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Encyclopaedia of **Policies** of the Federal Republic of **Nigeria**



Editor-in-Chief **Dr. Hobson E. Nnebe**, *FNIM, FIMC, MEd* **Vol. 13**



Encycloepadia of
POLICIES

OF THE
FEDERAL REPUBLIC OF NIGERIA

VOLUME 13

**BANKING, FINANCE, INVESTMENT
AND RELATED POLICIES II**

National Library of Nigeria

Editor -in-Chief/Publisher
Dr Hobson E. Nnebe, FNIM, FIMC, FCBA



National Anthem

Arise O compatriots,
Nigeria call obey,
To serve our fatherland,
With love and strength and faith,
The labour of our heroes past
shall never be in vain,
To serve with heart and might
one nation bound in freedom,
Peace and Unity.

O God of creation Direct our noble cause,
Guide our leaders right,
help our youth the truth to know,
In love and honesty to grow
And live in just and true;
Great lofty height attain,
To build a nation where peace
And justice shall reign.

National Pledge

I pledge to Nigeria my country,
To be faithful, loyal and honest,
To serve Nigeria with all my Strength,
To defend her unity,
And uphold her honour and glory,
So help me God.

MAP OF NIGERIA SHOWING THE STATES AND THEIR CAPITALS



NORTH EAST	NORTH WEST	NORTH CENTRAL	SOUTH EAST	SOUTH WEST	SOUTH SOUTH
ADAMAWA	KATSINA	ABUJA	ABIA	EKITI	AKWA IBOM
Yola	Katsina	BENUE	Umuahia	Ado Ekiti	Uyo
BAUCHI	JIGAWA	Makurdi	ANAMBRA	LAGOS	BAYELSA
Bauchi	Dutse	NIGER	Awka	Ikeja	Yenagoa
BORNO	KADUNA	Minna	EBONYI	OGUN	CROSS-RIVER
Maiduguri	Kaduna	KOGI	Abakiliki	Abeokuta	Calabar
GOMBE	KANO	Lokoja	ENUGU	ONDO	DELTA
Gombe	Kano	KWARA	Enugu	Akure	Asaba
TARABA	KEBBI	Ilorin	IMO	OSUN	EDO
Jalingo	Bimin Kebbi	NASARAWA	Owerri	Oshogbo	Benin City
YOBE	SOKOTO	Lafia		OYO	RIVERS
Damaturu	Sokoto	PLATEAU		Ibadan	Port-Harcourt
	ZAMFARA	Jos			
	Gusau				

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FEDERAL REPUBLIC OF NIGERIA
VOLUME THIRTEEN

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DEDICATION

**We dedicate these volumes
first and foremost to God, our
senior and silent co-worker,
who dropped the idea of this
project in our hearts, many
years ago, and to the people of
Nigeria for whom these
policies are made.**

FOREWORD

We have long recognized the critical value of policies in our quest for good governance and sustainable democracy. In our search for a strong democratic foundation, we have found the policy making process not only challenging but also highly participatory, indeed.

Our greatest forte as a nation lies in our diversity. The policy making process can therefore be quite daunting because we will always consider the expectations, aspirations and needs of a vast assortment of our people who are vibrant, aware and articulate.

Our most critical challenge as policy makers, therefore, is to try as much as possible to seed the diverse and often conflicting persuasions, expectations and needs of our people into a coherent road map for addressing their yearnings and the various challenges facing us. The policies that have been evolved in the past years have tried to do just that. These policies have been evolved in response to the profound changes taking place both in our immediate environment and globally.

These changes have stretched the frontiers of development and have challenged our traditional ways of doing things. It is therefore imperative that we evolve adequate responses to them. For instance, not too long ago, when discussing health issues, we concentrated on such diseases as malaria, tuberculosis, safe motherhood etc. HIV/AIDS was not on the agenda then. Today, HIV/AIDS is one of the most central health focus of our time. Even the challenges that we have battled for over a century like malaria and poverty among others require new and robust responses now.

Our vast geographical landscape has been constricted due to the emergence of the mobile phones, cable television, and the Internet. They have changed the way we live and do business, forever. Advances in computer and information technology have done amazing things in the banking, education, entertainment industry. All these benefits have come about as a result of sound policies. However they constitute a negligible cohort. So much more needs to be done.

It is necessary to wonder why as a nation we have had such a dismal record for policy formulation and implementation. Where for instance is the interface between policy-making and its actualization that we have performed so poorly for years? Responses to this and similar questions are what we hope these volumes seek to provoke.

These thirteen volumes are therefore aimed not just at showcasing our policies but also in provoking a wide range of discussion, analyses and feedback.

Prof (Mrs.) Nkechi Mbanefo

PREFACE

Tracking the policy making process by the Federal Government for years have been very daunting but enriching experience indeed. Never before in the history of the country have we had such a large number of policies as we have had in the past few years.

These volumes are meant to provide researchers, investors, the diplomatic community, senior public servants and their counterparts in the private sector with a handy reference on the policies of the Federal Government. In these volumes, they can observe and compare the scope, Structure, sequence, pattern, approach and even weaknesses in the policy making process. As a result, they can identify gaps, patterns and the most critical ingredients and considerations in our policies as a nation. Building on these observations and patterns and the feedback they would provide, our policies can be made richer, relevant and more easily amenable to actualization.

The *Centre for Policy Research, Education and Development (CENPORED)*, have spearheaded the initiative to assemble, document and analyze the policies of the Federal Government in the wake of the bold democratic experiment, sweeping our polity.

The main aim is not just to compile the policies and leave them on our shelves, but to use them as a basis for comparison, research and ultimately as instruments that can propel more articulate programme formulation, implementation and sustainable development generally.

For many decades, we have expended enormous efforts in various development projects and yet our development challenges remain as daunting. Consultations, dialogue, research, debate and huge resources have gone into the policy-making process and yet the very ills, distortions and impediments they seek to redress not only remain but prove ever more intractable.

How can policies serve the purpose of which they are intended? How can they better be transformed into implementable projects and programmes? These volumes seek, first and foremost to provoke a general concern about policy failure in our polity and secondly to help raise our determination to bridge the gap between policymaking and execution.

Dr Hobson E. Nnebe, FNIM, FIMC, FCBA

Director General, Centre for Policy Research, Education, and Development (CENPORED)

ACKNOWLEDGEMENTS

For over many years, we have traversed the fabric of the civil service, following the policy-making process and assembling copies of the approved policies. It was hectic but deeply enriching indeed. Many officials of the various ministries and parastatals cooperated immensely with us. For obvious reasons we cannot name them one by one. The staff of the government printer along Malu Road Lagos apologized profusely for not having any policies of the Federal Government, but gave us words of encouragement for even thinking of the idea of compiling and presenting the policies in volumes for easy reference for researchers and policy makers. We are very grateful indeed for their encouragement.

We would also like to express our gratitude to **Ven. (Dr) Adebayo Joseph** for his support and words of encouragement, especially at the early stages. In fact, the whole idea of embarking on this project started after my discussion with him as the then coordinating Commissioner at the National Planning Commission. His encouragement in the very early stages kept me going. I owe him immense gratitude for his support and inspiration.

My sincere thanks are also due to late **Pastor Sunday Anyebe**, the Managing Director of SONNEX Graphics Plus and his team of staff for their patience, dedication and handwork. I will like to profoundly thank my wife **Chinwe, Gozie, Kenechukwu, Daniel** and **Onyi** my wonderful family team for their immense love and understanding. **Edwin Ephraim** deserves special thanks for his consistent leg work in helping to search out the policies from various ministries over the years. My gratitude is also due to **Mr. Chimaobi Anunobi Nkem** for his diligence, commitment and hardwork. Our sincere thanks also go to **George Ezenwata**, our master binder, for his work in giving these volumes the final finish.

Alh. Olapade, Alhaji Tatari Ali and **Bro. Ifeanyi Anago** and **Dorothy Eboh** saw the potentials of this project and supported it. I am immensely grateful indeed.

There are others, too many to mention. We express our appreciation to these silent co-workers.

Dr. Hobson E. Nnebe, *FNIM, FIMC, FCBA.*



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INTRODUCTION

"It is well acknowledged that one of the failings of public policy in Nigeria has not been the dearth of policies but actually the non-implementation of such policies"

—Former President Olusegun Obasanjo GCFR

The above statement by no less than the former President of Nigeria sums up the dilemma of public policy making and its effectiveness in Nigeria. Simply put, a large gap often exists between creeds and deeds. This holds true in every human endeavor. The adherents of any cause are often hard put to it to win converts if the tenets they profess are not translated into visible concrete actions. Concrete outcomes and results help to build confidence. They also help to breed assurance and credibility for any project.

In the area of public policy formulation, the same situation holds true. Policies are for people, and are formulated to address specific human needs. A policy document on water and sanitation for instance or on poverty alleviation, provides major roadmaps and position statements by the Federal Government on the two issues. These statements are usually borne out of extensive dialogue, discussions and brainstorming sessions with stakeholders. The final policy documents invariably reveal government's intentions, plans provisions, and guidelines and provide the overall framework for carrying out the activities on the particular area in focus, geared ultimately in bringing about change and development.

Due to many stakeholders involved in the policy moulding process, a diverse range of opinions, aspirations and even frustrations are faced during the process. Most often, the policy in a particular area is a highly informative document in that area. The formulators often begin by synthesizing the wide and varied shades of contributions and opinions the stakeholders make in the process of consultations, debates and dialogue. These discussions and debates form a firm basis upon which the policies are eventually formulated.

These policies when finalized and issued as official documents are intended to serve as a basis for addressing particular human development needs. Each policy has a niche it seeks to intervene in. change is sought in that niche by addressing specific issues, concerns and problems through the policies. The policies, by their nature are made by the government who is the ultimate arbiter, facilitator and catalyst and change agent.

All other sectors of the economy or policy take their bearing from the stand or orientation of government through the policies it makes.

Re-Organized Private Sector (RPS) for instance constantly watches the laws and pronouncements by the government to get their bearings right. For instance, the recapitalization of banks came as a government order. No debate or contrary opinion was tolerated, only clarifications and compliance. This phenomenon in the banking industry was once thought to be unimaginable. Today, the dark clouds that once surrounded that instruction from government have disappeared. Those who have fully complied have survived and those who could not meet the conditions have clinically ceased to exist.

In all areas of the Economy, Health, Education, Oil & Gas, Information and Communication Technology (ICT), Energy, Investment etc, the situation is the same. Stakeholders in those areas must first and foremost abide by the laws of government concerning their endeavor. A breach of the law attracts definite sanctions. In the case of policies, most of it is not always enforceable: they are not laws. They however provide, in broad strokes, the stand, orientation, and concern of government in certain areas. Sometimes though, they are so precise and particular that when key stakeholders act in breach they can also be sanctioned.

As a country, we certainly cannot point to the dearth of ideas or people to fashion our policies. The process is usually well thought-out. Stakeholders are invited to sessions where all shades of opinions are heard, synthesized, and moulded into policies. Then comes the approval process. The policy document goes to the highest authorities in the land, and their approval is obtained, in this case, the Federal Executive Council (FEC). The document is then presented to the public and given enormous press coverage. Most of the time, it ends there. Implementation hardly takes place and when it does, it is carried out in an uncoordinated manner, as a result, the many months of consultation, meetings and workshops with a wide spectrum of stakeholders in fashioning out the policies amount to nothing; it becomes a wasted effort.

Effective implementation or actualization of the policies justifies all the efforts that have gone into the process of fashioning them in the first place. This must constitute our core concern in making policies.

We, at the Centre for Policy Research and Development (CENPORED) are committed to promoting policy analyses, research, and development in all its ramifications. Policies are supposed to inform, educate, inspire, encourage and most importantly, to help form a broad framework on which key stakeholders are to operate. If therefore, at the end of a policy document there is no well laid-out guide or basis for actions, then something about the policy is deficient. This is because the very essence of evolving a policy is to intervene in a given area of human need, to bring about change and improvement in human conditions. That is why at the end of many policy documents, implementation, or actualization strategies should be outlined to help drive the implementation process.

Further, even when the path to taking actions has been well laid out, everything must also be done to ensure that indeed actions are taken. Again, it doesn't just stop in taking action. The following simple questions must guide the actions being taken:

1. Are the actions being taken appropriate and targeted towards addressing the gap, need, or inadequacies which necessitated the intervention in the first place?
2. Is any formal group keeping watch and tracking the actions being taken to ensure they are focused, appropriate and on time?
3. Matched against the realities on the ground, are the improvements effective in the given circumstances, which provoked the intervention in the first place?
4. Are the higher authorities receiving adequate feedback on the progress being made, the difficulties and challenges being encountered?
5. Are the intervention and strategies working, if not, what corrective action is necessary to get the process back on course?
6. How regular does policy reviews occur by relevant agencies of government. An encouraging trend in reviewing public policies can be seen. Examples include reviews of the following policies:
 - National Information Technology Policy
 - National Transport Policy
 - National Health Policy
 - National Housing Policy

- National Aviation Policy
- National Education Policy
- Vision 2010 (Now Vision 20:2020)

In several other instances, more policies are emerging to strengthen existing ones. For instance the National Health Policy has not only been reviewed by other related policies have emerged to strengthen it. These include the National Oral Policy, the National Drug Policy, the National Blood Policy etc.

All relevant stakeholders should also meet from time to time to continue to drive the process of policy implementation. This should be on the basis of field surveys and feedback from monitoring and review exercises.

Another issue of profound importance is the issue of proper dissemination. As we stated earlier, policies are made in order to provoke action in given areas. Each area has a cohort of stakeholders. The stakeholders in that area must therefore be aware and sufficiently knowledgeable about government's position from which they can take their cue. They will in turn test the principles and ideas contained in the documents in real life situations and by so doing accumulate sufficient experience to be able to provide government with the much-needed feedback. This feedback is then studied, refined and then ploughed back into the policy development process to make it relevant and effective.

Without proper dissemination, the core stakeholders' cannot be reached and if they are not reached, no feedback is obtained and if no feedback is received the effectiveness of the policy vitiates and ultimately the purpose of evolving the policy will not be met. These gaps seemed to have remained over the years and ultimately explain why there have general policy failures. Based on the foregoing, the following critical areas in the moulding and actualization of policies in Nigeria call for urgent attention and action.

- i. Involvement of all stakeholders in the sensitization and information gathering phase.
- ii. The general drafting of the policies should reflect the needs and aspirations of the stakeholders who have made their inputs. Drafts should be made where necessary as comments are synthesized.
- iii. Approval is given by the Federal Executive Council (FEC), and should be stored.

- iv. Dissemination of the finished policy documents should be targeted specifically at the relevant stakeholders, not just the press.
- v. Establishment of effective policy implementation/actualization mechanisms should be in place.
- vi. A strong feedback process should be developed and sustained.
- vii. Use of information provided by the feedback so obtained to strengthen and enrich the process should be on a continuous basis.
- viii. Constant review and evaluation should form part of the implementation process.

The problem as reflected by the statement of the former president at the beginning of this introduction is squarely that of non-implementation. The implementation process should therefore be taken as seriously as the moulding of the policies in the first place. The implementation should also be ongoing. This process as we have seen involves monitoring, reviewing evaluation, and the provision of feedback.

Because of the ongoing nature and the increasing number of policies, the implementation process should be institutionalized. A government agency should be created and charged with the responsibility of constantly monitoring and evaluating the implementation process. This way, the policy does not die after it has been fashioned and issued. The agency could be called **Policy Implementation Monitoring Agency (PIMA)**.

Finally, a collective effort is required to ensure that our policies are relevant and effective. This can only be achieved when stakeholders in both the public and private sectors collaborate on a continuous basis.



NIGERIA TODAY



CORE FACTS

Official Name: Federal Republic of Nigeria
Federal Capital: Abuja (from 12th December, 1991)
Area: 932,768. 64 Sq. Kilometres
Population: 160,000,000 (est 2010)
Principal Rivers: Niger and Benue
Location: Western African, bordering the North Atlantic Ocean between Republic of Benin and Cameroon.
Administrative Divisions: 36 State and 1 Territory, 774 Local Government Councils
Cabinet: Federal Executive Council
Legislative Branch: Bicameral National Assembly: Senate and House of Representatives
Judicial Branch: Supreme Court, Federal High Court and Federal Court of Appeal
Independence Day: October 1, 1960
Official Language; English
Remembrance Day: January 15
Currency: Naira = 100 kobo
Time: GMT + 1 EST + 6
Climate: Humid Sub- Tropical
Weights and Measurement: Metric





SECTION ONE

**NATIONAL POLICY FRAMEWORK FOR THE
ESTABLISHMENT OF MICROFINANCE BANKS
(MFBS) IN NIGERIA**

1.0 INTRODUCTION

Access by the poor to financial services enables them to control over factors of production, be more self-reliant. -re employment, enhance household income and create. Micro finance is the provision of financial services to the -ho are traditionally not served by the conventional financial condition. Nigeria the formal financial system provides services to about it the economically active population while the remaining served by the unregulated informal financial sector. Finance specific institutions in Nigeria have not been able to lately address the gap in terms of credit, deposit mobilization for services. Thus, the need for a Micro finance Policy framework for Nigeria.

1.1 Power to Regulate

Micro-finance Policy, Regulatory and Supervisory Framework prepared in exercise of the powers conferred on the central Bank of Nigeria by the provisions of Section 28 subsection of thee CBN Act No. 24 of 1991 (as amended) and in accordance of the provisions of Sections 5 6-60(A) of the Banks and Financial Institutions Act (BOFIA) No. 25 of 1991 (as amended).

1.2 Satisfaction for Establishment of Micro finance Banks

Fiscal of existing micro-finance oriented institutions in Nigeria ed the following: (i) Weak Institutional Capacity: (ii) Weak Base:(iii)The existence of huge un-served market: economic empowerment of the poor, employment generation every reduction not properly addressed: (v)The need forsec savings outlets. (vi)Utilization of) 0% SMEE1S funds -led to micro financing.

1.3 The Micro finance Policy

Policy Objectives

Like financial services accessible to a large segment of the initially productive Nigerian population which otherwise have little or no access to financial services, (ii) Promote and main streaming of the informal sub-sector into the national financial system; (iii). Enhance service delivery by micro finance institutions to micro, small and medium entrepreneurs; (iv) Contribute to rural transformation: and (v) Promote linkage programmes between universal/development banks, specialized institutions and micro finance banks.

1.4 Policy Targets

- i. To cover the majority of the poor but economically active population by 2020 thereby creating millions of jobs and reducing poverty.
- ii. To increase the share of micro credit as percentage of total credit to the economy from 0.9 percent in 2005 to at least 20 percent in 2020; and the share of micro credit as percentage of GDP from 0-2 percent in 2005 to at least 5 percent in 2020.
- iii. To promote the participation of at least two-thirds of state and local governments in micro credit financing by 2015.
- iv. To eliminate gender disparity by improving women's access to financial services by 5% annually; and
- v. To increase the number of linkages among universal banks, development banks, specialized finance institutions and micro-finance banks by 10% annually.

1.5 Policy Strategies

- i. License and regulate the establishment of micro finance Banks (MFBs);
- ii. Promote the establishment of NGOs-based micro finance institutions;
- iii. Promote the participation of Government in the micro finance industry by encouraging States and Local Governments to devote at least one percent of their annual budgets to micro credit initiatives administered through MFBs;
- iv. Promote the establishment of institutions that support the development and growth of micro finance service providers and clients:
- v. Strengthen the regulatory and supervisory framework for MFBs;
- vi. Promote sound micro-finance practice by advocating professionalism, transparency and good governance in micro finance institutions;
- vii. Mobilize domestic savings and promote the banking culture among low-income groups:
- viii. Strengthen the capital base of the existing micro finance institution
- ix. Broaden the scope of activities of micro finance institutions,

- x. Strengthen the skills of regulators, operators, and beneficiaries of micro finance initiatives;
- xi. Clearly define stakeholders' roles in the development of the micro finance subsector; and
- xii. Collaborate with donors, coordinate and monitor donor assistance in micro finance in line with the provisions; of this policy.

2.0 Goals of the Microfinance Banks

- i. Provide diversified, affordable and dependable financial services to the active poor, in a timely and competitive manner, that would enable them to undertake and develop long-term sustainable entrepreneurial activities,
- ii. Mobilize savings for intermediation,
- iii. Create employment opportunities and increase the productivity of She active poor in the country, thereby increasing their individual household income and uplifting their standard of living,
- iv. Enhance organized, systematic and focused participation of the poor in the socio-economic development and resource allocation process,
- v. Provide veritable avenues for the administration of government and high net worth individuals micro credit programmes on non- recourse basis. In particular, this policy recommends that state governments should dedicate an amount of not less than 1% of their annual budgets to support on-lending activities of microfinance banks in favor of their residents.
- vi. Render payment services such as salary, gratuity, and pension for the various tiers of government.

3.0 Policy Measures and instruments in the Establishment of the Framework for Micro finance Banks

There shall be two categories of Micro Finance Banks (MFBs) namely:

- i. Micro Finance Banks (MFBs) licensed to operate as a unit bank, and
- ii. Micro Finance Banks (MFBs) licensed to operate in a state. The recognition of these two categories of banks does not preclude them

from aspiring to having a national coverage, subject to their meeting the prudential requirements. This is to ensure an orderly spread and coverage of the market and to avoid, in particular; concentration in areas already having large numbers of financial institutions.

