participate in productive activities and bring about change in their community. Governance generally comprise three distinct aspects such as the form of political regime, the process of participation of different interest groups, stakeholders and actors including the people whose livelihood projects are geared at improving their living condition; government and non-governmental bodies, funding organization, projects experts and executors who are aimed at improving the productivity of the people and enabling them participate socially, politically and economically (Abugu, 2014). On the other hand, Coker & Goerge-Genyi (2014) state that bad governance is a symptom of institutional and leadership failures, explicitly manifested by its long list of dictatorial leaders, limited media freedom and undemocratic elections. Among its features is the failure to make a clear separation between what the public needs or problems and the ways and means they will want to solve them (Onyenemezu,2014).

Good rural governance is aimed at providing information on resources, inputs and infrastructure, deploying technical literacy levels, improving productivity and productive systems, volunteers and donors, among other things. Ideally, most community development programmes in developing nations focus on people's felt needs and basic amenities such as the provision of good roads, electricity, hospitals, markets, schools and farm settlements, among others. These goals can only be achieved through the combined and collective efforts of all those who share the conviction that community development must be accorded a high priority in the drive for poverty reduction and national self- sufficiency (Onodugo & Itodo, 2016).

Transparency in rural government encourages community development by utilising the available financial and material resources in the community. Effective rural governance also guarantees a maximum security network by protecting the lives and property of the people in rural communities. Rural governance would discourage the menace of jungle justice that is usually carried out by the youth at the slightest provocation by resorting to extrajudicial killing, horrendous beating or public humiliation, and not taking into cognisance the rule of law and the fundamental rights of the alleged offender (Esara, 2023).

Theoretical Framework

This study was guided by the Endogenous Theory of Development propounded by Romer in 1986. Endogenous Growth Theory holds that economic growth is primarily the result of endogenous and not external forces. Endogenous growth theory holds that investment in human capital, innovation and knowledge are significant contributors to economic growth. This theory also focuses on positive externalities and spillover effects of a knowledge-based economy, which will lead to economic development. Endogenous growth theory primarily holds that the long-run growth rate of an economy depends on policy measures.

A community or an individual boosts his or her economic growth the most by focusing on an area of production in which it has the most substantial comparative advantage.

Findings

The study has revealed that community development levy has become a common practice among communities in Uyo Local Government Area because of its developmental impacts on the socio-economic lives of the people. In some communities in Akwa Ibom State, the revenue committee usually consists of five people - the chairman, the secretary, the treasurer, the financial secretary and an adviser. They open bank accounts where the development levy is paid into, and they issue receipts for record and accountability to the people. The tenure of these revenue committees usually is usually five years, and thereafter, a new committee takes over. In some communities in Akwa Ibom State, after payment is made to the original owner of the land, an agreement is signed between both parties. It is forbidden for the owner of the land to commence a project without paying the development levy to the community.

The community leaders usually put traditional injunctions on the land to ensure that the owners of such land pay community development levies. Some communities ask developers not to start any block work on the land until payment is made for development levy and clearance is given to that effect. These are ways in which the community development levy is implemented across communities in Akwa Ibom State. Thus, community development levies are released to restore electricity facilities whenever there is damage in electricity transformer and other facilities.

Development levy varies across communities in Uyo Local Government. In Oku and Offot clans, the development levy for a bungalow goes for Two Hundred Thousand Naira only (₦200,000), while the levy for a storey building goes for Three Hundred Thousand Naira only (₦300,000). In Etoi and Offot clans, the development levy on a bungalow goes for Three Hundred Thousand Naria only (₦300,000), while storey buildings go for Five Hundred Thousand Naira only (₦500,000). According to one of the participants, development levies are usually paid into a community account number, and thereafter, the bank teller is required to obtain a receipt for accountability.

Community development levy in Ediene Ikot Obio Imo Village in Uyo Local Government Area was used to execute the following projects: grading of Ediene Ikot Obio Imo Estate Road, yearly grading of Samuel Spiritual Church Avenue, and installation of solar power street light at Usung Ediene Street. At Etoi Clan, community development levy was used in the construction of Ikot Uboh Market, Ikot Akpan Mbia Market and Atai Market, all in Ifa Ikot Okpong. In Oku Clan, the capital raised from the community development levy was used in the construction of Urua Itak Uyo Market and the construction of Community Secondary School Oku located at 48 Udo Ekong Street Uyo. In Ikono Uyo, proceeds of the community development levy were used for the installation of a borehole for the supply of water and the renovation of the community civic centre.

The study revealed that the major challenge associated with community development levy is the problem of financial embezzlement by some community committees. Another challenge

associated with the development levy is the problem of misplaced priority. Every new community administration usually comes with new policies and projects, not considering the interest of the people before embarking on a new project, and they do not care about the completion of old projects executed by previous committees.

The study further reveals that effective rural governance propels rapid community development by channelling its policies and programmes to address the felt needs of the people in ensuring citizens' participation in decision-making; gives access to basic services and projects like healthcare, education, clean water and sanitation; decision-making leads to more relevant and timely use of resources, tailored to community needs; encourages citizens to participate in decision-making, planning and projects monitoring; gives opportunity to marginalised groups like women, youths and minority groups often get a stronger voice in decentralized systems.

However, this study reveals that rural governance and community development are usually hindered by low administrative capacity, corruption and mismanagement, limited public participation, ineffective decentralization and lack of data; a lack of transparency and accountability by community leaders; opposing factions within the community, whereas, it is through effective rural governance that the felt needs of the people are channel to government for intervention.

Conclusion

It is through effective rural governance that community development is propelled by identifying the felt-needs of the people through collective concern. The improvement in the welfare of the rural people could only be through effective rural governance, where policies are formulated, and efforts are geared towards intervention. It can be concluded that the only possible way to achieve rural development is through effective rural governance, through which the felt needs of the people are identified and addressed through community efforts or government intervention.

Recommendation

1. Community leaders should always endeavour to guard against the embezzlement of the community development levy.
2. Leaders in rural governance should always facilitate projects according to the felt-needs of the people.
3. The government should take community development and rural governance as its core mandate by ensuring that projects are allocated to our rural communities.

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