An existing NGO which intends to operate an MFB can either incorporate a subsidiary MFB, while still carrying out its NGO operate or full convert into a MFS.

i. **MFBs Licensed to Operate as a unit bank (a.k.a Community Banks)**
MFBs licensed to operate as unit banks shall be community- based banks. Such banks can operate branches and/or cash centres subject to meeting the prescribed prudential prescribe availability of free funds for opening branches/cash centres. The minimum paid-up capital for this category of banks shall be ₦20.0 million for each branch.

ii. **MFBs Licensed to Operate in a State:**
MFBs licensed to operate in a State shall be authorized to operate in all parts of the State (or the Federal Capital Territory) in which they are registered, subject to meeting the prescribed prudential requirements and availability of free funds for opening branches. The minimum paid up capital for this category of banks shall be Ni .0 billion.

4.0. Organic Growth Path For MFBs

This policy recognizes that the current financial landscape of Nigeria is skewed against Micro, Small and Medium Enterprises (MSMEs) in terms of access to financial services. To address the imbalance, this policy framework shall promote an even spread of micro finance banks, their branches and activities, to serve the un served but economically active clients in the rural and peri-urban areas.

8.0. Ownership of Micro finance Banks:

Micro finance banks can be established by:

- i. Individuals,
- ii. group of individuals,
- iii. community development associations,

- iv. private corporate entities or
- v. foreign investors. Significant ownership diversification shall be encouraged to enhance good corporate governance of licensed MFBs.

9.0. Participation of Existing Financial Institutions in Micro finance Activities

9.1. Universal Banks:

Universal banks currently engaging in micro finance services, either as an activity or product and do not wish to set up a subsidiary, shall be required to set up a department unit for such services and shall be subjected to the provisions of the MFB regulatory and supervisory guidelines.

9.2. Community Banks:

All licensed community banks, prior to the approval of this policy, shall transform to microfinance banks licenced to operate as a unit bank on meeting the prescribed new capital and other conversion requirements within a period of 24 months from the date of approval of this policy. Any community bank which fails to meet the new capital requirement within the stipulated period shall cease to operate as a community bank. A community bank can apply to convert to a microfinance bank licenced to operate a State if it meets the specified capital and other conversion requirements.

9.3. Non-Governmental Organization Micro Finance institutions (NGO MFIs):

This policy recognizes the existence of credit-only, membership based microfinance institutions which shall not be required to come under the supervisory purview of the Central Bank of Nigeria. Such institutions shall engage in the provision of micro credits to their targeted population and not to mobilize deposits from the general public. The registered NGO-MFIs shall be required to forward periodic returns on their activities to the CBN. NGO-MFIs that wish to obtain the operating licence of a microfinance bank shall be required to meet the specified provisions as stipulated in the regulatory and supervisory guidelines.

9.4. Transformation of the Existing NGO-MFIs

Existing NGO-MFIs which intend to operate an MFB can either incorporate a subsidiary MFB while still carrying out its NGO operations or fully convert into an MFB. NGO-MF is that wish to convert fully into a microfinance bank must obtain an operating licence and shall be required to meet the specified provisions as stipulated in the regulatory and supervisory guidelines.

10.0. Justification for the Capital Requirements

MFBs are expected to engage in aggressive mobilization of savings from micro-depositors to shore up their operating funds. A State Microfinance bank that will operate multiple branches is expected to take off with funds sufficient to operate a full branch in at least two-thirds of the ideal governments in that state.

11.0. Licensing and Supervision of Microfinance Banks'

The licensing of microfinance banks shall be the responsibility of the Central Bank of Nigeria. A licensed institution shall be required to add "microfinance bank"; after its name. All such names shall be registered with the Corporate Affairs Commission (CAC), in compliance with the Companies and Allied Matters Act (CAMA) 1990.

12.0. MFBs Support institutions/Programmes:

They are established to enhance the implementation of the policies:

- i. National Micro finance Consultative Committee (NMFCC)
- ii. Credit Reference Bureau
- iii. Rating Agency
- iv. Deposit Insurance Scheme
- v. Certification Process
- vi. Apex Associations of Microfinance institution
- vii. Linkage programme
- viii. Micro finance Development Fund.

13.0. Prudential Requirements

The CBN recognizes the peculiarities of microfinance practice and shall accordingly put in a place appropriate regulatory and prudential requirements to guide the operations and activities of the microfinance banks:

14.0. Disclosure of Sources of Funds

Licensed MFBs shall be required to disclose their sources of funds, in compliance with the Money Laundering Prohibition Act 2004.

1.5.0. Corporate Governance for Microfinance Banks

The board of directors of MFBs shall be primarily responsible for the corporate governance of the microfinance banks. To ensure good governance of the banks, the board of directors shall be responsible for establishing strategic objectives, policies and procedures that would guide and direct the activities of the banks and the means to attain same, as well as the mechanism for monitoring Management's performance. Thus, while management of the day-to-day affairs of the banks shall be the responsibility of the Management team, the board of directors shall, however, be responsible for monitoring and overseeing Management's actions. Consequently, the licensed microfinance banks shall be expected to operate under a diversified and professional board of directors.

A copy of the Micro finance Policy Framework can be downloaded from Central Bank of Nigeria website: www.csnbank.org

Help Desk-Development Finance Department, Central Bank of Nigeria, Abuja.
December 2005.



SECTION TWO

NATIONAL MONETIZATION POLICY

INTRODUCTION

Over the years, the cost of governance has continued to rise, partly because of the benefits-in-kind that the various tiers of Government had to provide to public servants. These benefits-in-kind, large a carryover from the colonial era, include highly subsidized residential accommodation, transport-facilities, chauffeur-driven motor vehicles (for the senior echelon of the service), free medical services and highly subsidized utilities such as electricity, potable water and telephone. The cost of providing these amenities to public servants has become so huge vis-à-vis other provisions in the annual appropriations that little was left for funding capital projects by government. The problem was compounded by the fact that these benefits were largely not provided in the most cost-effective manner.

In order to check the spiraling costs of benefit for just public sector employees, which were gulping benefits provided for public enormous resources that could have been servants, thus reducing waste available for the funding of social capital projects for the wider population, the Federal Government decided to adopt the policy of monetizing fringe benefits for all categories of its public servants. The policy of monetization of fringe benefits is, therefore, designed to stem the ever-rising annual expenditure outlay on the benefits provided for public servants, thus reducing waste.

No doubt, a lot of questions and misconceptions have trailed the introduction of the Monetization Programme. It is in order to address these questions and correct the misconceptions that this publication has been put together. It is hoped that this publication will not only address issues concerning the monetization policy, but also enlist the understanding and support of the populace for a policy whose objective is to ensure that the scarce resources of the country are made available to the largest majority of Nigerians. Happy reading!

QUESTION 1

WHAT IS MONETIZATION?

ANSWER: Monetization is the quantification in money terms of those fringe benefits which government used to provide for its workers as part of their conditions of service. Such benefits include residential accommodation, chauffeur- driven cars, residential furniture, utility sent ices, etc.

QUESTION 2

WHY MONETIZATION?

ANSWER: The provision of some of the fringe benefits has continued to consume enormous resources from the public purse. For instance, it costs Government a lot of funds to construct, purchase or rent residential accommodation for public servants. Furthermore, large amounts of resources are occasionally spent on renovation, maintenance and furnishing of these residential accommodations as well as on the purchase, fuelling, and maintenance of official vehicles for public servants. It is also on record that some public servants maintain many official vehicles in a variety of brands including cars, jeeps, buses and in some cases even trucks. Apart from the high maintenance cost, those vehicles are liable to various forms of abuse.

Telephone, electricity and other utility services in the official quarters of public servants maintained by government are similarly open to various forms of abuse and misuse. As Mr. President stated in his inaugural address "The cost of running government at all the various levels currently gulps a disproportionate amount of our revenue. It is clear that the structure of government will have to be thoroughly re examined in order to get a reasonable balance between overheads and recurrent expenditure and capital spending.

The main consideration underlying the implementation of the Monetization policy is the desire to reduce the pressure on public resources arising from government's involvement in the physical provision of fringe benefits.

Furthermore, the provision of these benefits hitherto hardly helped public servants to prepare adequate for life after retirement from service. On the contrary, it made quite a number of them to develop a dependency syndrome ill-suited to post retirement life. It

was not uncommon for many public servants, used to living in furnished government quarters, for instance, to move their personal effects either to rented apartments or move in with relatives on retirement.

Thus, among other benefits, Monetization would help prepare public servants for life after retirement by helping to prevent a sharp drop from their standard of living following their retirement vis-à-vis while in active service. It would also encourage public servants to be more flexible in the use of their income, choosing whether to live in their own or rented houses. For example, the policy is also bound to affect the real estate market in the larger cities, especially Abuja, seat of the Federal Government, where rent on leased properties is expected to fall as government stops leasing houses for its workers. In fact, government itself would release a number of houses owned by it into the market, thereby putting a downward pressure on the real estate market, if not in the short term, at least, in the medium to long term.

QUESTION 3

WHAT SERVICES ARE BEING MONETIZED BY THE FEDERAL GOVERNMENT?

ANSWER: The services being partially or fully monetized by the Federal Government include residential accommodation, furniture allowance, utility allowance, domestic servant allowance, medical allowance, leave grant, meal subsidy, duty tour allowance, motor vehicle loan, fuelling/maintenance of official vehicles and transport allowance.

QUESTION 4

IS MONETIZATION NEW?

ANSWER: No. It is not new. Monetization has been adopted and applied successfully worldwide for many years. Several countries in Africa including the governments of Cameroon and Ghana have adopted Monetization policy for over a decade now. In Nigeria, the organized private sector and a number of government agencies and parastatals e.g. the Central Bank of Nigeria (CBN), the Nigerian National Petroleum Corporation (NNPC), the Nigerian Telecommunications (NITEL); the Federal

Mortgage Bank of Nigeria (FMBN), etc. have adopted the Monetization policy for quite some time now.

The Monetization policy was given legal teeth with the passage and coming into effect of the Certain Political, Public and Judicial Office Holders (Salaries and Allowances etc.) Act, 2002 which has now been extended by circular to cover all Federal Civil Servants. The law took effect from 1 St July, 2003 for the designated Political, Public and Judicial Office Holders contained therein, while it was extended, with somewhat modified rates of benefits, to Federal Civil Servants with effect from 1st October,

QUESTION 5

IS IT TRUE THAT GOVERNMENT WILL NO LONGER PURCHASE NEW VEHICLES FOR MINISTRIES?

ANSWER: Yes. Under the Monetization policy, no new vehicles would be purchased by all Ministries, Extra-Ministerial Departments and Federal Government Agencies. However, where there is need to purchase new vehicle(s) by any Ministry, Extra-ministerial department or Agencies, a request shall be made to Mr. President for approval.

QUESTION 6

HOW WILL MINISTRIES/GOVERNMENT AGENCIES COPE WITHOUT VEHICLES?

ANSWER: Each Ministry/Agency would be allowed a specific number of utility vehicles approved by Government, including buses for essential office services as well as for out of station duty tours and meetings. No Agency/Ministry will exceed the number approved for it without prior approval of Mr. President.

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QUESTION 7

WHAT WILL HAPPEN TO VEHICLES BEING RECOVERED FROM OFFICERS AND CURRENTLY PARKED IN VARIOUS MINISTRIES?

ANSWER: The Government has set up a Committee to handle the issue of disposal of vehicles. In disposing the excess vehicles, an entitled officer must be allowed to purchase one or two cars for personal use. Public officers of the rank of Permanent Secretary and above will be allowed to purchase a maximum of two (2) of the official vehicles attached to them while Directors will buy one. Government also approved that, in order to ensure equity and transparency, all excess vehicles are to be disposed of as follows:

- a. 50% to other public servants not entitled to official vehicles; and
- b. 50% to disengaged drivers and the general public.

Mr. President graciously approved a 50% reduction across the board on the values of all vehicles as assessed by the Federal Ministry of Works. The mode of payment shall be either by outright cash payment or by conversion of the assessed value of the vehicle as car loan which shall be deducted on monthly basis from the salary of beneficiaries within a 3-year maximum period. Funds realized from the sale of government vehicles shall be credited to the appropriate Revenue Head in each ministry/extra-ministerial department.

QUESTION 8

WHAT WILL HAPPEN TO OTHER NON-ENTITLED OFFICERS? HOW CAN THEY PURCHASE CARS FOR THEIR USE?

ANSWER: The provision of motor vehicles to all public officers is to be monetized by provision of motor vehicle loan at the following rates:

- a. GL. 01-05 = 100% of Annual Basic Salary
- b. GL. 06-07 = 150% of Annual Basic Salary
- c. GL. 08 and above = 200% of Annual Basic Salary

The loans are not to be granted directly by government. They are to be granted by financial institutions preferably on a Single digit interest rate and with government guarantee subject to the repayment capacity of the beneficiary. Where it is not

possible for a single digit interest to be secured, government will intervene. Negotiation will soon commence with interested banks to actualize this plan,

QUESTION 9

HOW MUCH WILL BE GIVEN TO PUBLIC SERVANTS TO ENABLE THEM PAY FOR THEIR ACCOMMODATION UNDER THE MONETIZATION PROGRAMME?

ANSWER: Residential accommodation will be monetized as follows:

- a. GL. 01-06 50% of Annual Basic Salary
- b. GL. 07- 14 60% of Annual Basic Salary
- c. GL. 15 and above = 75% of Annual Basic Salary

QUESTION 10

CAN AN OFFICER WHO WISHES TO PURCHASE THE ACCOMMODATION HE IS CURRENTLY OCCUPYING DO SO?

ANSWER: Yes, The present occupant will be given the first option to purchase the house being occupied by him/her, hut at the price of the highest bidder

QUESTION 11

WHAT HAPPENS TO AN OFFICER WHO CANNOT BUY HIS/HER PRESENT ACCOMMODATION?

ANSWER: Government will provide site and services schemes in satellite towns nationwide in order to assist public servants who cannot purchase their quarters and those who will prefer to build their own houses.

QUESTION 12

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QUESTION 13

HOW MUCH WILL OFFICERS RECEIVE AS FURNITURE ALLOWANCE UNDER THE MONETIZATION PROGRAMME?

ANSWER: Payment of furniture allowance will be implemented as follows:

- a. GL. 01-06 = Nil
- b. GL. 07 and above = 200% of Annual Basic Salary in five years (i.e. 40% per annum)

QUESTION 14

HOW MUCH ARE OFFICERS TO RECEIVE AS UTILITY ALLOWANCE?

ANSWER: Utility allowance has already been monetized and officers will receive the following sums according to their ranks -

- a. GL 01-16 = 15% of Annual Basic Salary
- b. GL 17 and above = 20% of Annual Basic Salary

QUESTION 15

ARE PUBLIC/CIVIL SERVANTS STILL ENTITLED TO DOMESTIC SERVANT ALLOWANCE?

ANSWER: This allowance has already been monetized for public servants. The recommended provisions are as follows:

- a. GL. 15 = 1GL 3step8
- b. GL. 16-17 = 2GL 3step8
- c. Permanent Secretary and above = 3GL. 3step8

QUESTION 16

ARE CIVIL SERVANTS STILL ENTITLED TO MEAL SUBSIDY?

ANSWER: Yes. Civil Servants will receive meal subsidy as follows:

- a. GL. 01-06 = ₦6,000 Per Annum
- b. GL. 07-10 = ₦8,400 Per Annum
- c. GL. 12-14 = ₦9,600 Per Annum
- d. GL. 15-17 = ₦10,800 Per Annum
- e. Perm Sec and above = ₦16,200 Per Annum

QUESTION 17

ARE CIVIL SERVANTS ENTITLED TO FUELLING/MAINTENANCE AND TRANSPORT ALLOWANCE?

ANSWER: All grade levels will receive 25% of their annual basic salary as fuelling/maintenance and transport allowance.

QUESTION 18

IS THERE PROVISION FOR MEDICAL ALLOWANCE?

ANSWER: Medical allowance has been re-introduced to reduce the tendency for Public Servants to abuse the current arrangement of allowing sick staff to claim medical refunds after treating themselves. Henceforth, all staff are to receive 10% of their basic salary monthly as medical allowance. Consequently, it is only in cases diagnosed as life-threatening that Government will pay bills for treatment. However, while such payment is being undertaken by Government, the Officer will cease to receive the 10% of basic salary as medical allowance.

QUESTION 19

HOW MUCH WILL CIVIL SERVANTS RECEIVE AS LEAVE GRANT?

ANSWER: Leave grant is still 10% of annual basic salary.

QUESTION 20

HOW MUCH ARE CIVIL SERVANTS ENTITLED TO FOR ENTERTAINMENT ALLOWANCE?

ANSWER: Entertainment allowance was introduced when the personal emoluments of civil servants, especially those in the senior cadre, were very low vis-à-vis their responsibilities. Since government has made substantial adjustments in the emoluments of workers from 1st May, 2000 and 1st October, 2003, the allowance is no longer tenable; consequently it has been abolished.

QUESTION 21

WHAT WILL BE THE FATE OF DRIVERS WHO WILL NOT BE REQUIRED BY 11th SERVICE AS A RESULT OF THE MONETIZATION POLICY?

ANSWER: Those with relevant and adequate qualifications would be retained and deployed appropriately. Depending on the need, others will be deployed to drive staff buses under the Office of the Head of the Civil Service of the Federation. Those that are not deployable will be rationalized but to be assisted by the National Poverty Eradication Programme under the 'KEKE NAPEP' Programme. It has also been proposed that drivers will be allowed to purchase vehicles from those, which would be sold as a result of the Monetization programme. Furthermore, a re-orientation programme which will expose the drivers to various trades and job opportunities has been designed by the Office of the head of the Civil Service of the Federation. The disengagement package which is intended to assist the drivers to pursue useful post-retirement endeavours includes: Purchase of government vehicles to be disposed of

- KEKE-NAP I P Owner Operator Project;
- KEKE-NAPEP Spare Parts Dealership;
- KEKE—NAPEP Mechanic Tool Kits project;
- Youth Information Centre (YIC) project;
- Job openings in the paramilitary services;
- Farming and Agricultural Co-operative projects;
- Setting up of Private Motor Mechanic Workshops.

QUESTION 22

WHEN IS THE TAKE-OFF DATE FOR THE PROGRAMME?

ANSWER: Takeoff date is 1st October 2003.

QUESTION 23

WILL MONETIZATION NOT LEAD TO INFLATION?

ANSWER: Not at all. For one, a number of benefits involved in the scheme had been monetized already. Furthermore, there will be little or no money changing hands as a

result of the programme. With regard to furniture allowance, for instance. Government has already directed that since the estimated value of fittings in the official quarters of Permanent Secretaries are certainly over the amount of individual annual furniture allowance under the Monetization scheme, no furniture allowance would be paid to Permanent Secretaries for the next four years, after which their present furniture will belong to them.

On residential accommodation Government has also directed that occupants of government-owned or rented quarters should remain in same and forgo enjoyment of accommodation allowance for the first year of the Monetization scheme and, therefore, no payment is envisaged.

QUESTION 24

WHAT ARE THE BENEFITS OF MONETIZATION TO GOVERNMENT?

ANSWER: Monetization as a Public Policy will have far reaching impact on Government planning, budgeting and fiscal discipline and will positively impact on the national value systems and ethics.

- i. Monetization Policy will enable Government to get the true picture of what it costs to maintain a Political Office Holder or Public Servant in office and therefore lead to a more realistic budgeting and budget implementation;
- ii. It is the most transparent avenue for the disbursement of remuneration and fringe benefits from employers to employees;
- iii. Monetization will curb the excesses of public officers. For example, unlike in the past. Ministers are now to drive to office and back in their personal cars with their personal drivers;
- iv. The policy will correct the wrong public perception of government utilities such as telephone, electricity, etc, as limitless resources which hitherto were used without caution;
- v. The policy will stop the practice where, in renovating official quarters and changing furniture items, the discarded items were in many cases not accounted for, giving room for abuse;
- vi. Unauthorized journeys at Government expense, will be minimized;

- vii. The policy will ensure equity in the allocation of scarce resources;
- viii. Public officers will develop and imbibe disciplined culture of frugal use of public utilities.

QUESTION 25

WHAT ARE THE BENEFITS OF MONETIZATION PROGRAMME TO PUBLIC SERVANTS?

ANSWER:

- i. The Policy will encourage public officers to own their vehicles, houses, Furniture and there by assist them to plan better for their retirement.
- ii. Overall, the Monetization Policy will eliminate the trauma of transition from public life to private life which, sadly, has resulted in many retired public servants dying shortly after retirement.

QUESTION 26

WHAT EFFECT WILL MONETIZATION PROGRAMME HAVE ON THE ECONOMY?

ANSWER: By far-, the most important advantage of the Monetization policy on the economy is the fact that the revenue realized from savings occasioned by monetization would be invested in capital development to improve the well-being of the entire citizenry.

QUESTION 27

WHAT ARE THE CHALLENGES OF MONETIZATION

ANSWER: A number of challenges face the implementation of the policy on monetization. These include

- i. The need to phase out certain cadres in the Civil Service who become redundant due to the policy, e.g. drivers attached to officers hitherto entitled to chauffeur driven vehicles. Some drivers, notably those attached to car pools, convoy, CVU and staff houses, will still remain. The phasing out of the rest of

this cadre has a lot of social and economic implications that would require careful management.

- ii. The mobilization of the sizeable amount of resources required to find the terminal benefits and entitlements of the drivers that would be let go as a result of the Monetization policy. In the immediate term, this can amount to quite a huge sum of money.
- iii. There will be the need to retrain a number of other cadres, if they are to remain useful and relevant to the Service. This also requires resources, time and resolve.
- iv. The need to develop equitable criteria for the disposal of the assets, for example, government-owned houses that would become available for sale as a result of the policy. Here, there is the challenge of balancing the requirement to get market value on the affected public assets and the need to give some consideration to public servants, whose emoluments have not always been market-driven over the years, equal opportunity to bid for these assets.
- v. There is also the challenge of re-orientation, i.e. getting public officers to realize that it is “no longer business as usual” as far as the enjoyment of the enjoyment of benefits of this kind that they were used to is concerned. The resultant “withdrawal syndrome” has to be managed.
- vi. The policy will stop the practice where, in renovating official quarters and changing furniture items, the discarded items were in many cases not accounted for, giving room for abuse;
- vii. Unauthorized journeys at Government expense, will be minimized;
- viii. The policy will ensure equity in the allocation of scarce resources;
- ix. Public officers will develop and imbibe disciplined culture of frugal use of public utilities.

QUESTION 28**HOW FAR HAS THE MONETIZATION POLICY BEEN IMPLEMENTED TO DATE?**

ANSWER: The implementation of the monetization policy has, so far, been limited to the Federal tier of government, where it originated, although there is anecdotal evidence that some State Governments may well be interested in adopting their own version of the policy. At the federal level, the State House has been designated the pilot by the President, as a show of his personal commitment to the success of the scheme. Accordingly, the State House has implemented Monetization in full. Service wide, all hitherto government-owned vehicles have either been pooled or sold and the proceeds paid to chest.

It is expected that the passage and implementation of the Fiscal 2004 Budget would give additional impetus to the implementation of the Monetization scheme by all arms and agencies of the Federal Government. It is the hope that the best practices that are bound to emerge as a result would encourage the subsidiary tiers of government to adopt their own version of the policy.

QUESTION 29

S/N	Type of Allowance	Grade Level	Rate per Annum
1	Accommodation	01-06	50% of annual basic salary
		07-14	60% of annual basic salary
		15 and above	75% of annual basic salary
2	Transportation	01-17	25% of annual basic salary
3	Meal Subsidy	01-06	₦6,000.00
		07-10	₦8,400.00
		12-14	₦9,600.00
		15-17	₦10,800.00
		Permanent Secretary	₦16,200.00
4	Utility	01-16	15% of annual basic salary
5	Domestic Servant	17 and above	20% of annual basic salary
		15	IGL 3step8

		16-17	2GL 3step8
		PS an above	3GL 3step8
6	Leave Grant	01 and above	10% of annual basic salary
7	Medical	01 and above	10% of annual basic salary
8	Furniture Allowance	01-06	Nil
		17 and above	200% in 5 years (i.e. 40% per annum)
9	Vehicle Loan	01-05	100% of annual basic salary
		06-07	150% of annual basic salary
		08 and above	200% of annual basic salary
10	Driver	17 and above	1GL 3step8

QUESTION 29

WHAT ARE THE MONETIZED FRINGE BENEFITS FOR POLITICAL AND PUBLIC OFFICE HOLDERS AS CONTAINED IN THE CERTAIN POLITICAL. PUBLIC JUDICIAL OFFICE HOLDERS (SALARIES AND ALLOWANCES, ETC) ACT. 2002?

ANSWER: Fringe benefits in kind (non-monetized) and fringe benefits for political and public office holders in the three tiers of government a represented as follows.

CATEGORY A

1. THE PRESIDENT OF THE FEDERAL REPUBLIC OF NIGERIA

Annual Basic Salary ₦1,405,882.00

- a. Accommodation - to be provided by Government (with an option to be paid 100% of Annual Basic Salary as housing allowance, if opted to stay in personal house)
- b. Furniture - to be provided by Government
- c. Medical Care - to be provided free of charge
- d. Security to be provided
- e. Transport - official cars to be assigned and maintained by Government
- f. Utility Bills - to be paid by Government
- g. Domestic staff- to be provided
- h. Entertainment - to be catered for by Government

- i. Special Assistants - to be provided from within the Civil Service
- j. Personal Assistants - to be provided from within the Civil Service
- k. Leave Allowance - 10% of Annual Basic Salary
- l. Constituency Allowance - 250% of Annual Basic Salary
- m. Hardship Allowance - 50% of Annual Basic Salary
- n. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office with the Government

2. THE VICE-PRESIDENT OF THE FEDERAL REPUBLIC OF NIGERIA

Annual Basic Salary: ₦1,212,629.00

- a. Accommodation -to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance, if opted to stay in personal house)
- b. Furniture-to be provided by Government
- c. Medical Care-to be provided free of charge
- d. Security - to be provided by Government
- e. Transport-official cars to be assigned and maintained by Government
- f. Utility Bills - to be paid by Government
- g. Domestic Staff-to be provided
- h. Entertainment-to be catered for by Government
- i. Special Assistants - to be provided from within the Civil Service
- j. Personal Assistants - to be provided from within the Civil Service
- k. Leave Allowance-10% of Annual Basic Salary
- l. Constituency Allowance-50% of Annual Basic Salary
- m. Hardship Allowance- 50% of Annual Basic Salary
- n. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office with the Government

3. PRESIDENT OF THE SENATE

Annual Basic Salary: ₦993,697.00

- a. Accommodation - to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance, if opted to stay in personal house)

- b. Furniture-to be provided by Government Medical Care - to be provided free of charge, including immediate family members
- c. Security - to be provided Transport- Four (4) cars to be assigned and Maintained by Government (Official, Pilot, Protocol and Back-up)
- d. In addition to (e) above, the President of the Senate is also entitled to 350% of his/her Annual Basic Salary as a loan for the purchase of a car for his/her private use
- e. Special Assistants - to be provided by Government from within the Civil Service
- f. Domestic Stall-to be provided
- g. Utility Bills - to be paid by Government
- h. Entertainment-to be catered For by Government
- i. Recess Allowance- 10% of Annual Basic Salary
- j. Constituency Allowance 150% of Annual Basic Salary
- k. Severance Gratuity-300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office.

4. SPEAKER, HOUSE OF REPRESENTATIVES

Annual Basic Salary ₦990,844.00

- a. Accommodation- to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance if opted to stay in personal house)
- b. Furniture- to be provided by Government
- c. Medical care- to be provided free of charge, including members of immediate family
- d. Security to be provided
- e. Transport - Four (4) cars to be assigned (Official, Pilot, Protocol, and Back-up and maintained by Government
- f. In addition to (c) above, the Speaker, House of Representatives is also entitled to 350% of his/ he” Annual; Basic Salary as loan for the purchase of a car for his/her private use
- g. Entertainment-to be catered for by Government

- h. Special Assistants - to be provided by Government from within the Civil Service
- i. Domestic Staff-to be provided
- j. Utility Bills-to be paid by Government
- k. Rent Allowance- 10% of Annual Basic Salary
- l. Constituency Allowance- 50% of Annual Basic Salary
- m. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office

5. CHIEF JUSTICE OF Nigeria

Annual Basic Salary ₦1,346,589.00

- a. Accommodation-to be provided by the Government (with an option to be paid 100% of Annual Basic Salary if opted to stay in personal house)
- b. Furniture-to be provided by Government
- c. Medical Care - to be provided by Government, including members of immediate family
- d. Robe - to be provided by Government
- e. Transport-official cars to be assigned and maintained by Government
- f. Security-to be provided
- g. Utility Bills to be settled by Government
- h. Domestic Staff-to be provided
- i. Entertainment-to be catered for by Government
- j. Special Assistants-to be provided from within the Civil Service
- k. Leave Allowance - 10% of Annual Basic Salary to be paid once in each calendar year
- l. Hardship Allowance- 50% of Annual Basic Salary
- m. Severance Gratuity-300% of Annual Basic Salary (to be paid once in a life time) after successful completion of tenure
- n. Retirement Benefits- Payable on the basis of Approved Scheme of Service

6. DEPUTY PRESIDENT OF THE SENATE

Annual Basic Salary ₦923,667.00

- a. Accommodation - to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance, if opted to stay in personal house)
- b. Furniture-to be provided by Government
- c. Medical Care to be provided free of charge, including members of immediate family
- d. Security-to be provided
- e. Transport-Three (3) cars to be assigned (Official, Protocol and Back-up) and maintained by Government
- f. In addition to (e) above, the Deputy President of the Senate is also entitled to 350% of his/her Annual Basic Salary as a loan for the purchase of a car for his/her private use
- g. Special Assistants - to be provided by Government from within the Civil Service
- h. Domestic staff-to be provided
- i. Utility Bills - to be paid by Government
- j. Entertainment to be catered for by Government
- k. Recess Allowance- 10% of Annual Basic Salary
- l. Constituency Allowance- 1 50% of Annual Basic Salary
- m. Severance Gratuity - 30000 of Annual Basic Salary (to be paid once ma life time) at the end of full tenure of office

7. DEPUTY SPEAKER, HOUSE OF REPRESENTATIVES

Annual Basic Salary: ₦877,989.00

- a. Accommodation to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance, if opted to stay in personal house)
- b. Furniture-to be provided by Government
- c. Medical Care-to be provided free of charge, including members of immediate family

1. Security - to be provided
2. Transport - Three (3) cars to be assigned (Official, Personal and Beater) and maintained by Government
3. In addition to the above the Deputy Speaker, House of Representatives is also entitled to 15% of his/her Annual Basic Salary as a grant for the purchase of a car for his/her private use
4. Special Assistant - to be provided by Government from within the Civil Service
5. Domestic Staff - to be provided
6. Utility Bills - to be paid by Government
7. Entertainment - to be catered for by Government
8. House Allowance - 10% of Annual Basic Salary
9. Continuity Allowance - 50% of Annual Basic Salary
10. Severance Grant - 500% of Annual Basic Salary (to be paid once in a time at the end of his tenure of office)

1. STATE GOVERNORS

Annual Basic Salary ~~RM94,400.00~~

1. Accommodation - to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance, if opted to stay in personal house)
2. Furniture - to be provided by Government
3. Transport - Official vehicles to be assigned and maintained by Government
4. Security - to be provided
5. Utility Bills - to be paid by Government
6. Domestic Staff - to be provided
7. Entertainment - to be catered for by Government
8. Medical Care - to be provided free of charge
9. Special Assistant - to be provided from within the State Civil Service
10. Personal Assistant - to be provided from within the State Civil Service
11. Leave Allowance - 10% of Annual Basic Salary

- l. Constituency Allowance-20% of Annual Basic Salary
- m. Hardship Allowance- 50% of Annual Basic Salary
- n. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office

9. DEPUTY GOVERNORS

Annual Basic Salary ₦884.886-00

- a. Accommodation to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance, if opted to stay in personal house)
- b. Furniture-to be provided by Government
- c. Transport - Official cars to be assigned and maintained by Government
- d. Medical Care - to be provided free of charge
- e. Utility Bills-to be paid by Government
- f. Domestic staff-to be provided
- g. Entertainment-to be catered (*or by Government
- h. Special Assistants - to be provided from within the State Civil Service
- i. Personal Assistants - to be provided from within the State Civil Service
- j. Security to be provided
- k. Leave Allowance- 10% of Annual Basic Salary
- l. Constituency Allowance-200% of Annual Basic Salary
- m. Hardship Allowance-50% of Annual Basic Salary
- n. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office

10. 10. SPEAKERS, STATE HOUSES OF ASSEMBLY

Annual Basic Salary ₦65 5,950.00

- a. Accommodation to be provided by Government (with an option to be paid 100% of Annual Basic Salary as housing allowance, if opted to stay in personal house)
- b. Furniture-to be provided by Government
- c. Medical Care- to be provided free of charge including members of immediate family

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- d. Security to be provided
- e. Transport - Three (3) cars to be assigned (Official, Protocol and Back-up) and maintained by Government
- f. In addition to (e) above, the Speaker, State House of Assembly is also entitled to 350% of his/her Annual Basic Salary as a loan for the purchase of a car for his/her private use
- g. Special Assistant-to be provided by Government from within the Civil Service
- h. Domestic Staff-to be provided
- i. Utility Bills-to be paid by Government
- j. Entertainment-to be catered for by Government
- k. Recess Allowance- 10% of Annual Basic Salary
- l. Constituency Allowance -25% of Annual Basic Salary
- m. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office

11. DEPUTY SPEAKERS, STATE HOUSES OF ASSEMBLY
Annual Basic Salary ₦578,393.00

- a. Accommodation - to be provided by Government (with an option to be paid 1 00% of Annual Basic Salary as housing allowance, if opted to stay in personal house)
- b. Furniture-to be provided
- c. Medical Care - to be provided free of charge including immediate members of family
- d. Security-to be provided
- e. Transport- Two (2) cars to be assigned (Official and Back-up) and maintained by Government
- f. In addition to (e) above, the Deputy Speaker, State House of Assembly is also entitled to 350% of his/her Annual Basic Salary as a loan for the purchase of a car for his/her private use
- g. Special Assistant-to be provided by Government from within the Civil Service,

- h. Domestic Staff-to be provided
- i. Utility Bills-to be paid by Government
- j. Entertainment to be catered for by Government
- k. Recess Allowance- 10% of Annual Basic Salary
- l. Constituency Allowance - 25% of Annual Basic Salary
- m. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office

12. CHAIRMEN OF LOCAL GOVERNMENT COUNCILS

Annual Basic Salary ₦454,156.00

- a. Accommodation to be provided by Government (with the option to be paid 100% of Annual Basic Salary as Housing Allowance, if opted to stay in personal house)
- b. Furniture-to be provided by Government
- c. Medical Care-to be provided free of charge
- d. Transport-Official vehicles to be assigned and maintained by Government
- e. Security-to be provided
- f. Utility Bills-to be paid by the Government
- g. Domestic Staff-to be provided
- h. Entertainment-to be catered for by the Government
- i. Special Assistant - to be provided from within the Civil Service
- j. Personal Assistant - to be provided from within the Civil Service
- k. Leave Allowance- 10% of Annual Basic Salary
- l. Constituency Allowance -25% of Annual Basic Salary
- m. (m) Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a time) at the end of full tenure of office

13. VICE - CHAIRMEN OF LOCAL GOVERNMENT COUNCILS-

Annual Basic Salary ₦426,528.00

- a. Accommodation - to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance, if opted to stay in personal house)

- b. Furniture - to be provided by Government
- c. Medical Care - to be provided free of charge
- d. Transport-Official cars to be assigned
- e. Security-to be provided
- f. Utility Bills-to be paid by the Government
- g. Domestic Staff-to be provided
- h. Entertainment-to be catered for by Government
- i. Special Assistant - to be provided from within the Local Government Council Civil Service
- j. Leave Allowance-10% of Annual Basic Salary
- k. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office

14. CHIEF JUDGES AND GRAND KHADIS OF STATES

Annual Basic Salary ₦798, 172.07

- a. Accommodation to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance if opted to stay in personal house)
- b. Furniture to be provided by Government
- c. Medical Care - to be provide free of charge, (“eluding members of immediate family
- d. Robe-to be provided
- e. Transport-Official cars to be assigned and maintained by the Government,
- f. Security-to be provided
- g. Utility Bills-to be paid by the Government
- h. Domestic Staff-to be provided
- i. Entertainment-to be catered for by Government
- j. Special Assistant - to be provided from within the Civil Service
- k. Leave Allowance- 50% of Annual Basic Salary
- l. Hardship Allowance -50% of Annual Basic Salary

- m. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) at the end of full tenure of office
- n. Retirement Benefit, payable on the basis of approved Scheme of Service

15. PRESIDENT, CUSTOMARY COURT OF APPEAL

Annual Basic Salary ₦798,172.07

- a. Accommodation - to be provided by Government (with an option to be paid 100% of Annual Basic Salary as Housing Allowance if opted to stay in personal house)
- b. Furniture - to be provided by Government
- c. Robe-to be provided
- d. Transport Official cars to be assigned and maintained by Government,
- e. Utility Bills-to be paid by Government
- f. Domestic Staff-to be provided
- g. Entertainment-to be catered for by Government
- h. Medical Care-to be provided free of charge, including members of immediate family
- i. Personal Assistant-to be provided
- j. Special Assistants - to be provided from within the Civil service
- k. Leave Allowance- 10% of Annual Basic salary
- l. Hardship Allowance- 50% of Annual Basic Salary
- m. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a time) at the end of full tenure of office

CATEGORY B

MONETIZED FRINGE BENEFITS FOR OTHER PUBLIC AND POLITICAL OFFICE HOLDERS

16. SENATORS

Annual Basic Salary ₦8 10,560.00

- a. Housing Allowance- 100% of Annual Basic Salary
- b. Transport Allowance-350% of Annual Basic Salary
- c. Utility Allowance-20% of Annual Basic Salary
- d. Domestic Staff Allowance- 75% of Annual Basic Salary
- e. Entertainment Allowance- 10% of Annual Basic Salary
- f. Constituency Allowance- 150% of Annual Basic Salary
- g. Furniture Salary-300% of Annual Basic Salary
- h. Allowance for Employment of Special Assistant - Equivalent of 25% of Annual Basic Salary to be paid
- i. Vehicle Maintenance and Fuelling -30% of Annual Basic Salary
- j. Recess Allowance- 10% of Annual Basic Salary
- k. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) after successful completion of tenure

17. 17. MEMBERS OF HOUSE OF REPRESENTATIVES-

Annual Basic Salary ₦794,085.00

- a. Housing Allowance- 100% of Annual Basic Salary
- b. Transport Allowance-350% of Annual Basic Salary
- c. Utility Allowance - 20% of Annual Basic Salary
- d. Domestic Staff Allowance -75% of Annual Basic Salary
- e. Entertainment Allowance- 10% of Annual Basic Salary V
- f. Constituency Allowance-50% of Annual Basic Salary
- g. Furniture Allowance – 300% of Annual Basic Salary
- h. Allowance for Employment of Special Assistant- Equivalent of 25% of Annual Basic Salary
- i. Vehicle Maintenance and Fuelling -30% of Annual Basic Salary
- j. Recess Allowance- 10% of Annual Basic Salary
- k. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) after successful completion of tenure.

18. MEMBERS, STATE HOUSES OF ASSEMBLY-

Annual Basic Salary ₦534,890.00

- a. Housing Allowance- 100% of Annual Basic Salary
- b. Transport Allowance-3 50% of Annual Basic Salary
- c. Utility Allowance-20% of Annual Basic Salary
- d. Domestic Staff Allowance-75% of Annual Basic Salary
- e. Entertainment Allowance- 10% of Annual Basic Salary
- f. Constituency Allowance-25% of Annual Basic Salary
- g. Furniture Allowance - 300% of Annual Basic Salary
- h. Allowance for Employment of Special Assistant- Equivalent of 25% of Annual Basic Salary
- i. Motor Vehicle Maintenances Fuelling Allowance -30% of Annual Basic Salary
- j. Recess Allowance- 10% of Annual Basic Salary
- k. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a time) after successful completion of tenure.

19. COUNCILORS, LOCAL GOVERNMENT

Annual Basic Salary ₦380,038.00

- a. Accommodation-100% of Annual Basic Salary
- b. Transport Allowance-300% of Annual Basic Salary
- c. Utility Allowance-20% of Annual Basic Salary
- d. Domestic Staff Allowance- 75 % of Annual Basic Salary
- e. Entertainment Allowance- 10% of Annual Basic Salary
- f. Constituency Allowance-25% of Annual Basic Salary
- g. Furniture Allowance-300% of Annual Basic Salary.
- h. Allowance for Employment of Special Assistant- Equivalent of 25% of Annual Basic Salary
- i. Motor Vehicle Maintenances Fuelling Allowance-30% of Annual Basic Salary
- j. Recess Allowance- 10% of Annual Basic Salary
- k. Severance Gratuity - 300% of Annual Basic Salary (to be paid once in a life time) after successful completion of tenure

20. **JUDGES AT FEDERAL AND STATE LEVELS-**

Annual Basic Salary ₹776,03 8.22

- a. Accommodation - 100% of Annual Basic Salary to be paid as Housing Allowance
- b. Transport-3 50% of Annual Basic Salary to be paid as vehicle advance
- c. Utility-20% of Annual Basic Salary
- d. Robe - to be provided by Government
- e. Hardship Allowance- 50% of Annual Basic Salary
- f. Domestic Staff Allowance-75% of Annual Basic Salary
- g. Entertainment Allowance- 10% of Annual Basic Salary
- h. Medical Care - to be provided by Government free of charge including members of immediate family
- i. Furniture allowance - 300% of Annual Basic Salary to be paid once in four (4) years
- j. Allowance for Employment of Personal Assistant -25% of Annual Basic Salary
- k. Motor Vehicles Maintenance and Fuelling Allowance - 30% of Annual Basic Salary
- l. Leave Allowance- 10% of Annual Basic Salary
- m. Severance Gratuity - 300% of Annual Basic Salary to be paid once in a lifetime after full tenure of service with Government
- n. Retirement Benefits - Payable on the basis of approved Scheme of Service

21. SGF/MINISTERS/MINISTERS OF STATE/CHAIRMEN AND MEMBERS OF FEDERAL EXECUTIVE BODIES-

Annual Basic Salaries:

i.	SGF	₦794,085.00
ii.	Ministers	₦794,085.00
iii.	Ministers of State	₦783,032.00
iv.	Special Adviser to the President	₦777,150.00
v.	Chairmen and Members of Federal Executive Bodies	₦77,150.00

MONETIZED FRINGE BENEFITS FOR (i)-(v) ABOVE-

- a. Accommodation - 100% of Annual Basic Salary to be paid as housing allowance
- b. Transport-350% of Annual Basic Salary to be paid as vehicle allowance
- c. Utility Allowance-20% of Annual Basic Salary
- d. Domestic Staff Allowance -75% of Annual Basic Salary
- e. Entertainment Allowance- 10% of Annual Basic salary
- f. Medical Care-to be provided by Government free of charge
- g. Furniture Allowance- 300% of Annual Basic salary to be paid once in four (4) years
- h. Special Assistant - to be provided from within the Civil Service (where applicable)
- i. Allowance for Employment of Personal Assistant - 25% of Annual Basic Salary;
- j. Special Assistant to be provided from within the Civil Service
- k. Motor Vehicle Maintenance and Fuelling Allowance - 30% of Annual Basic Salary
- l. Leave Allowance- 10% of Annual Basic Salary
- m. Severance Gratuity - 300% of Annual Basic Salary to be paid (once in a life time) after full tenure of office with Government

22. **ALL OTHER PUBLIC AND POLITICAL OFFICE HOLDERS**

- a. Accommodation - 100% of Annual Basic Salary to be paid as Housing Allowance
- b. Transport - 350% of Annual Basic Salary to be paid as vehicle allowance
- c. Utility Allowance - 20% of Annual Basic Salary
- d. Domestic Staff Allowance - 75% of Annual Basic Salary
- e. Entertainment Allowance - 10% of Annual Basic Salary
- f. Medical Care - to be provided by Government free of charge
- g. Furniture Allowance - 300% of Annual Basic Salary to be paid once in four (4) years
- h. Allowance for Employment of Personnel Assistant - 25% of Annual Basic salary (where applicable)
- i. Special Assistant to be from within the Civil Service (where applicable)
- j. Motor Vehicle Maintenance and Fuelling Allowance - 30% of Annual Basic Salary
- k. Leave Allowance - 10% of Annual Basic Salary
- l. Severance Gratuity - 300% of Annual Basic Salary to be paid (once in a life time) after full tenure of office with Government
- m. Retirement Benefits - Payable on the basis of approved Scheme of Service

NOTE THAT:

Group Insurance Cover is to be provided for all categories of political office holders in the Federation.



SECTION THREE

NATIONAL POLICY ON PUBLIC PRIVATE PARTNERSHIP (PPP)

A document of the Infrastructure Concession Regulatory Commission (ICRC)

Q In line with our administration's commitment to transparency and accountability,
H the ICRC must ensure that the transfer of responsibility to the private sector is
D accomplished through strict deregulation and open competition.

A In other words, the Commission is expected to epitomize best practices in Public
tl Private Partnership (PPP) and to be a beacon for sub-national entities to take their
e hearings from'

v Excerpts from address by:

p His Excellency, President Umaru Musa Yar'Adua, GCFR

s At the inauguration of the Board of the ICRC in Abuja

v 27th November 2008

p Published by:

I The Infrastructure Concession Regulatory Commission,

g No. 13 Suleiman Barau Crescent,

a Aso Villa- Abuja, Nigeria

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July 2009

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SUPPLEMENTARY NOTES TO THE NATIONAL POLICY ON PPP

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... the major developmental challenges confronting the people of the Nigerian economy, is the huge deficit in the basic infrastructure services, especially in the areas of energy and transportation. To close the yawning infrastructure gap and thereby unlock our undoubted economic potential, massive investments must be made in the expansion of our infrastructure services well beyond the resources and capacity of government which has been solely responsible for the provision of such services.

In furtherance of its 7-point Agenda, the federal government of Nigeria (FGN) and, therefore, recognized the imperative of leveraging on private sector investment and capacity to bridge the country's enormous infrastructure gap through an effective framework for Public- Private Partnership.

It is in pursuance of this objective that President Umaru Musa Yar'Adua (GCFR) inaugurated the Infrastructure Concession Regulatory Commission (ICRC) on 27th November 2008, to provide the requisite regulatory and institutional framework within which all Ministries, Departments and Agencies (MDAs) of the FGN can effectively enter into partnership with private sector in the financing, construction, operation and maintenance of infrastructure projects in line with the ICRC Act of 2005.

The Commission has consequently developed the national Policy on PPP to provide clear and consistent process and procedure guides for all aspects of PPP projects development and implementation from project identification, evaluation, selection, to procurement, operation, maintenance and performance monitoring.

On behalf of the Governing Board of the ICRC, it is my great pleasure to present this Policy document which has been duly approved by the Federal Executive Council (FEC) in April 2009. We are confident that adherence to the policy and related guideline will ensure the emergence of a robust, and competitive environment conducive to private sector investment and, therefore, facilitate the rapid and qualitative expansion of infrastructure services in Nigeria.

Chief Ernest Shonekan, GCFR

Chairman of the Governing Board, ICRC

1. INTRODUCTION

Global demand for basic infrastructure services has grown over the years, quickly outstripping the supply capacity of existing assets. Many years of underinvestment and poor maintenance have left Nigeria with a significant infrastructure deficit which is holding back the country's development and economic growth. Nigeria needs to make massive investments, beyond the means available to government, in order to close its yawning infrastructure gap. The federal Government ("the Government") believes that the private sector can play an important role in providing some of this new investment through Public Private Partnerships (PPP).

2. GOVERNMENT COMMITMENT

Addressing the infrastructure deficit and improving the quality of public services has been an important component of President Yar'Adua's 7-point Agenda, and is a pre-condition for meeting the Government's vision of being one of the top 20 global economies by 2020. government, will therefore. Develop regulatory and monitoring institutions so that the private sector can play a greater role in the provision of infrastructure, whilst ministries and other public authorities will focus on planning and structuring projects. The private sector will be contracted to manage some public services, and to design, build, finance and operate some infrastructure. It is the government's expectation that private participation in infrastructure development through PPP will enhance efficiency, broaden access, and improve the quality of public services.

This policy statement, and its supporting Supplementary Notes, sets out the steps that the Government will take to ensure that private investment is used, where appropriate, to address the infrastructure deficit and improve public services in a sustainable way. In line with the Government's commitment to transparency and accountability, it will ensure that the transfer of responsibility to the private sector follows best international practice and is achieved through open competition. The Government has inaugurated the infrastructure Concession Regulatory commission (ICRC) with a clear mandate to develop the guidelines, policies, and procurement processes for PPP. The ICRC will collaborate with the State to promote an orderly and harmonized framework for the development of Nigeria's

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infrastructure and to accelerate the development of a market for PPP projects. The Federal Government assures investors that all contracts completed in compliance with the ICRC Act will be legal and enforceable, and that investors will be able to recover their expected returns subject to compliance with the terms of the PPP contract.

3. POLICY OBJECTIVES

The Government's key policy objectives for its infrastructure investment programme and for PPP are:

Economic

- To accelerate investment in new infrastructure and ensure that existing infrastructure is upgraded to a satisfactory standard that meets the needs and aspirations of the public;
- To ensure that all investment projects provide value for money and that the costs to government are affordable;
- To improve the availability, quality, and efficiency of power, water, transport and other public services in order to increase economic growth, productivity, competitiveness, and access to markets; to increase the capacity and diversity of the private sector by providing opportunities for Nigerian and international investors and contractors in the provision of public infrastructure, encouraging efficiency, innovation, and flexibility;
- To ensure that infrastructure projects are planned, prioritized, and managed to maximize economic returns and are delivered in a timely, efficient, and cost effective manner;
- To manage the fiscal risks created under PPP contracts within the Government's overall financial and budgetary framework;
- To utilize federal and state assets efficiently for the benefit of all users of public services.

Social

- To ensure balanced regional development;
- To increase access to quality public services for all members of society;
- To ensure that user charges for new or improved public services are affordable and provide value for money;
- To respect the employment rights and opportunities of employees and to ensure that any redundancy or other social safety net issues are resolved final project approval;
- To enhance the health, safety, and wellbeing of the public;
- To encourage the direct or indirect participation of small and medium sized enterprises in PPP projects.

Environmental

- To protect and enhance the natural environment;
- To minimize greenhouse gas emissions and other pollutants.

Value for Money

In adopting this policy for PPP, the Government is making no presumption about the relative efficiency or effectiveness of the public and private sectors in the delivery of projects and services. Rather, it will use PPP where this is likely to result in better value and more affordable services. All procurement decisions will be made on merit and all proposals subjected to thorough economic and financial cost benefit analysis. Value for money is a combination of the services outcome to be delivered by the private sector, together with the value of risks transferred to the private contractor and direct costs to government and users, it is discussed further in a Supplementary Note to this Policy Statement. Where value for money drivers exist, PPPs can potentially deliver significant benefits in the design, the quality of services and the overall cost of infrastructure. PPPs can draw upon the best available skills, knowledge and resources, whether they are in the public or private sector. PPP will allow Ministries, Departments and Agencies (MDAs) to focus their efforts on the delivery of core services,

and use the savings generated to improve or expand other services. PPPs also have the potential to bring forward infrastructure expenditure, sometimes by combining a number of smaller projects instead of phasing capital development over a number of years because of budgetary constraints. Innovation in PPP project will be encouraged, and it is important that the processes for delivering a PPP project are able to evolve to reflect experience and in the changing environment within which infrastructure is constructed and financed and in which services are delivered. Government will therefore monitor, review, and from time to time refine, its PPP Policy in order to achieve its wider policy objectives.

4. THE ENABLING ENVIRONMENT

The Government recognizes that it will need to develop its policies and practices and in some cases introduce or amend legislation if it is to encourage greater private sector participation in delivering public services and attract private capital to fund the country's infrastructure and related services. The Government will:

- Ensure that there is better coordination and planning of infrastructure investment and greater use of economic appraisal techniques to prioritize investment. It will develop a 15-year investment strategy in consultation with the States, civil society organizations and the public;
- Provide a clear policy and regulatory framework for PPP and greater transparency and fairness in awarding contracts and resolving disputes;
- Take measures to increase the depth of Nigeria's financial markets and encourage them to provide a range of financial instruments to mitigate financial risks;
- Work with international institutions such as the World Bank to reduce financing costs;
- Ensure that its procurement processes are fair, transparent, and well managed, and compliant with all relevant legislation;

- Improve capacity and skills in the public sector to manage projects more effectively; and
- Communicate its plans and policies effectively to the National Assembly, the general public, and investors, and work with the states to ensure that there is a clear and consistent approach to PPP across the Federation.

By creating an appropriate enabling environment for PPP and allowing a fair return to private investors for the project risks that they will take, the Government believes that it can harness PPP to supplement scarce public resources although government will still provide the greater part of investment funding for infrastructure across the economy as a whole. PPP can help create a more competitive and diverse supplier market, can help to improve the efficiency of public services, and can thereby reduce costs in public service delivery. It will harness the resources of both public and private sectors to secure the best outcomes and better value for money for the Nigerian citizen. Government will focus on its core public service role and give the private sector a greater operational.

The Government will put in place a legal, financial, and institutional framework that will promote and facilitate the implementation of privately financed infrastructure projects by enhancing transparency, fairness and the long-term sustainability of projects. It will procure a small number of pilot projects initially, to gain experience in the application of its policy. It will apply lessons learned in any further refinement of its policy and associated legal, financial, and regulatory frameworks. It will disseminate this knowledge and experience throughout the public sector and to the States, and continue to build capacity in MDAs in the planning, procurement, and management of PPP projects. It will ensure that its economic policies provide a stable and predictable environment for investors.

Legal Framework

The government will review the legal and regulatory framework created under:

- The privatization and Commercialization Act 1999;

- The Infrastructure Concession regulatory Commission (Establishment) Act 2005;
- The Fiscal Responsibility Act 2007;
- The Public Procurement Act 2007; and
- Other Relevant Legislation.

If necessary, it will propose amendment of existing legislation or the enactment of new legislation to:

- Ensure that public authorities are empowered to enter into agreements for the implementation of privately financed infrastructure projects and can delegate their statutory functions to private companies;
- Ensure that the regulation and licensing of public service operators and operations is transparent, timely, and effective;
- Provide appropriate remedies for protecting the safety and integrity of public infrastructure from vandalism and other criminal activity;
- Create a centre of PPP expertise within ICRC the PPP resource central to issue guidance to all public authorities on the procurement of PPP projects and drafting of PPP contracts;
- Ensure that there are no distortions created by existing tax, banking company, or any other laws that would bias the investment decisions of public authorities for or against PPP as a procurement option, or would distort the commercial decisions of PPP investors, contractors, or operators;
- Provide for transparent, efficient, and competitive procurement procedures for PPP –type contracts that encourage innovation from bidders, and allow dialogue to optimize the allocation of risks between the contracting parties;
- Ensure that there is an effective disputes resolution process which can operate independently and in a timely manner to provide alternative procedures such as arbitration and expert determination;

- Ensure that the proposed institutional and financial framework for PPP and issuance of guarantees, partial risk insurance or other financial instruments by, or through, the Federal Government is consistent with the Fiscal Responsibility Act 2007 and corresponding legislation proposed or enacted in each State.

Financial Framework

The Government will strengthen its Medium Term Expenditure framework and the Medium term Sector Strategies of its Ministries, Departments and Agencies to:

- Develop the capacity of authorities to carry out economic appraisal of projects. It will issue guidance to all public authorities and provide support and advice on discount rates, indexation and inflation, techniques for measuring costs and benefits, and the valuation of risks;
- Provide guidance to MDAs on the development of a national 15-years investment strategy which will provide a planning tool for the development of infrastructure, whether financed from public funds or through PPP contracts;
- Allocate responsibility for monitoring any contingent liabilities and risks that arise from PPP contracts, and associated agreements such as Power purchase Agreements, and any sub-sovereign or other guarantees, partial risk insurance, subsidies, or exchange rate volatility;
- Ensure that its policies on user charges and tariff subsidies are sustainable and meet the needs of both investors and users;
- Ensure that the regulation of Nigeria's financial and markets provides transparency, stability and liquidity for investors in PPP projects and permits the development of new sources of finance, such as specialized funds, as well as secondary markets.

Institutional framework

The government will create an institutional framework that will reinforce the accountability of Ministries, Departments and Agencies (MDAs) of the Federal Government for the delivery of public services within their areas of responsibility, whilst ensuring that they have access to appropriate guidance, training, expertise and resources to plan, procure and manage investment projects and public services efficiently and effectively, taking account of value for money and long-term affordability. It will issue guidance for the benefit of those states that propose to develop their own PPP policies and programmes, and will set up mechanisms to coordinate these and encourage the development of standardized documents where appropriate. It will coordinate communication between the public authorities across the federation and private sector contractors and investors.

It will ensure that federal that Federal projects will go through a rigorous appraisal as to their economic and financial viability before the project begins a competitive and transparent procurement process, and that the project business case is approved by the government's Economic Management Term or other relevant authority. The Federal Executive Council will formally approve all PPP projects prior to the award of a contract. The ICRC will issue regulations that specify a value threshold below which these requirements will not apply.

The Government will ensure that representatives of civil society organizations, investors and contracting associations contribute to the effectiveness of the Government's investment strategy and institutional framework for managing its infrastructure investment programme. The ICRC will be tasked with making the appropriate arrangements.

5. SCOPE AND APPLICATION

The scope of the Federal Government's programme for PPP is the creation of new infrastructure, and the expansion and refurbishment of existing assets such as:

- Power generation plants and transmission/distribution networks;
- Roads and bridges;
- Ports;
- Airports;
- Railways;
- Inland container depots and logistics hubs;
- Gas and petroleum infrastructure, such as storage depots and distribution pipelines etc;
- Water supply, treatment and distribution systems;
- Solid waste management;
- Educational facilities (e.g. schools, universities)
- Urban transport systems;
- Housing;
- Healthcare facilities, etc.

In addition, a number of State Governments are considering using PPP to develop infrastructure. Although each State is responsible for its own investment projects, many projects within a State will be financed with the support of a guarantee by the Federal Government. In providing any such guarantees, the Government will have regard to best practice as exemplified by its own PPP policy and guidelines.

6. PARTIES/STAKEHOLDERS AND THEIR ROLES

The institutional framework that the government is creating to implement its policy for PPP allocates specific roles and responsibilities to various MDAs within the Federal Government for PPP project identification, planning, approval, procurement, and implementation. The Government has issued a Supplementary Note with this Policy Statement, which provides further details on its proposed allocation of roles and responsibilities within this institutional framework. Several sectors, such as power and transport, are going through a process of reform and restructuring, within a new regulatory framework. The Supplementary note

describes how sector regulators will interface with the MDAs responsible for the delivery of public services in the transport, power and water sectors. It also provides more detail on the role of the Infrastructure Concession regulatory Commission (ICRC), which the Government will use to coordinate and lead the implementation of its policy on PPP. The working arrangements between the various parts of the Government will continue to be streamlined to avoid duplication and ensure that processes are not overly-bureaucratic. There will need to be consistency and clear responsibility and accountability.

The ICRC

The Board of ICRC has been appointed with a mandate to develop and issue guidelines on PPP policies, processes and procedure (including those for concessions), and to act as a national centre of expertise in PPP. It will work closely with relevant MDAs to identify potential PPP projects, and will act as the interface with the private sector to promote communication on national policies and programmes. The communication will be continuous, clear, timely, and accurate.

ICRC will monitor the effectiveness of the Government's policies and processes and provide independent advice to the Federal Executive Council (FEC) on the development of its national PPP policy. It will provide an opinion to FEC on whether projects submitted for FEC approval meet the requirements of the regulations. ICRC will also work closely with States that are developing their own PPP policies to ensure consistency, best practice, and a coordinated approach to the private sector supplier market.

Although the management of PPP agreements will be for the relevant MDA, as the contracting party on behalf of government, the Contract Monitoring Unit within ICRC will monitor compliance with the contractual terms and conditions by both parties. The ICRC will maintain a PPP project database and will retain custody of all PPP agreements as required by the Legislation.

The PPP Resource Centre within ICRC will provide technical assistance to MDAs in the development and procurement of PPP projects, and a project development Fund will be allocated to the PPP Resource Centre to co-fund project preparation

and procurement costs, particularly the costs of external project advisers. The ICRC Board will provide oversight and strategic direction to the PPP Resource Centre and the Contract Monitoring Unit through its internal governance structures.

National Planning Commission

The National Planning Commission (NPC) will be tasked with developing a 15-year investment strategy (the National Development Plan) for all infrastructure services provided by the federal Government. MDAs will be asked to identify their long-term plans for infrastructure, and whether the investment is to be funded through PPP or from the MDA's budget. The role the NPC in providing tools and methodologies for the economic appraisal of investment projects to be included within the plan will also be strengthened, and the NPC will commission research on the economic impact of the Government's infrastructure investment programmes.

Ministries, Departments and Agencies

Ministries, or their agencies responsible for managing public infrastructure and public services, will continue to be accountable through their Ministers for the quality of public services and for the management of their resources. In some ministries, the planning and coordination roles are being developed to new bodies. This is to ensure better integration of plans and policies and to increase accountability. PPPs are a more complex form of procurement but still need to be integrated into the overall investment strategy for that sector, as well as the government's budgetary and financial strategy within the Medium Term Expenditure framework.

The MDAs will therefore be required to prepare long-term plans for infrastructure investment and maintenance which will be incorporated into the government's rolling 15-year National development Plan by the National Planning Commission (NPC). As part of this process, the MDAs will also identify where PPP is likely to offer better value for money over other forms of direct public procurement and this will be factored into the financial projections in the Investment Strategy of the relevant MDA.

The decision on procurement options will be reviewed as projects are refined and enter the Medium Term Expenditure framework (MTEF). The MTEF will define the forward programme of projects and allocate resources for their planning and preparation. Following FEC approval of a PPP project, the relevant Accounting Officer of an MDA will sign the contract and will be accountable for meeting the project objectives.

Federal Ministry of Finance

The Ministry of Finance will have an important role in public financial management of PPP projects, and in evaluating and managing fiscal risks that may result from the terms of the agreements. The Ministry will need to ensure that the forecast costs for the Government including any subsidies that may be required to make a project financially viable or ease the transition for poor households to a full cost recovery tariff are affordable over the life of the contract and within the Medium Term Expenditure framework. Costs and contingent liabilities will need to be reviewed as the project design and risk valuations are refined during the project preparation and procurement phases, and any significant changes to the initial estimates notified to the Ministry.

Debt Management Office

Together with the Ministry of finance, the debt management Office (DMO) will need to be satisfied that any contingent liabilities are manageable within the Government's economic and fiscal forecasts. The DMO will need to be consulted in advance by project teams within an MDA which is considering the involvement of multilateral agencies such as IFC, MIGA or IDA in providing guarantees or other financial instruments.

Accountant General of the Federation

The Government will put in place measures through the Office of the Accountant general of the Federation to ensure that funding for payment obligations incurred through a Federal PPP contract is safeguarded to ensure prompt payment, subject to appropriate authorization. The States will also need to develop processes to ensure that contractual payment obligations are met. Where the financial standing of the public sector contracting party is not clear then special arrangements, such

as escrow accounts, may need to be set to reduce the reliance on financial guarantees from the Government.

Bureau of Public Procurement

The Bureau of Public Procurement (BPP) plays an important role in ensuring due process in the procurement of public works and services. It uses techniques such as benchmarking to ensure that the prices paid for goods and services are fair and reasonable.

The integration of different elements of a project into a single contract makes benchmarking difficult, however, and there is a risk that it may show down the procurement timetable and increase costs for bidders as well as the authority. The Government is setting up a procurement department in each MDA to ensure due process is observed in all procurement. It is advisable that a member of the MDA's Procurement Department is included on the Project Steering Committee set up within the MDA to manage each project. The PPP Resource Centre within ICRC will work with BPP to develop appropriate procurement processes for PPP projects (see the Supplementary Note on PPP procurement).

Bureau of Public Enterprises

The privatization of many State owned assets has been led by the Bureau of Public Enterprises (BPE) since 1999. It has held the Government's assets in trust for Ministry of Finance Investments until they have been sold or commercialized. The National Council on Privatization has had ultimate responsibility for determining which sectors should be included in the programme under the Privatization and Commercialization Act. BPE has concessions as a means of Commercialization of existing Government owned enterprises.

The lessons gained through these Concessions, and the skills and capacity developed in BPE should be made available in implementing PPP and other concession projects under the new PPP Policy and the ICRC will develop guidance in this regard. For instance, the BPE may be required to serve as "Internal Consultants" to MDA's PPP Project teams along with any other External transaction Advisers that may be procured by ICRC.

7. CHARACTERISTICS OF PPP

PPP includes a wide range of contractual arrangements between the public and private sectors. In general, there are three features:

- PPP combines the design, construction (or rehabilitation) of public infrastructure with its maintenance and sometimes with the delivery of the service directly to the user. The transfer of responsibility for design, construction, and maintenance to the private contractor provides an incentive to minimize the whole life costs of the infrastructure service.

- The contract requirements are defined as outputs and service standards to be met, rather than inputs (such as exactly how the infrastructure should be designed and built). So, for example, a road contract might specify the quality of the road surface, its traffic capacity, safety standards, other environmental standards, and so on. It does not need to specify exactly how the road is to be constructed. Contractors will be able to propose their own designs and construction methods although the roads procuring authority will need to be satisfied that the proposals are consistent with own standards.

This means that the private contractor can be innovative in its approach. But the contractor will also need take into account the need to provide maintenance to ensure that the infrastructure continues to perform as required over the entire period of the contract.

- Payments to the contractor (or revenues from user charges in the case of a concession) are linked to meeting the specified standards of performance. If the quality of service falls below the required level, payment will be reduced accordingly. This gives the public the public authority the ability to enforce the contract effectively and the private contractor a strong incentive to perform. It also means that payments do not commence until the service is provided, and that design and construction is financed by the contractor. The cost of

this financing is recovered from service charges (and/or user charges) over the remainder of the contract period. This method of payment provides a strong incentive to the contractor to complete the construction phase and provide the service as quickly as possible so that payments can commence. It also means that the contractor needs to continue to provide the service throughout the contract term in order to recover all of the financing costs. In effect, the public authority leases the asset (or grants the right to exploit it in the case of a concession), and transfers the responsibilities and risks of ownership to the private contractor.

These features of PPP can be found equally in a performance based contract or in full service concession where the contractor will be repaid by user and in other types of Build, Operate, Transfer (BOT) contracts. The distinction between concessions and other forms of PPP is that concessions transfer some or all of the demand and revenue risks of the public service to the concessionaire, whereas these risks are usually retained by the public sector in other forms of PPP. For a performance-based PPP contract where the asset requires rehabilitation and maintenance only, such an existing road, the financing costs will be relatively small and probably provided by the contractor. Where the PPP contract requires the construction of a significant new asset, however, financing will be an important part of the contractor's responsibilities. Project financing will often be used in this case, with third parties such as banks being brought in to provide most of the funding.

There is a fundamental difference between PPP and privatization. In a privatization, existing assets are transferred to the private sector. Legislation determines how services are provided to the public, often with an independent regulator set up to monitor and in some cases-control prices and prevent market abuse. The regulator may issue license that specify service standards and the framework for relations between the concessionaire or private provider. The regulator's functions will sometimes extend to overseeing competition and to ensuring that social welfare objectives are met.

In a PPP, the government retains ultimate responsibility for the public service but will delegate many of the operational tasks to private sector service provider under contract. The contract will determine the service obligations, although a regulator may impose sector-wide requirements, for example in relation to safety or environmental standards. The contract will also determine how public policy aspects are to be dealt with, particularly if there are to be user charges.

In some cases, contractor will itself set user charges and be remunerated through user payments. In others, government or the regulator may charge and pay contractor only for providing the service. This may be the case even if the contractor, rather than government, collects user payments. Government may also provide subsidies to capture wider economic benefits or make the service financially viable.

So, for example, a light rail scheme might involve the private contractor operating the trains to the frequency and standard specified in the PPP contract and collecting the fares but being paid by the relevant authority according to the quality of the service. The public authority would set the fares and determine any subsidy for specific classes of user. In this case it could be said that the contractor was taking performance risk but the authority was taking demand and revenue risk. A Supplementary Note on the allocation of risks in PPP projects is issued with this Policy Statement.

8. KEY PRINCIPLES OF PPP

In determining whether PPP is an appropriate procurement option for public infrastructure and services the government will apply the following key principles.

Value for Money

Achieving the best value for money outcome in public services is the key consideration at all stages of a project's development and procurement. The project appraisal will take account not only of cost but also risks and service quality. The Government will test for value for money by comparing the costs at net present value of PPP proposals against a value for money benchmark wherever possible (see the Supplementary Note on value for money). The benchmark will usually be an estimate of the costs of providing an equivalent service through public finance.

Bids will only be invited when it is clear that there is scope for a private proponent to deliver value for money and the cost of the service payments are affordable to both government and users.

Public Interest

Consideration of the public interest requires that:

- Public authorities should ensure adequate consultation with end-users and other stakeholders prior to the initiation of an infrastructure project;
- Private sector participants in a PPP project will contribute to strategies for communicating and consulting with the general public, customers, affected communities, and corporate stakeholders, with a view to developing mutual acceptance and understanding of the objectives of the public and private parties;
- Private sector contractors in the provision of vital services to communities need to be mindful of the consequences of their actions for those communities and work, together with the public authorities, to avoid or mitigate socially unacceptable outcomes.

Risk Allocation

The principle that the Government will follow in allocating risks will be to optimize, rather than maximize, the transfer of project risk to private contractor. This means that, in practice, risks will be allocated to the party best able to manage them. The allocation of risk will therefore determine the chosen method of private sector involvement and allocation of responsibilities, which will in turn be based on an assessment of the public interest.

Output Requirements

The formal agreement between the public authority and the private contractor will be specified in terms of verifiable service standards to be provided on the basis of output or performance-based specifications. It will contain provisions regarding responsibilities and allocations of risk in the case of unforeseen events.

Transparency

Transparency and openness are requirements of all government procurement, including PPP projects:

- Fiscal discipline and transparency must be safeguarded and the potential public finance implications of sharing responsibilities for infrastructure with the private sector fully understood;
- A sound enabling environment for infrastructure investment which implies high standards of public and corporate governance, transparency and the rule of law, including protection of property and contractual rights will be put in place to encourage the participation of the private sector;
- Public authorities will take effective measures to ensure public and private sector integrity and accountability and establish appropriate procedures to deter, detect, and penalize corruption;
- The awarding of infrastructure contracts or concessions will be designed to guarantee procedural fairness, non-discrimination, and transparency;
- Private sector participants, their sub-contractors and representatives will not resort to bribery and other irregular practices, gain control over assets to gain an unfair advantage, or attempt to win favours. Nor should they be party to these practices in the course of their infrastructure operations. They will observe commonly agreed principles and standards of responsible business conduct. They will participate in infrastructure projects in good faith and fulfill their contracted commitments.

Competition

The benefits of private sector participation in infrastructure are increased by effective competition and by ensuring that business activities are subject to appropriate commercial pressures, dismantling unnecessary barriers to entry, and implementing and enforcing adequate competition laws.

Capacity to Deliver

Authorities responsible for privately operated infrastructure must have the capacity to manage the commercial processes involved and to partner on an equal basis with their private sector counterparts. Strategies for private sector participation in infrastructure will be disseminated and objectives shared throughout all levels of government and relevant parts of the public administration. Training will be provided to transfer relevant skills and understanding to those involved in projects, including decision makers.

Engaging with the Market

Projects to be procured within this policy must have the formal approval of the Federal Executive Council before the involvement of the private sector. Public authorities will communicate clearly the objectives of infrastructure policies and will put in place mechanisms for consultation between the public and private partners regarding these objectives. They will disclose all project-relevant information, including the condition of existing infrastructure, and the standards of performance they require, together with proposed penalties for non-compliance as part of the procurement process.

9. THE PPP PROCESS

The PPP process will be as follows:

i. Project development

- Identification of need;
- A systematic appraisal of technical solutions to the identified need;
- Preparation of economic, social and environmental cost benefit analysis, and an Environmental Impact Assessment, if required;
- Value for money (VFM) and of affordability testing of different procurement options;
- Preparation of financial analysis – the pre-feasibility study;

- 1. The document must be signed by the President of the United States and the Secretary of the National Tax Administration Commission.
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The Government will provide further guidance through NIPC on the effective management of each phase of a PPP project.

- a. Project development guidance in options appraisal, business analysis, site selection and scope of the procurement, and plans for costs and efficiency assessment.
- b. Project procurement guidance in creating structure and competitive procurement processes, maintaining confidentiality, allowing the diligence of third party investors, preparing a Full Business case.
- c. Project implementation guidance in awarding contracts and financial close, contract supervision and management, performance monitoring and change management.
- d. Contract compliance monitoring guidance and procedure for the regular review of contractual obligations, tracking the performance of all parties to the contract and the resolution of any disputes.
- e. Project maturity guidance in project close and completion of any public assets (if appropriate), reviews of future service needs, and delivery options analysis.

3A. PROJECT FUNDING

The Government recognises that private financing of infrastructure that provides value for money, when compared to funding the investment through government borrowing. The financing of PPP projects therefore needs to be efficient and it is structured so that the returns to investors reflect the risks that they take and so that contingent fiscal liabilities are well managed. The Government will use competition during the procurement process to drive down the cost of finance by ensuring that the Nigerian financial markets have the necessary depth and liquidity to provide the type of financing that these projects require, and that they operate transparently. It will encourage diversity in the sources of funding and ensure that different classes of investor, both domestic and foreign, are able to participate in project financing.

It will use guarantees or other risk insurance provided by multilateral agencies such as the World Bank, where these provide value for money, and it will consult with the States on whether the creation of a PPP Guarantee Fund would provide additional security to investors and reduce the overall costs of finance to government.

The Government has already taken a number of measures to strengthen the Nigerian financial markets and encourage domestic savings. Its pension reforms 2004 have created an increasing demand for a range of long-term investments, and its banking reforms have increased the capital base of Nigerian banks. Its privatization programme has developed the expertise and capacity of the financial sector, and the market in government bonds has developed rapidly, with the recent issue of a 20-year Federal Government bond being oversubscribed. The investment and Securities Act, 2007, has enabled companies to also raise long-term finance from the bond market.

The demand for new forms of financing for infrastructure will create new opportunities for long-term investor and the Nigerian financial markets can be expected to develop rapidly. The Government will continue to monitor these markets and will strengthen their regulation where necessary. It will work with the multilateral agencies to provide longer term financing to that currently available in the banking market and will consider the case for an Infrastructure Fund that is able to provide equity or debt financing to contracting companies under PPP arrangements.

The Supplementary Note on Roles and Responsibilities provides further background on infrastructure financing.

11. LEGACY PROJECT GOVERNANCE

This Policy Statements sets out the policies and processes that the Government will introduce to provide new investment in Nigeria's public infrastructure. The inauguration of the ICRC has been an important first step in the implementation of the Government's policy and ICRC will be expected to provide a lead in developing this policy framework further, working closely with MDAs in the Federal Government, and with the States. ICRC will also be responsible for

monitoring and ensuring the efficient execution of existing concession agreements, and will review their implementation and advise the Federal Executive Council accordingly.

Private sector organizations with specialist know-how and experience in certain sectors, may have submitted unsolicited bids to MDAs, and these may not have been taken further in the absence of clear policy guideline. ICRC will work MDAs to ensure that such bids are evaluated and considered within the terms of the terms of the ICRC Act and has issued a Guidance Note on the Transitional Arrangements for implementing PPP and handling unsolicited proposals alongside this Policy Statement.

(Footnotes)

- ¹ The various agencies of the World bank (International Finance Corporation, International Development Agency, Multilateral Investment Guarantee Agency) work through the Federal Government, even if providing sub-sovereign guarantees to Nigerian states.

SUPPLEMENTARY NOTES TO THE NATIONAL POLICY ON PPP

PART 1: Procurement Processes for PPP in the Federal Government.

PART 2: Value for Money in Procurement by the Federal Government

PART 3: Project Risk and PPP with Federal Government

PART 4: Roles and Responsibilities for PPP in the Federal Government

Part 1:

PROCUREMENT PROCESSES FOR PPP IN THE FEDERAL GOVERNMENT

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 - 4.5 Project governance

1. Introduction

This Supplementary Note provides further information and background on the National Policy Statement for Public Private Partnerships. It describes the processes that federal government will follow in order to ensure that the procurement of infrastructure projects using PPP principles is fair, transparent, auditable, and cost effective for both government and the private sector. The Note is designed to explain to bidders and investors the issues that the Ministries, departments, or Agencies (MDAs) of the Federal Government will need to consider in planning, and then managing, a procurement. It also sets out the processes that private sector bidders will need to follow in order to prepare for a bidding opportunity, to submit a bid, and to arrange finance in finalizing a contract with government for the provision of new infrastructure or public services. By increasing the understanding of the internal relationships and decisions within each of the parties to be transaction, the government hopes that the procurement of these potentially complex projects can proceed in a timely and efficient manner.

This Note is one of a series issued with the policy Statement. Other notes describe:

- Roles and responsibilities within the Federal Government for the implementation of its PPP Policy;
- Assessing value for money in PPP procurement;
- An explanation of the risks in PPP projects and how they may be allocated between the parties.

These Notes, and the Policy Statement itself, will be reviewed and updated from time to time, and will be supported by Guidance Notes issued by the Infrastructure concession Regulatory Commission (ICRC).

1.1 Structure of this Supplementary Note

The remainder of this Note covers the following topics:

- Section 2 sets out the general principles governing public procurement in Nigeria, and how these principles will be applied to PPP projects;

- Section 3 describes the procurement process from the authority's perspective
- Section 4 describes the process likely to be followed by the private sector in bidding and arranging finance for PPP projects, and the subsequent governance of the project companies.

2. General Principles Governing Public procurement

Public procurement is the process by which government buys goods, works, or services from the private sector. Because all government expenditure is incurred on behalf of the Nigerian citizen, it is self-evident that it should increase their welfare or be for their economic benefit. In other words, the procuring authority needs to ensure that money is spent wisely and in the wider public interest. Competition is the way in which the market price for the procuring authority's specific requirements is determined, and this is usually achieved by inviting sealed bids from a number of different suppliers.

The Bureau of Public Procurement (BPP) has issued a procurement Procedures Manual, which sets out the principles which all public procurement in Nigeria should follow and procedural requirements for the planning and management of procurement by Federal Departments under the Public Procurement Act 2007. Only those principles that have a particular significance for PPP projects are discussed below and reference should be made to this manual and subsequent guidance issued by the national Council for public procurement or the PPP resource centre within ICRC for a fuller description of the principles and practice of public procurement in Nigeria.

2.1 Value for Money

For the purchase of most works or goods, the lowest priced bid against a common specification or requirement is the most appropriate way of maximizing the overall benefit to the public. But, for service contracts, and some works projects, quality and price should both be taken into account in choosing the supplier that maximizes the economic benefit to the public. Value for money is the criterion that should be applied to determine the evaluation of bids and the award of a contract. The methodologies for measuring this are discussed in a separate

Supplementary Note to the Policy Statement. PPP projects are based on the principle of maximizing value for money rather than simply achieving the lowest cost, and therefore the procurement process has to be devised to allow bidders to maximize value for money in their bids within the constraints of transparency, fairness and confidentiality.

2.2 Transparency

Bidding for public or private sector contracts is a significant cost on business that has a direct impact on their profitability. Companies will only participate in the bidding process if they believe that the chances of successfully being awarded the eventual contract are proportionate to the costs incurred in bidding. This fact places an obligation on the procuring authority to set out the basis on which the successful bidder will be selected to all potential bidders from the outset, when describing the range of works or services that they will require. Potential bidders can then make an informed decision on whether to participate in the competition, and, if they do, to maximize their chances of submitting a successful bid. Given the cost of bidding for more complex projects like PPPs, it is good practice to limit the number of bidders invited to submit bids to a number sufficient to ensure effective competition and to progressively reduce the number of bidders, whilst maintaining competition. A PPP procurement will therefore use a two- or three-stage procurement process, where the first stage has the objective of selecting those bidders that are best qualified to submit fully priced bids. This stage is often referred to as prequalification, and the basis in which the shortlist of bidders will be selected should be stated clearly in the prequalification documents issued to all potential bidders. These selection criteria should also be consistent with the grounds for excluding bidders given in the Public Procurement Act. The second and third stages will progressively reduce the number of bidders based on the evaluation of priced bids until the Preferred Bidder is identified.

2.3 Fairness

The same factors that drive the need for transparency also apply to another principle of public procurement: that of fairness to all potential bidders. This means that all bidders, or potential bidders, should have access to the same level

of information about the authority's requirements, background information about the project, other historical data or reports that would have an impact on the bidder's pricing or subsequent responsibilities (for example site investigation or planning reports), and about the procurement process itself. The criteria used to select the shortlist of bidders or to evaluate bids must be drafted to obtain the optimal final outcome for the public authority, and not to favour one particular bidder or group of bidders.

The use of a market sounding exercise to test out possible commercial or technical solutions prior to the completion of the project preparation phase (up to the Outline Business Case) may be an opportunity to advertise the project to potential bidders but it should also be managed to provide equality of information to all of the firms contacted.

The Government wishes to encourage international investors, contractors, and other suppliers to the Nigerian market for infrastructure services and domestic preference clauses will not normally be applied to PPP projects. This project information should therefore be accessible to an international audience as well as Nigerian companies. The opportunity to bid for each project should be widely advertised and open to international as well as Nigerian companies, although for the reasons explained in Section 3 of this Note, international firms will often in practice partner with local companies to provide the wide range of services required in PPP projects. The Government advertises its international procurement projects through the ICRC website, the World Bank UN Business Development database, the BPP's website, the Nigerian press, and other websites, to inform potential bidders of its requirements.

It can often be useful to hold a bidders' conference before potential bidders are required to submit their Expressions of Interest. This has the benefit of providing additional background information on the project, an opportunity to visit the site, and a chance for private sector firms to identify potential bidding partners. Alternatively, the bidders' conference could be restricted only to those bidders that have prequalified and be held after the tender documents have been issued. It is then an opportunity to provide further clarification of the requirements and

procurement process. A record of any questions and answers should be made and subsequently circulated to the renderers.

2.4 Efficiency

The complexity of the procurement of PPP projects can lead to an extended procurement timetable, significant bid costs, and high procurement costs for the procuring authority. The preparation and management of the procurement needs to be systematic and efficient, as well as transparent. The public sector team needs to be well-resourced and is likely to require access to external technical, legal and financial advisers, who will themselves be appointed following a separate procurement process. The need for internal and external approvals at key decision points should be factored into the project timetable, and bidders will require sufficient time to prepare their bids.

Investors will need to carry out their own due diligence on the project, the technical solution proposed, and the contract documents. Because of the costs of PPP procurement, it is important to restrict the number of bidders to the minimum necessary to ensure competition. International benchmarks set this number between three and five.

Since the value for money underlying PPP depends on both technical innovation and optimizing the allocation of risks between the public and private sectors, the process needs to contain periods where both parties can exchange possible solutions and contract terms in a structured process before initial or final bids are submitted. Variant bids may also be encouraged, or even mandated, as part of the tender process, but care needs to be taken to ensure that all bids can be evaluated against the same criteria and are compliant with the same core contractual and technical requirements. The bidding process may allow a progressive reduction in bidders, based on the evaluation of the initial bids, before Best and Final Offers are invited from two remaining bidders.

Because PPP projects will also transfer the cost of financing the infrastructure capital costs to the private sector, the pricing of tenders will depend on the costs of that finance. Since some of these financing costs may not be fixed until the point at which the contract reaches financial close, it is normal to require all

pricing assumptions to be included in a financial model supplied with each bid, referenced to a specified market (interest) rate. Financing is also conditional on due diligence on behalf of lenders (or a rating of the project risks by an international rating agency in the case of bond finance). Full due diligence is often completed after a preferred bidder has been selected, because of its cost, but the authority should ensure that investors are committed to financing the project, subject only to due diligence, and that the financing plan is realistic. Structuring the procurement process efficiently is therefore potentially complex and the use of project management techniques is advisable to ensure that information and decisions are systematic and are fully documented.

2.5 Accountability and Governance

From the public sector perspective, the process of defining an infrastructure project, gaining internal approval to the requirement and necessary budget, managing the procurement process and the interface with bidders, obtaining final approval and closing the contract, should be seen as a project in itself. It needs to be planned and governed so that there is a clear allocation of tasks and responsibilities and a fully documented governance process. The project team needs to have a clear mandate for the definition of all aspects of the procurement documentation, and, equally, decision makers need to be properly briefed on issues, risks, and costs. A senior official should be held accountable for delivering the project to the agreed timetable, ensuring that all stakeholders are involved in the decisions and that Ministers are briefed on the policy implications of the evolving project. The senior official may be the Accounting Officer of the Ministry or Agency and may chair the project Steering Group, or this task may be delegated to another senior official within the organization. The Steering Group should include representatives of the key departments or business units with an involvement in the project and its outcome, including the PPP Resource Centre within the ICRC. They should be of sufficient seniority to be able to make decisions at the Steering Group on behalf of their department without having to refer back. The project team will provide a secretariat to the Steering Group and

will draft most of the papers, and the Steering Group will have oversight of their budget.

The Steering Group will normally act as the Tender Board, the Procurement Planning Committee, and the Procurement Committee as defined under the Public Procurement Act and in the Procurement Procedures Manual for the various stages of the procurement.

If there are a number of external bodies which need to be consulted as the project requirements are defined, it may be appropriate to create a separate Stakeholder Group with which to consult outside the formal project management structure. This group may include representatives of local government, utilities and local communities affected by the project.

The project team will have day-to-day responsibility for delivering the project objectives within the allocated budget, and to the project timetable. They will often need to be supported by external advisers for PPP projects because of the more specialist financial and contractual issues involved. Apart from the Project team leader, specific tasks may need to be allocated within the team as appropriate, which should include management of each team of advisers. Membership of the project team should be seen as a fulltime appointment, and one which enhances the individual's experience and career opportunities. From the preparation of the Outline Business Case to financial close is likely to be a period of one to two years for a large project. Although financial close may mark the end of the procurement project, there needs to be continuity between the team involved at this phase and the team that will manage the construction and operational phases of the project.

3. PPP Project Procurement Process

3.1 Procurement Preparation Phase

The culmination of the project preparation phase will be an Outline Business Case (OBC) which will be submitted to the Government's Economic Management Team or other relevant authority for approval. Although further guidance will be issued by the PPP Resource Centre on the contents of the OBC and the methodologies that should be used in the analysis, the short description of the

typical contents of the OBC given below will provide an indication of the activities that need to be completed during the procurement preparation phase. The MDA will probably require external technical, legal and financial advice for this phase of the procurement, as well as for the procurement itself, and these advisers should be procured under competition. Sufficient time should be allocated for this and a decision made on whether the advisers should be appointed for the preparation phase only, or for the entire procurement.

It may be appropriate to consult with the private sector as part of project preparation. The purpose of this market consultation may be to ensure that the private sector has the capacity required to meet the range of services required (some of these may have been a public sector monopoly in the past) and, in the case of investors, the willingness to finance the investment. The consultation may be structured and formal or conducted through informal contact. One of the functions of the PPP Resource Centre is to communicate with the private sector and advertise PPP and concession bidding opportunities. It can therefore be the vehicle for some of this consultation. There may be a number of events at which the project could be presented (subject to final project approval! and it is beneficial to give the private sector as much preparation time as possible for the reasons given in the following Section.

The Outline Business Case should include as a minimum the following topics:

- a description of the policy context and business need;
- cost benefit analysis including non-quantifiable costs and benefits;
- an evaluation of the options for meeting the project objectives;
- identification of the preferred procurement route based on value for money and the feasibility or desirability of using PPP;
- affordability analysis, including a cash flow model of estimated costs and returns for a PPP contractor and consequent annual payments to or by the authority;
- sensitivity analysis to the key input variables.

The OBC preparation will involve the collation of project data and consideration of the basis of the risk allocation within the proposed PPP contract. It will assist

the drafting of the key documentation that will be required for the first stage of the procurement phase of the project: a Project Information Memorandum, which provides bidders with the background and objectives of the project and a Prequalification Document (see below).

The preparation phase will end with the approval of the Outline Business Case and the appropriate budgetary allocations. The approval will also confirm, with appropriate analysis, that PPP is the preferred procurement route.

3.2 Prequalification

The procurement process formally starts when the project is advertised in the press and through other media as specified in the relevant guidance. The notice will invite bidders to submit Expressions of Interest for inclusion on a short list of private parties invited to bid for the project. The notice should provide sufficient information to help firms decide whether to attempt to pre-qualify for the tender list, including a description of the scope of the project, its approximate value, contact details for further information (usually the Information Memorandum and Prequalification Document) and the deadline for application. The period for prequalification should allow sufficient time for firms to respond and, in most cases, form a bidding consortium. For a PPP project this should be a minimum of 30 working days.

It may be helpful to organize a bidders conference before this deadline to provide further background (including possibly a site visit) and to demonstrate the authority's commitment to the project. These conferences may provide an opportunity for firms to identify potential bidding partners or advisers.

The Prequalification Document will provide more information on the proposed risk allocation for the project and the criteria against which tenderers will be pre-qualified and, ultimately, the contract awarded. The Procurement Procedures Manual provides further information on both the criteria for selection and the contents of the Prequalification Document.

The evaluation of Expressions of Interest needs to be rigorous and use only the published evaluation criteria. The evaluation committee should include suitably qualified individuals and at least one person experienced in public procurement.

The project Steering Group will need to confirm the shortlist of tenderers. The prequalification stage ends with the issue of an Invitation to Bid (sometimes also called a Request for Proposals or an Invitation to Negotiate) to all of the shortlisted tenderers.

3.3 Negotiation and Tendering

PPP procurement differs from most other forms of procurement in that it requires some form of negotiation or dialogue in order to determine the most appropriate technical solution to the stated requirements, and the optimal risk allocation between the parties. The need for fairness and transparency mean that the negotiation process must be carefully planned and managed, and the requirement of commercial confidentiality means that these negotiations need to take place on a bilateral basis between each tenderer and the project team, in order that each bidder can optimize the value for money of their bid. This discussion and negotiation, and clarification of the procuring authority's requirements, will usually take place in the first stage of the negotiation phase. The authority will normally start this stage by issuing a full description of its technical requirements and proposed allocation of risks in the form of a full draft contract, risk matrix, and an output specification with required performance standards and proposed remedies against non-compliance. The PPP Resource Centre and the National Council on Public Procurement will issue further guidance on the procurement of PPP projects.

2.4 Contract Close

The tender process will end with the evaluation of either the initial tenders or Best and Final Offers from at least two of the bidders. This will identify the "most technically and economically comprehensive bid" and the pricing and other technical information it contains will form part of the information included in the Full Business Case submitted to the Federal Executive Council for approval. This approval will be required before the contract can be closed and will define the affordability and value for money envelope for the project, as well as the limits of any Federal Government support. Provided that the final detailed negotiations

remain within this envelope, the Accounting Officer of the MDA will have authority to sign the PPP contract or concession.

The process of completing the contract will involve incorporating the bidder's technical and financial proposals into the contract, and finalizing the drafting of minor contractual terms. At the same time investors will be carrying out their own technical, financial, and commercial due diligence on the project in order to satisfy themselves regarding the risks that they will be accepting in financing the project. Any subcontracts between the consortium and separate joint venture companies providing design, construction, or maintenance services will also need to be finalized (see Section 4).

Much of this activity can proceed in parallel, and sometimes the Preferred Bidder may commission some advance design or mobilization work at risk, or the authority complete the process of gaining legal access to the site or carrying out advance works. Nevertheless the period between appointing a Preferred Bidder and reaching financial close may take several months. During this time the Authority will usually retain the option of reverting to the second placed bidder should agreement not be reached with the Preferred Bidder.

3.5 Financial Close

The Authority will normally retain some risks between the submission of Best and Final Offers and financial close. These risks are usually limited to changes in the cost of finance (particularly interest rates) within the markets generally. In the case of projects financed in whole or in part by the bond market² the Authority will take some risk in the final pricing of the bond. Inflation risk during the term of the contract is normally shared between the authority and the contractor through an indexation formula. For projects financed through bank lending, contract and financial close may occur at the same time.

3.6 Project Implementation

Reaching financial close marks the end of the procurement phase of the project (subject only to recording lessons learned from the procurement and possibly periodic reviews of the project to assess whether the project objectives and assumptions were met!). There may be some Conditions Precedent that have to be

met (such as draw down of the financing by the contractor or granting access to the site and other licences, permits and consents by the authority) before the implementation phase commences. But the relationship between the parties then changes and the Authority's role becomes one of monitoring and enforcing the contract, and authorizing payment when due. This will usually involve a different team from the procurement phase, but there needs to be an effective handover between the two teams. The Project Steering Committee, having considered the lessons learned and project review may then stand down and the project governance structure described in the contract will replace it. This may take the form of a Project Board comprising the Accounting Officer and a senior representative of the contractor providing strategic oversight, and a joint Management Board providing day to day management. The contractor, as a Special Purpose Company, will have its own internal governance structure as described in Section 4.

The ICRC Act requires that the ICRC takes custody of PPP agreements and monitors compliance with the terms and conditions by both parties. The way in which the ICRC carries out this function will be set out in further guidance from the ICRC, but as a centre of expertise on these contracts, the ICRC will be able to provide advice to either party to the contract on its interpretation or any subsequent requirement changes. PPP contracts will include clauses dealing with the resolution of disputes, and the ICRC may in some circumstances be used to arbitrate or provide advice within its wider public sector mission.

4. The Private Sector Role in PPP Procurement

If defining and procuring a Public Private Partnership (PPP) project is complex and potentially expensive for the public sector, it is equally true for the private sector, with the additional factor that the chances of success may only be 25% at the start of a procurement process. The rewards of success, however, are a long-term contract and revenue stream and an opportunity to develop a new market that may have previously been a public sector monopoly. But it is incumbent on the procuring authority to ensure that it manages the procurement process efficiently and allows the private sector the opportunity to maximize the chances of success

by submitting' bids that optimize value for money. This requires effective communication, as well as efficient procurement that takes account of the private sector bidder's needs for information and that allows sufficient time for identifying potential partners and advisors, preparing bids, and obtaining the necessary internal approvals. This section describes the process typically followed by private sector bidders during each phase of the procurement so that project teams understand the consequences of requests for particular information during the procurement, and the time that bidders will need to respond.

4.1 Private Sector Participants in PPP

Most PPP projects require a range of skills, expertise, or resources not normally found in a single company. A number of different specialist firms will therefore collaborate to bid for the projects (without necessarily forming a formal joint venture at this stage). They will often include contractors and other construction specialists, but may include designers, or firms specialized in providing operations or services in the sector. If they are successful in winning the bid they may form a joint venture company if the project is to be contractor financed, or a Special Purpose Vehicle (SPV) if project finance is to be used. The SPV is created solely for the purposes of the project, with the members of the consortium providing equity finance and holding shares in the company. The major part of the finance will be provided by third party investors such as banks, and the financing agreements will allow these investors first call over the project revenues for the repayment of the financing, including interest charges. Although these third party investors are not shareholders, they have a strong interest in the success of the project, because if it were to fail they could lose a substantial part of their investment.

Another participant in the process of bidding for PPP projects may be equity funds. These are groups of investors who have pooled their capital under a fund manager and who specialize in providing additional equity to these types of projects and assisting in the preparation of bids and managing the SPV and its contractual relationships. They have a high appetite for risk and will normally look to sell off their interest in the project once the facilities created under the contract are operational. They can provide a useful role in providing risk capital,

since senior lenders will only provide typically 80%³ of the capital requirement. Even large construction companies will have limited amounts of equity to invest in anyone project vehicle. Equity funds may also bring expertise from other projects or countries. A number of funds have already been established with an interest in the Nigerian infrastructure market.

Multilateral agencies, such as the World Bank, can have an important role to play in these types of projects because they provide access to relatively low cost finance and possibly other financial instruments such as partial risk guarantees.

These provide insurance against default by the government, thus reducing the cost of third party finance. The involvement of multilateral agencies in the project financing can also provide reassurance to other investors that the project will not be subject to arbitrary political interference.

Projects may be partially financed by donor grants or other aid. However such aid should be channeled directly to the procuring authority to offset some of the costs of the contract, including any user subsidies, and not used to finance the contractor. Aid to government that is tied to a particular national supplier providing some or all of the services under the contract, or offset against other agreements in favour of the donor, cannot be part of this procurement since it would not create a level playing field for other bidders⁴. Participants in the bidding process must be commercial companies or partnerships operating under the relevant laws of their country of registration and with a good technical and financial track record.

A bidding consortium may appoint independent legal and financial advisers who will prepare the necessary bid documentation, such as a financial model, and advise on contractual negotiations with the Authority as well as drafting of agreements between the consortium members, sub contractors, and lenders. The financial advisers will also advise on the lowest cost financing structure and the likely terms of that financing. During the later stages of the procurement, the consortium may appoint an insurance adviser and an arranger for the finance. The lenders will arrange independent technical and legal advisers to carry out due diligence on the Preferred Bidder's financial and technical proposals and the

agreed risk allocation between the contractor and the Authority, and between the SPY, its subcontractors, and insurers.

4.2 Prequalification

Once a company has identified the Nigerian infrastructure market as one in which it wishes to participate, it will need to develop a relationship with other firms to form a bidding consortium. This may take time because it is to be expected that the most experienced firms may be approached by more than one potential partner, and some of preferred partners may have already committed themselves to another consortium. That is why government should signal its intentions with regard to PPP projects well in advance, so that when the procurement process starts some of the bidding consortia are already in course of being formed. It is also why there is a need for an extended prequalification period.

The firms in a consortium will need to be of sufficient size and track record to be able to raise finance, not on their own balance sheets but through an SPY. The interests of investors and government coincide, however, in that investors will only wish to contract with reputable companies. If the demand for infrastructure services is to grow significantly, government will need to ensure that the capacity of its supplier base grows at the same rate to avoid price inflation. The Government will therefore encourage new foreign contractors to participate in the market and the Nigerian Investment Promotion Commission will work with interested firms to ensure that the necessary permits are forthcoming.

Members of the consortium may provide a proportion of the equity to the SPV, or others may act as subcontractors. These subcontracts will be of significant size and the subcontractor may itself be a joint venture (JV) between some of the equity participants in the JV and others. So, for example, a major contractor may both be a shareholder in the SPV and also form a joint venture for the construction subcontract, whereas a consulting engineering partnership may be a subcontractor to the SPV (or to the JV which will then have a fixed price design and build subcontract). The Prequalification Document may require not only that the shareholders in the consortium are identified, but also some of the key subcontractors such as an independent checker of the design (for major civil

engineering projects). The operation and maintenance phase will be structured in the same way as the design and construction phase, with appropriate specialist firms.

The prequalification phase will require candidates for the bidding stage to provide information on their identity and approach to delivering the project requirements. They will also need to provide some historical information such as published accounts and project references. The responses to the prequalification invitation (also known as an Expression of Interest) must be received by the Authority in a sealed envelope by the specified deadline.

4.3 Negotiation and Tendering

Having been shortlisted as a tenderer, a bidding consortium will need to establish a team to manage the bidding process and a governance structure that ensures that the management boards of the consortium members can approve the bidding strategy and the bid itself. There will be a team leader and the bid team will probably be supported by external advisers. The team may need to seek clarification of the Authority's requirements and discuss its outline proposals, and the terms in the draft contract issued by the Authority, prior to finalizing its bid. Since the Authority's requirements are based on outputs and deliverables, rather than inputs, the tenderer will need to prepare an outline design as part its bid submission. It will also need to have discussed with investors the terms of any financing and the risks inherent in the project, although the financing will not be committed at this stage. All of the pricing information, including financing costs, will be included in a financial model which will be submitted as part of the bid. This will be used to calculate the annual payment that the Authority will make (or, in the case of a concession, the tariffs to be paid by the user and/or the payments to be made to the Authority from the net project revenues) for the services provided. This annual payment will cover all of the elements of the service, from design, construction, operation, maintenance, and decommissioning, and will be fixed for the duration of the contract, subject only to indexation against the general movement in prices across the economy. There may be a variable element to either costs or revenues, such as energy costs or passenger numbers, and the

input assumptions for these costs or revenues will also be provided with the bid. In some cases, payments to or from the authority may vary because of changes in demand, and these circumstances will be specified by the Authority in the tender documents. In essence, however, these contracts are fixed price for the duration of the contract, with the input costs amortized to produce a unitary payment or tariff. The input costs have therefore to be estimated with some accuracy.

The financial model is important in the bidding process because it identifies all the project cash flows, including the repayment profile of the debt and the return that the equity providers expect to achieve over the duration of the contract. It is therefore used to calculate some key variables, particularly for providers of debt, who will want to ensure that the free cash flows at any point are sufficient to cover the scheduled debt and interest payments and to test the robustness of the model through sensitivity analysis against the key variables.

It is the cash payments that the Authority makes or receives each year that is the key determinant both of value for money as well as the ranking of bids, as explained in the accompanying Supplementary Note on value for money.

Given the complexity of developing outline designs, operational methodologies, financial models, and construction and maintenance schedules, the bid preparation period will be at least three months. Bid documentation, which may be substantial, needs to be delivered by the specified deadline, and, subject to clarification, will normally take at least six weeks to evaluate. If there is to be further short listing and negotiation prior to inviting Best and Final Offers, then this period may take several months. The end of the tendering phase is the appointment of a Preferred Bidder.

4.4 Contract and Financial Close

The Preferred Bidder will need to finalize all of the subcontracts and financing agreements for review by the Authority as well as the PPP contract with the Authority. There will normally be a Direct Agreement between the lenders and the Authority giving them the option to step in and replace the contractor prior to any termination for contractor default. Although the Preferred Bidder is incurring significant bid costs at this stage, it can be difficult for the Authority to maintain

the project timetable during this phase because much of the drafting of the necessary documentation is for the bidder and its advisers.

Once investors have completed their due diligence on the project, then finance will be committed by the lenders' Credit Committees. This will include the multilateral agencies (where applicable) and some of this commitment for projects at the State or parastatals level may be dependent on obtaining Federal guarantees or other forms of support. There will therefore need to be good coordination between all of the parties leading up to financial close. Normally all of the contract documents between the Authority and the contracting SPY, and within the SPY, are signed simultaneously at contract close. The financing agreements, including any hedging instruments such as interest rate swaps are completed at financial close.

4.5 Project Governance

The Spy will be constituted as a private company under Nigerian law and will be subject to companies and tax legislation. Its governance will also comply with relevant legislation and include executive and non-executive directors, and it will produce an annual report and accounts. The senior lenders will require to be notified if there are any breaches of the PPP contract or the performance requirements, including the award of any financial penalties or penalty points⁵.

The contract may specify joint management arrangements between the authority and the contractor if this is appropriate (see Section 23).

Although the contract is an important document in defining the responsibilities of both parties, it is equally important that the representatives of the parties develop a good working relationship, and avoid an adversarial approach if possible. There needs to be transparency in the relationship and a recognition of the wider public interest. Both parties will continue to be accountable for their performance, and ICRC has a statutory role in monitoring the overall effectiveness of the Government's PPP policy.

It will also provide the first point of contact in the event of disputes between the parties. It should be consulted on any aspect of the Policy or these Supplementary Notes that requires clarification or that is difficult to apply in practice.

(Footnotes)

- ^{1.} This is the terminology used in the ICRC Act, which in the context of the procurement process described here can be taken to mean the bid that offers the best value for money against the criteria set out in advance by the procuring authority.
- ^{2.} This market is undeveloped in Nigeria at present but can be expected to develop rapidly as the government bond market also develops in liquidity and term, encouraged by both the demand for this type of finance from PPP projects, and an appetite for this type of investment from long term institutional investors such as pension funds and insurance companies.
- ^{3.} This is an indicative figure. In mature markets the “gearing” of projects may be as high as 90%, and the actual proportion of equity capital required by lenders will depend on the perceived risk of the project.
- ^{4.} This statement does not preclude bidders including export credits within their financing plan, provided that this does not distort the fairness and transparency of the competition.
- ^{5.} The contract may specify a penalty points regime to deal with persistent minor breaches of the performance requirement. These points may accumulate and when they exceed a defined threshold result in financial deductions or penalties.

Part 2:

VALUE FOR MONEY IN PUBLIC PROCUREMENT BY THE FEDERAL GOVERNMENT

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1. INTRODUCTION

This Supplementary Note supports the Federal Government's National Policy Statement for Public Private Partnerships. It discusses value for money and how it will be used in defining infrastructure projects and to assess whether public or private financing should be used for the investment. The Note is intended as a general explanation of the concepts set out in the Policy Statement. Further guidance on the techniques to be used in assessing value for money in PPP projects will be provided by the PPP Resource Centre in due course.

Achieving value for money requires that quality as well as cost must be an important component of the investment decision, and also requires that project risks and uncertainty must be taken into account within an overall assessment of the long-term affordability of public services. The Note also explains the need to quantify the wider economic, social or environmental benefits that will be realized from a project and the need in assessing value for money to consider the whole life costs of, and future demand for, the services, and not just the initial capital investment required.

Value for money should also be a factor in the evaluation of bids and in decisions on the procurement strategy of the public authority. It is therefore given considerable emphasis in the Policy Statement on PPP. Although the principle of value for money can and, arguably, should be applied in any form of public procurement, it is intrinsic to all PPP projects, whether the service is provided free to the public or financed through user charges. These projects are usually complex and can have a high cost and social impact, so it is important that the means for achieving value for money is understood by all parties to the procurement.

Although the Policy Statement describes the Federal Government's new approach to the long-term planning of infrastructure, from which the majority of PPP projects will emerge, there may be occasions when the Government receives unsolicited offers for concession projects from the private sector. This Note discusses how these offers should be assessed and the basis for further discussions with a project proponent. The ICRC has also issued a Guidance Note on

Transitional Arrangements for Implementing PPP which provides further details on the treatment of unsolicited offers.

This Note is one of a series issued with the Policy Statement. Other Notes describe:

- Roles and responsibilities within the Federal Government for the implementation of its PPP Policy Statement;
- The procurement process for PPP projects;
- An explanation of the risks in PPP projects and how they may be allocated between the parties.

1.1 Structure of this Supplementary Note

The remainder of this Note covers the following topics:

- Section 2 discusses value for money and describes various ways of measuring it;
- Section 3 sets out procedures for handling unsolicited bids and how value for money may be assessed in the absence of competition.

2. GENERAL PRINCIPLES

2.1 Value for Money

All purchases by individuals, corporations, or public bodies require judgments about value for money and affordability. Value for money may be an absolute term, and can be taken to mean that the benefits of the purchase to the purchaser exceed the costs, or it can be a relative term meaning that one of the options for meeting the purchaser's needs provides greater benefit relative to cost than another. There is an onus on those responsible for spending decisions within government that they spend national revenues wisely and obtain value for money' both absolute and relative terms. Each public authority is required to appoint an Accounting Officer who is held personally responsible for all public spending within the Ministry, Department, or Agency and achieving value for money from that spending. Parastatals and utility companies are also required to demonstrate that investment decisions represent value for money for their customers and the supervision of the sector regulator. However, there is no simple rule that can be used to satisfy a value

for money test because both level of service to be provided and the cost of service provision are factors in determining value for money.

Demonstrating value for money is often made more difficult by a lack of relevant data on cost and outcomes with which to compare different options, and by the uncertainty around estimating future costs and risks. Even deciding what is affordable is not always obvious, particularly for PPP projects where many of the costs occur many years into the future. Many of these projects will be unique so direct comparisons with recent project outcomes can also be difficult. Often public authorities will have to rely on the advice and opinions of technical experts with regard to costs and risks in appraising project options and evaluating priced bids.

Public infrastructure usually has a long economic life. PPP contracts are also typically long, in order to transfer more of the whole life cost risk to the private sector contractor and to amortize the initial construction costs over as many years as possible. Value for money needs to be considered in the allocation of other project risks such as demand for the service over time and; the residual value of the underlying asset (see the Supplementary Note on Risks in PPP which may have a continuing public use, an alternative use, or may be a liability with disposal or clean up costs. The assessment of value for money should therefore consider the whole life costs of the service requirement not just the initial costs, and the associated risks which may have a financial impact.

The comparison of options with different future profiles of costs and benefits requires the use of discounting to reflect time preference: that it needs to take into account the general desire to receive benefits sooner rather than later and, conversely, to incur costs later rather than sooner. This is explained further below. In the public sector, the discount rate will also include the cost of financing investment through government borrowing (the so called risk-free rate), risk and uncertainty in project outcomes, and sometimes the effects of taxation. The value for money analysis should take into account price inflation both the general movement of prices in the economy and also inflation that is specific to different sectors (for example, construction) or types of cost (for example, wages).

Sometimes inflation assumptions are already factored into market prices (as in the case of interest rates) and in others it will need to be added. The analysis of value for money may be done in either real or nominal terms and should include the range of possible value for money outcomes that may result from varying the key input assumptions such as inflation or demand. A key point here is that it is important to maintain consistency: either all values including the discount rate should be in real terms (i.e. net of general inflation) or all values should be in nominal terms (i.e. including an allowance for general inflation).

2.2 Affordability

There are many public investment projects where the social and economic benefits exceed their cost, but there needs to be some rationing and prioritization of these projects in order to achieve a balance between competing calls on public resources. The public sector provides a wide range of services, including transport, defence, health, education. A mixed economy also needs to balance public and private investment in order to grow. Budget allocations within the public sector are a way of rationing funds and achieving an overall balance across the government's spending priorities. Budgets are usually divided between capital, which is used for investment, and running costs such as maintenance and administration costs. These define what is affordable for each type of expenditure. Spending commitments should only be made by Ministries Departments and Agencies (MDAs) after they have received a relevant budget appropriation, which effectively confirms their affordability.

The Government recognizes that insufficient funding has historically been allocated to the maintenance of public infrastructure and PPP will help to address this by factoring the whole life costs of the asset into the payments to the private contractor. But payments to the contractor will also include the financing costs of the capital investment, which to the extent that capital investment has been financed by government borrowing in the past, has not previously been funded through the MDA'S budget. Using historical budget allocations as the test of affordability will therefore result in very few PPP projects passing the affordability test without appropriate recognition of maintenance and financing costs. At the

margins, budget appropriations are a crude but effective way of rationing the amount of investment and encouraging MDAs to prioritize their investment projects. Because PPP defers most of the costs of new investment to beyond the three year Medium Term Expenditure Framework, there needs to be a different mechanism for ensuring that these projects are affordable in the long term, which is why the Government is developing a 15-year national plan for infrastructure and a formal review process for PPP projects before they commence procurement and before contract award.

Once projects have been approved, budgets should be safeguarded for prompt payment and therefore affordability will be assured. The planning process should identify only those projects in each sector which are likely to be affordable in the long term. Alternative sources of revenue, including user charges should be considered within this process and where these may need to be supported through 'direct or indirect subsidies. For example, many transport concessions will not be financeable from user charges alone and there will need to be a public contribution to reflect wider social benefits. The approvals process set out in the Roles and Responsibilities Supplementary Note will therefore establish an affordability envelope for each PPP project..

2.3 Risk

All investment projects involve uncertainty, and major infrastructure projects can involve risks that can have a significant impact on outturn costs or benefits. Risk therefore needs to be taken into account throughout the project lifecycle and should be factored into the project budget. Risk can be quantified in terms of: (i) its likely impact; and (ii) probability of occurrence. Quantifying risks is potentially complex and requires data on the authority's previous experience of comparable projects. Often this data is not available and a panel of experts may need to be used to systematically identify and then quantify the potential impact and likelihood of occurrence of different risks. A separate Supplementary Note to the PPP Policy Statement discusses how certain risks may be allocated to the public and private parties in PPP contracts. Risks need to be factored into the expected cost of any project or procurement option, either as a contingency or as a

risk premium. MDAs will be given advice on how to incorporate risk into project appraisal and business cases in further guidance to be issued by the PPP Resource Centre within the ICRC and the National Planning Commission. The private sector's view of risk and uncertainty in a PPP project will be factored into its cost of finance and its pricing of a PPP bid. Financial models are used to test bid assumptions and input costs by both the procuring authority and bidders and these are discussed further below.

2.4 Project Appraisal

Project appraisal is the process by which the need for further investment is identified, the objectives of the investment project stated, and various options for meeting this need examined to identify the preferred option. The preferred option should take into account both value for money and likely affordability. The result of this process is a quantification of the expected costs of the project as well as expected benefits over the lifetime of the project. The benefits should be monetized that is to say, a monetary value should be attached to them wherever possible to enable net present value to be calculated. The costs and benefits should be discounted at the same public sector discount rate used for evaluating bids and procurement options. There will however be some benefits that cannot be monetized in each of the options examined, and these will need to be evaluated in qualitative terms. Various techniques are available to enable this to be done consistently and systematically, and to aid in the comparison of different options. In a PPP project which is not constrained by a capital budget, there is a risk of over-specifying the requirement and asking for a gold plated solution when a lower cost alternative would give similar benefits and hence offer better value for money. Hence there is a need to look at a range of options for meeting the identified need including a 'Do Minimum' option in order to identify the solution most appropriate to the project objectives which maximizes value for money. The 'Do Minimum' option should represent the best performance outcome that can be achieved through limited expenditure in the absence of significant capital investment. It provides the 'base case' against which the costs and benefits of

alternative investment projects can be evaluated. The approach is necessary because there is otherwise a danger that significant benefits that can be achieved at modest cost will be attributed erroneously to the investment project.

2.5 Procurement Options

Government is able to borrow to finance its investment programme at a competitive rate compared to private sector investors. This is because the purchase of government bonds carries minimal risk of default by the government, which has the option of raising more taxes to repay the loans. The investor in government bonds therefore takes no risk with regard to the way in which the money is invested and the outturn costs of each project, whereas the investors in PPP projects will be exposed to the project risks and to risks associated with the successful delivery of the contractual requirements. Although government can diversify its investment risks across a wide portfolio of projects, some of which will have high returns and others which will not, to use the government risk-free rate of interest (which will also incorporate market expectations for inflation) to discount costs and benefits may encourage government to invest in riskier projects (see discussion on discount rates below). Using the government risk-free rate could also crowd out private investment in the economy and ultimately limit its growth potential. Nevertheless, there may be certain projects which are inherently so risky that the risk premium for financing them through the financial markets is too great to allow a PPP solution and such projects should be financed by the public sector. A public authority should therefore consider whether procuring investment projects through a PPP arrangement, or through more traditional means using public finance, will result in better value for money.

Any comparison of different procurement options must be done on a like for like basis that is each option should deliver the same quality of end service. If traditional procurement is subject to making adequate budgetary provision for maintenance, then realistic values should be used to reflect the standards of performance and maintenance interventions that will be required under a PPP contract. To do this analysis convincingly, the authority will require a robust database of outturn costs for similar projects procured under different contracts.

Unfortunately, it is unlikely that authorities in Nigeria will be able to reliably estimate ex ante costs for each project under PPP and other forms of contract. There is a paucity of data on maintenance costs and what data there is will tend to lead to underestimation of the true cost of maintaining assets in a fully serviceable condition. Without any experience of PPP on which to draw, there will need to be a more judgmentally based analysis of which procurement route will give the best value for money. This will consider whether the private sector is capable of managing the risks inherent in the project and obtaining finance at a reasonable risk margin, and whether it will be possible to achieve effective competition throughout a PPP procurement.

The Federal Government accepts that the early PPP projects will be identified based on this judgmental approach rather than the quantitative techniques described in more detail below. It will accept Outline Business Cases drafted on this basis.

Nevertheless, competition is important to establish the market price for PPP projects and the risks that they entail. Without a competitive process, it will be extremely difficult for an Accounting Officer to demonstrate that best value for money has been achieved because of the unique character of most infrastructure projects. For projects that were initiated as unsolicited bids, or where competition has failed, project teams will need to establish a value benchmark as part of the Full Business Case in order to obtain approval for the project to proceed from the Federal Executive Council.

It is possible that in some cases a hybrid financing arrangement may offer the best value for money solution. For example, up to 50% of the construction costs could be paid from the Federal budget on completion of the improvement with the balance being privately financed. This may reduce financing costs overall whilst preserving an appropriate performance incentive. A reduced financing requirement may, however, make the project less attractive for certain investors who incur significant fixed costs regardless of the size of the financing requirement. Mixed financing options, or even different contract terms, could be tested during the procurement by the use of mandatory variant bids, provided that

the evaluation criteria are designed to be neutral between the options and the process of specifying variant options does not impose unreasonable bid costs. Partial financing by multilateral agencies may also reduce overall private financing costs, as may the use of partial risk insurance, and these options should be considered before and during the procurement stage of each project.

2.6 Discount Rates

Discounting is a technique used in all types of investment appraisal to compare costs and benefits (or revenues in the case of a private company). It brings future cash flows, both positive and negative, to a present value. The sum of all the discounted project cash flows is the net present value (positive or negative) of the project. Discounting is particularly important in the comparison of cash flows with different profiles over the project lifecycle, such as the comparison between a publicly funded project where most of the capital costs are incurred during the construction phase of the underlying asset, and PPP where the costs to the public sector are spread evenly over the period of the contract.

Discounting is also important in the evaluation of bids which may have different profiles depending on the financing and indexation proposed by each bidder. The same discount rate should be used in project appraisal, the assessment of the value for money of different procurement options, and bid evaluation since this reflects the public sector's time preference and view of systemic project risks.

Both project appraisal and bid comparisons are sensitive to the actual discount rate used, and the Government will issue further guidance in due course on the rate to be used for Federal investment projects. MDAs should seek the advice of the ICRC and National Planning Commission in the interim.

2.7 Financial Model

Financial models are used extensively in the preparation of PPP projects, and also by bidders to set out their costing assumptions and financing requirements.

They are normally complex spreadsheets that allow input variables and assumptions to be flexed to test the sensitivity of the model to key inputs and therefore the robustness of the financing and costing assumptions to be tested. A bidder's financial model should be reviewed by the public authority and its

advisers as part of the bid evaluation process, as well as by third party investors-or rating agencies, before finance is committed. The financial model may become part of the contract documents if it is required to rebase costs as a result of a change in requirements by the public authority, in which case it should be audited and arrangements for its safekeeping by an independent third party. The financial model should include a balance sheet and other financial statements and be used to calculate tax liabilities as well as the cover ratios that investors specify as part of their financing agreements.

The public authority should also use similar models during the project preparation phase in order to estimate the likely annual cost of a PPP project as part of its affordability assessment. These Shadow Bid Models will make assumptions about the cost of private financing and financing structure, as well as pricing of risks and direct costs based on experience of similar projects, although bidders will be free to optimize their own financing proposals and make their own cost estimates. The Shadow Bid Model is therefore a planning tool and should not, therefore, be released to bidders.

Another financial model often used by the public authority in assessing whether a PPP contract is likely to offer value for money is a Public Sector Comparator or Value Benchmark. This is an estimate of the whole life costs of meeting the same service requirement as the PPP project but using an alternative publicly funded procurement option. The present value cost derived from this model can be compared to that of the bids to demonstrate which procurement route offers the best value for money, and if the public funding route appears to offer better value then the procurement can be restarted on this basis.

The Public Sector Comparator relies on estimates of costs and risks of a number of different contracts, however, including design, construction, maintenance, management and procurement costs. The model can only be as good as these estimates and, as noted in Section 2.5, the Federal government accepts that such a comparator cannot be a reliable predictor of whether an alternative procurement route would give better value for money. The Government will therefore rely on effective competition for a PPP contract rather than a theoretical model. MDAs

should, over time, procure investment using a range of contract types and collate evidence of outturn costs over time in order to develop the private sector and collate evidence on value for money.

2.8 Procurement

The market price for the complex mix of obligations and allocations of risk that comprise a PPP project can only be determined through a procurement process where there is effective competition, since each project will be unique. Without competition, the process is likely to lead to the public authority being required to accept a greater share of the project risks (often through the provision of guarantees), and to difficulty in demonstrating value for money. There is also a higher risk that the parties fail to reach agreement on the contract and that wasted costs are incurred by both parties.

The Public Procurement Act 2007 requires that all procurement shall be conducted according to open competitive bidding (Sections 16(1)(c) and Section (24)) and only permits exemptions from this requirement for projects below a prior review threshold set by the Bureau of Public Procurement (BPPI and under Section 42 of the Act.

The Procurement Procedures Manual produced by BPP provides further guidance on the circumstance where direct contracting (i.e. award of a contract without competition) is permitted. These are when there is an urgent need for the goods, works, or services due to unforeseeable circumstances or as a result of a catastrophic event, and the procuring authority is required to justify its decision.

A number of PPP projects let as concessions may not require funding from the Federation share of the Consolidated Revenue Fund¹. Nevertheless, the Public Procurement Act also applies to the disposal of public property (Sections 55 and 56) subject only to the Public Enterprises (Privatization and Commercialization) Act 1999. Public property includes licences or other “tangible or intangible assets which may be sold or procured for consideration” (Section 55(6)). The granting of a concession, where all costs can be met from user charges, will therefore also fall within the Act unless it is covered by the Public Enterprises (Privatization and

Commercialization) Act 1999, under which the granting of a concession for an existing asset or activity must be approved by the Federal Executive Council. A procuring authority is therefore required to award PPP contracts, including concessions, through a competitive process except in the case of an emergency and with the prior approval of the Federal Executive Council. This requirement also applies to projects which are identified through unsolicited offers by the private sector and Section 3 of this Note describes the process for achieving an element of competition in these cases.

3. Unsolicited Offers

The United Nations Commission on International Trade Law (UNCITRAL) has prepared a Legislative Guide on Privately Financed Infrastructure Projects and the Federal Government has taken account of these recommendations in developing its PPP policy. One of the UNCITRAL recommendations concerns the receipt of unsolicited proposals from the private sector.

The Government recognizes that in the absence of a formalized project planning framework in Nigeria in recent years, and until the new National Infrastructure Plan is finalized, the private sector has submitted proposals of its own, for instance for toll road concessions or power projects, which might be privately financed on the basis of a potential revenue stream from users. In some sectors, such as electricity generation, such approaches will be encouraged since the Government wishes to develop a market for electricity supply but in others, MDAs should generally identify their priorities for investment through the planning process set out in the PPP Policy Statement.

Nevertheless, MDAs are likely to continue to receive unsolicited offers and this section sets out a methodology for dealing with them. The ICRC has issued further guidance in its Guidance Note on Transitional Arrangements for Implementing Public Private Partnership. This requires that unsolicited proposals are submitted to the ICRC and then defines a process by which they are jointly evaluated with the relevant MDA and competition is introduced into the procurement process.

Some Unsolicited Proposals may be incorporated into an MDA's investment programme:

1. If the proposal concerns a sector with an established regulator and where a framework exists for the economic regulation of charges and other aspects of the service, then the promoter may apply to the regulator for the relevant licences in the manner prescribed;
2. If the proposal would confer rights which could create a form of monopoly in a sector without an established regulator, then the authority will consider the project in the context of its existing policies and project priorities and may adopt it into its investment programme. Once an Outline Business Case has been approved, an open and competitive public procurement can commence. If the proposal includes the intellectual property of the Proponent, the authority may need to acquire this property before starting the procurement process. In some circumstances the MDA may decide to reimburse, at its sole discretion, the project development costs incurred by the Project Proponent. Any feasibility study or business case submitted as part of the proposal would not normally need to be acquired, since it is likely to require substantial further development and due diligence in order to comply with the approvals process.
3. The Project Proponent would be able to compete for the project in the normal way, and may be able to benefit from its prior knowledge and analysis, although it would not be allowed exclusive access to information, such as elements of the Outline Business Case, prepared by the authority in connection with the project.

Alternatively the Unsolicited Proposal would proceed to competition in the manner described in the Guidance Note. It is intended that these arrangements will be used until such time as the Government's first 15 year Infrastructure Development Plan is approved.

(Footnotes)

¹This is the term used in Section 15(1) of the Public Procurement Act and any procurement which requires at least 35% funding from the Fund is covered by the Act.

Part 3:

PROJECT RISK AND PPP WITH THE FEDERAL GOVERNMENT

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1. Introduction

This Supplementary Note has been issued to provide further background to the Federal Government's National Policy Statement for Public Private Partnerships. It discusses the principles of allocating risks between the public and private parties in a PPP contract. The allocation of project risks is one of the key drivers of value for money in this form of procurement and needs to be considered throughout the project development and procurement stages. The key principle for PPP is that risks should be allocated to the party best able to manage them. The management of risk not only applies to minimizing the chances of an identified risk occurring but also to mitigating the financial and other consequences if it does. It follows that, if a risk has different consequences for each party, their respective pricing of that risk will also be different. The paper discusses how project teams should systematically identify risks and how they may be quantified.

There are some risks that neither party to a PPP contract can manage and these risks will often be retained by government, which is able to diversify and absorb risks more easily because of its size. Another option may be to require the contractor to take out insurance cover for these risks, passing this risk on to other parts of the private sector. The public authority will need to understand the type and limits of insurance cover that is available in the Nigerian market, and its cost, before it can determine whether certain risks should be allocated to the PPP contractor.

Infrastructure projects also involve political risks and these are also insurable, in this case through multilateral agencies. The Government is also considering whether the creation of a guarantee fund would be a cost effective alternative to partial risk insurance from the World Bank or other agencies.

Government will often self insure against many risks because of its ability to diversify risk across a large portfolio of projects and because it has the ability to raise taxes to meet future liabilities. There is an opportunity cost to self insurance, however, and it cannot be assumed to have zero cost in a project risk assessment. It will often be appropriate to assume that the cost of the risk is the same as the cost of insuring the same risk in the local market, particularly in the early stages of project appraisal. Alternatively, an overall risk factor may be applied to cost estimates to cover both

systemic risks and appraisal optimism. This factor may be reduced as project risks are identified and quantified;

This Note is one of a series issued with the Policy Statement. Other Notes describe:

- roles and responsibilities within the Federal Government for the implementation of its PPP Policy;
- the procurement process for PP projects
- value for money and affordability in public procurement.

The Government will review and update its Policy Statement and these Supplementary Notes from time to time, and ICRC will issue further Guidance Notes on their detailed implementation.

Section 2 discusses different types of risk that may arise in infrastructure projects and how they may be assessed and provisionally allocated in PPP contracts;

Section 4 describes how contracts will allocate risks and transfer performance risk to the contractor.

2. Risk Assessment in Infrastructure Projects

2.1 Identify Risks

Project risks can be broken down into a number of types, a process that can assist project teams in defining the project and in starting the process of assessing and quantifying those risks that are relevant to it. Risks will have an impact on the outturn cost of the project, although their final impact may be uncertain. Some risks are contingent on some future event occurring, and the cost of these risks is therefore a contingent liability. Risks can have a low probability of occurring but a high potential impact or a high probability of occurring but a low potential impact, and the allocation of all of these risks in the project will affect value for money for the public authority. It will also be a determining factor in whether the project represents additional borrowing by the authority and the State (in accounting terminology a finance lease) or whether the authority is buying a service through an operating lease'. This distinction may only be relevant to the recognition of contingent liabilities and the way these are recorded in the national accounts but should be understood by project teams because it may be relevant to how costs are allocated to departmental budgets {see Section 3.2}.

The allocation of risks needs to be based on maximizing value for money but it also needs to be reasonable. Allocating too much risk to the private sector may result in a project becoming un-financeable - that is investors are not prepared to provide finance at a reasonable cost. This situation may not become apparent until the very end of the project procurement when investors are required to commit to its financing. It is therefore important that project teams have a good understanding of the capital market in Nigeria and how this is changing over time. They may need to take advice from the PPP Resource Centre within the ICRC and their financial advisers on this.

2.2 Demand and Revenue Risks

The project appraisal should be based on an identified public need which can only be met by direct government intervention. It may be politically undesirable or economically impractical to pass on the costs of meeting this need by charging those that benefit for the service they receive, or it may be desirable to provide a subsidy to certain users. The appraisal of need will need to assess the future level of demand for the service and its sensitivity to external economic or social factors. So, for example, the need for a new or improved road requires assessment of the likely traffic over the next 15 or 25 years, since roads have a very long economic life and are more expensive to widen once they are in use. The project team will need to anticipate the growth of traffic, which will be sensitive to economic activity, local factors, and motoring costs (including the introduction of user charges) and develop a long-term traffic model.

Another example might be a water utility where charges may not be sufficient to cover the investment required to improve or extend the service. Even if there are no charges for the service, all infrastructure projects will have an element of demand risk and this risk will often be significant. Without user charges demand risk will be borne by government, and could represent a significant opportunity cost if demand is less than forecast, or result in higher investment in the future if it is greater.

If the Government's policy is to transfer the costs of the service to users, then it has an option to transfer some or all of this risk to the private sector under a concession contract. This can have benefits if the costs of the service are linked to demand, and can also act as an incentive to improve the quality of service in so far as this will

increase demand and hence the contractor's revenues. The ability to transfer revenue risk will depend on the investors' perception of this risk and their ability to manage or quantify it. The authority may opt to share the risk, either by providing guarantees or by providing direct subsidies to construction costs, operational costs, or both. If revenue risk is not transferred, the task of collecting user charges and passing the revenues on to the authority may be given to the private sector operator, provided there are robust audit arrangements in place to prevent fraud.

In some projects, demand risk may be created by interface risks because the service to the end user is supplied through a network or grid. A good example of this is the power sector, where the failure of either the distribution or transmission system will affect the ability of a power station to generate power and to sell its output.

2.3 Availability Risks

This group of risks includes the risks that could impinge on the availability or quality of the service over the life of the project. Availability risks will often be specific to a phase of the project, such as design, construction, or operations. But there are other risks that could affect any stage.

A PPP contract will often transfer most of these risks to the contractor, since the contractor will be responsible for integrating these different phases and achieving the output specification.

Some risks, however, such as those which result from external event-s, for example extreme weather; will be borne by the public sector. These are often defined as force majeure and are discussed further in Section 4.5. Because many infrastructure services are provided directly to the public; this may create additional risks to the service provider, as a result either of damage to the underlying asset or a failure to pay charges. Some of these risks may be insurable or can be managed or mitigated by the PPP contractor.

Risks associated with the availability of the service will impact on the contractor's revenues as defined in the performance regime in the contract (or reduced revenue from user charges) but may also have an impact on costs (higher than expected maintenance costs, for example, as a result of poor design¹). The transfer of availability

risks, including maintenance, to the private sector is intrinsic to value for money in PPP.

2.4 Financial Risks

The transfer of financing risks provides assurance to a procuring authority that the PPP contractor will meet his contractual obligations because third party investors will have oversight of the contractor under the project financing agreements. Investors will also carry out due diligence on the bidder's proposal prior to contract award and need to be satisfied that the contract requirements will be met so that their capital and interest charges will be repaid. The financing plan for the project can be left to the bidder to optimize during the procurement phase, although the authority will need to satisfy itself that the financing proposals are realistic.

Once the contract is signed, the contractor will repay the investors as specified in the financing agreements, which will also specify the relative priority given to repaying different classes of investor. Equity providers, for example, may only receive dividends once interest has been paid to debt providers and when future cash flows are sufficient to repay the outstanding interest and capital. Third party investors will usually require a direct agreement with the authority to allow them to replace a failing contractor before the contract is terminated by the authority.

There are other financial risks that arise in PPP contracts that are shared or retained by the authority. Firstly the risk of the cost of financing changing prior to contract close remains with the authority as a consequence of requiring bids to be benchmarked to a specified market rate at the date of bid submission. This allows automatic adjustment of bid prices as the benchmark rate changes. Once the financing is closed, the interest rate on the borrowing will often be fixed through the swaps or bond markets if appropriate financial instruments are available. But in the absence of these the procuring authority may retain some interest rate risk. The second risk that should be retained by the authority for projects not subject to economic regulation is that of the general movement in prices over the period of the contract. Because PPP contracts are long-term, the contractor may be exposed to higher costs than expected either because bid estimates were unrealistic or as a result of inflation. Inflation is a risk that may be shared by indexing prices to a widely available index or basket of indices.

Where an independent regulator for the sector has been established, with the power to set or reset tariffs or user charges, inflation risk is borne by the users. Some projects may be exposed to the risk of changes in the Naira exchange rate and this risk may be retained either by the authority or transferred to the contractor, who will normally hedge this risk through the capital markets. Many PPP projects will be structured to allow the PPP contractor to raise additional revenues from third parties to offset some of the costs of providing the core service. This may arise, for example, when a building such as a school is not required outside the school term or from food franchises associated with a road concession. These risks would normally also be borne by the contractor or shared with the authority through a profit share mechanism. Changes in taxes may also be a risk for specific projects if they would directly affect the cost of the service or demand. Discriminatory tax changes will therefore be a risk that the authority will retain but general changes in taxation will be for the private sector to manage within its normal business operations.

2.5 Political and Contractual Risks

The private investor will be concerned that contracted payments are made when due and not when money is available in the authority's budget. They will also be concerned that the contract is not terminated by a successor government for political reasons, and will require to be compensated in these circumstances. The contractor will have the right to the payment of interest if due payment is late, and even to terminate the contract if he is not able to meet the contract requirements as a direct consequence of the authority's default on its contractual obligations (such as granting access to the site). Most political risks may be covered by partial risk insurance, where a multilateral agency such as the World Bank will provide a guarantee against default by the public authority (although it will require a counter-guarantee from the Federal Government). The authority should also be concerned about the political, safety, economic, or environmental consequences of default by the contractor. Even if the contractor receives reduced payment or no payment at all when the service is not available, the government will have a responsibility to ensure that the public interest is protected and essential services are provided. It will therefore retain the right to step in and provide the service itself and charge the costs to the contractor. The step in may

last as long as the emergency exists and, if the contractor remains in default, the contract may be terminated.

The operations of the contractor may result in a claim for compensation against the authority by a member of the public or one of its employees. To the extent that any claim is a direct result of the negligence of the contractor or caused by his failure to meet the contract requirements, the contractor should be required to indemnify the authority against any third party claims (see Section 4.2).

2.6 Changes in Requirements

Because PPP contracts are long-term, it is likely that the authority's requirements will need to be modified at some point to provide levels of service that are appropriate to changing political or economic requirements. The extent of any changes should be reasonable and in proportion to the scope of the original requirement and the project team should try to anticipate the changes that may be required and factor them into the project requirements during the project preparation phase.

However, in the event that changes to the requirement become necessary during the contract term, the authority will need to provide compensation or adjust payment to the contractor if additional construction or higher maintenance and operational costs result from the change. Some of these costs may be passed on to users through an adjustment to the tariff where appropriate. The contract will protect the position of the authority and may require additional works or services to go through a separate tender process or be benchmarked against market prices in order to ensure that the contractor's costs are fair and reasonable. The Contractor must comply with all relevant legislation throughout the contract period, even if this results in higher costs. However if new legislation discriminates against the contractor, or PPP projects generally, then the contractor may seek compensation.

2.7 Residual Value Risks

All infrastructure assets have a finite economic life, and will therefore become functionally or technically obsolete at some point. This may be beyond the term of the contract, in which case the contract should specify that the asset is handed back to the authority in a condition which is suitable for its continuing use. Examples of these types of assets are roads, where the road pavement or structures may need to not only

meet the service requirements but also have a defined residual life. If the authority is uncertain about its future need for the asset, it may retain an option either to continue the contract for a period or to purchase the asset at its market price. In other cases, the contractor should assume responsibility for the disposal of the asset or for finding an alternative use for it. An example of this type of asset would be a power station where there may be costs involved with its dismantling and with cleaning up the site, which the contractor should meet. In preparing a project, the authority will need to consider which party should be best able to manage residual value risks and whether the asset should revert to the public sector.

3. Managing and Measuring Risks

Both the public and private sector parties to a PPP contract need to identify and attempt to quantify the project risks during the project preparation and procurement phases, and manage the risks that they have been allocated once the contract is awarded. For the public sector, the most significant risk that will be retained is payment, and the financial consequences of guarantees or increased demand or inflation. It will also have to provide access to the site and possibly planning consents. These financial liabilities may have an impact on the authority's budget or on the contingent liabilities logged with the Debt Management Office (see the Roles and Responsibilities Supplementary Note). The private sector is likely to have to manage the majority of the design, construction, maintenance and operational risks associated with the project. The contractor will do this in a number of ways. The first is to pass risks down to subcontractors. So, for example, there will usually be a fixed price turnkey design and construct sub-contract, which will pass on the interface risks of the design and construction phases of the contract including delays to bringing the asset into service to the subcontractor.

The same principle of passing risks down to subcontractors should apply to other aspects of the service such as operations or maintenance.

The second approach to managing risk is through insurance. The authority should specify the insurance cover that the contractor is required to maintain. It may also want to be co-insured to ensure that the project benefits from any insurance proceeds. Where financing is provided through the capital markets by the issuing of bonds, risk

management may be enhanced by a monoline insurer providing a 'wrap'. In other words, it will underwrite the project risks in return for a fee. The use of the capital markets in Nigeria for this kind of financing is undeveloped at present, although it can be expected to provide a competitive source of long-term finance as the PPP market develops.

Most PPP projects will be financed on a limited or non-recourse basis. That is, investors only have recourse to the project revenues and not to the assets of the shareholders or their parent companies. Parent company guarantees, where used, will therefore not be full financial joint and several guarantees for the project but may take the form of performance guarantees to ensure that the parent companies provide sufficient resources and expertise to the project company so that it is able to fulfill its obligations.

In many forms of tendering, bidders are required to submit bid bonds or letters of credit to offset the risk that they withdraw and the authority needs to re-run the competition.

3.1 Identifying and Measuring Risks

Preferred Bidder between selection of the Preferred Bidder and financial close.

The preparation of a PPP project and the business cases that support the procurement or investment decisions require that project risks are identified and quantified wherever possible. The process needs to be systematic and recorded, and will often involve technical advisers. The process may involve arranging risk workshops where the project team will meet specifically to identify and quantify risks. It is often helpful to list the risks that may arise at each stage of the project and to allocate them between the contractor and the authority, or identify where a risk may be shared. Quantifying risks should be based on relevant data wherever possible or, in the absence of data, by categorizing them in terms of high, medium, or low probability of occurrence and high, medium, or low impact. The quantification of risks that are transferred to the contractor is an important factor in assessing relative value for money when comparing PPP procurement with other forms of contracting which transfer less risk (see the Supplementary Note on Value for Money).

The financial consequences of risks retained by the authority will be greater under a PPP arrangement than they are under other forms of contract. This is because the contractor will not only incur direct costs and overheads if the completion of construction is delayed or the service interrupted because of a default by the authority but because it will also incur financing costs.

Hence, if the authority has ownership of a risk which results in the contractor being unable to deliver the service requirement, it is likely that it will need to provide compensation to make payment as though the contractor were still meeting the performance requirement. For example, the failure of either the gas distribution system or the transmission system will result in a loss of revenue to the operator of a power station and consequently a demand for compensation through the off-take or supply agreements. This will need to cover both the operator's overhead and financing costs. In the case of the gas supply agreement these are costs likely to be considerably greater than the charges for supplying the gas itself^d. These consequential costs also arise for a government-owned power station, but in this case the financing costs are hidden.

3.2 Accounting for Risks

PPP projects create assets and financial liabilities, which may need to be recognized in the accounts of the contractor. In the case of government these liabilities may also need to be included in the national debt. The rules on accounting for the risks and liabilities in PPP contracts are complex and bidders or contractors will need to take professional accounting advice. For public authorities, the PPP Resource Centre in conjunction with the Debt Management Office will provide guidance on the budgetary treatment of the liabilities created under PPP projects and their treatment in the national accounts.

4. Allocating Risks in a PPP Contract

The PPP contract is the document that allocates all of the project risks between the public and private sectors. It must therefore be drafted to take account of all of the circumstances that may arise that may create additional costs or reduce the contractor's revenues, and define the obligations of each party if a risk materializes. The most important way in which the contract should allocate risks should be through

the output specification which should define the service levels that the contractor must achieve if he is to receive full payment. Failure to meet the service requirement will be the risk of the contractor, except where the failure is a direct result of the authority's default on its obligations under the contract. There may be some circumstances such as force majeure where risks are shared. The section sets out some of the ways in which a PPP contract should allocate the project risks, although it does not describe all of the elements of this form of contract.

4.1 The Output Specification

The Output Specification or Technical Requirement contains a full description of the various elements that comprise the service that the contractor has to provide, and the standards of performance that the contractor has to meet.

The output specification will usually be contained in a separate schedule to the contract. This should be mirrored by a separate schedule which contains the contractor's technical designs, method statements, or other proposals for meeting the authority's requirements.

This schedule should capture all of the technical elements of the successful bid. The contractor's technical schedule is binding on the contractor but the authority's output specification will take precedence and, if either party becomes aware that the contractor's design, method statements or specifications will result in a failure to fully comply with the output specification, these will need to be changed at the contractor's cost until they do. In this way the risks of meeting the specified outputs are allocated to the contractor, but the authority will be able to retain oversight of the contractor's proposed design, construction, maintenance and operations of the asset and his approach to delivering the service. The authority's oversight is important because it retains its statutory responsibility for providing the public service, including in some cases public safety (possibly under the oversight of an independent regulator). The authority is simply contracting with the PPP contractor to provide the service on its behalf. It should satisfy itself during the bidding process that the contractor has the technical capacity and experience to meet the service requirements and that its technical proposals are also capable of meeting the output specification.

4.2 Indemnities

The contract should include a number of indemnities which are provided by the contractor for the benefit of the authority. These should include claims made by third parties against the authority because of a failure in the service. There may be other requirements on the conduct of claims but the use of indemnities maintains the authority's statutory responsibility to provide the service to the public whilst effectively allocating to the contractor the cost of claims by third parties consequential on its default.

4.3 Warranties

Another contractual device for allocating risks to the contractor is through the use of warranties. These will confirm that the contractor has carried out its own due diligence on all of the background information supplied by the authority during the tender phase and has taken this into account in preparing his technical proposal. This information should include data regarding the condition of the site, any ground investigations and hydrological or traffic data, and planning consents required. This ensures that the consequences of unforeseen ground conditions or other factors which cause the contractor to incur costs are at his risk.

4.4 Payment and Performance Mechanism

The payment mechanism should define what payment adjustments will be made following a failure to meet the output specification. The contract should define the unit of payment, which may simply be the availability of the service, or some other unit of output. Any elements of the service which are below the defined standard should result in a reduced payment, and if the service is unavailable then no payment should be made. The payment mechanism should therefore provide an immediate (normally deductions would be made in the following monthly invoice), and direct, incentive on the contractor to meet the output specification. The contract should define the payment consequences when the service is deemed not to be available because it falls below the minimum standard but is nevertheless being used by the authority (or the public). The contract should also allow the contractor a reasonable 'Period of time to remedy the service failure before payments are reduced. There should be an additional mechanism for dealing with persistent minor failures in

performance, which may not in themselves result in a reduction in the unit of payment but which may result in higher risk of accidents or inconvenience to users. For example, the contract may specify the number of penalty points that may be awarded by the authority for each failure, and the threshold at which the accumulation of points will result in reductions in payments. The payment and performance mechanisms need to be supported by a monitoring regime which routinely measures compliance with the contract requirements.

4.5 Force Majeure

Force Majeure is the occurrence of an extreme event outside the control of either party and which may impose significant costs on the project or disrupt the service. Some events, such as war, terrorism, civil unrest, or extreme weather may result in the authority providing compensation to the contractor. Other events may result in the financial costs being shared. The allocation of Force Majeure risks will depend on the nature of the underlying asset and may be finalized by negotiation during the procurement phase of the project.

The drafting of force majeure clauses in a contract and other means of allocating risk will eventually be standardized in consultation with public and private sector representatives through the issue of guidance by ICRC, which has a statutory responsibility to ensure effective implementation of the Government's policy on PPP. ICRC will monitor the implementation of the Policy and these Supplementary Notes and will make recommendations to Government on how their drafting may be clarified or improved. ICRC will therefore welcome comments by those engaged in PPP project procurement and operation on the practical application of the Government's policy. ICRC will take custody of all PPP contracts as required under the legislation.

(Footnotes)

¹For example the charge for supplying gas may be \$14m per annum, but the contractor's overhead and financing costs for the power station could be as high as \$76m per annum.

Part 4:

ROLES AND RESPONSIBILITIES FOR PPP IN THE FEDERAL GOVERNMENT

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4. Stages in PPP Project Life Cycle

1. Introduction

This Supplementary Note provides further information and background on the National Policy on Public Private Partnerships. It sets out the roles and responsibilities of various Ministries, Departments and Agencies (MDAs) in the Federal Government of Nigeria in the planning and procurement of infrastructure investment projects, and in the procedures for approving and monitoring their costs. It also describes the role of the Infrastructure Concession Regulatory Commission (ICRC) in leading on the development of PPP policies and in issuing guidelines on project selection and procurement.

This Note is one of a number of supporting documents to the Policy Statement

- Procurement procedures for PPP projects;
- The evaluation of value for money in PPP procurement;
- The identification and allocation of risks in PPP project.

The National Policy and its Supplementary Notes will apply to all infrastructure projects contracted by the Federal Government, and any State or Local Government projects that are part funded, or in some way guaranteed, by the Federal Government. Where the Federal Government has allocated responsibility for producing guidance for the planning of infrastructure projects, or their procurement as Public Private Partnerships, then State and Local Governments, and their parastatals, should have regard to this guidance in preparing their own programmes for infrastructure investment and procurement processes as representing best practice in Nigeria. The Nigerian Courts and various audit bodies may take compliance with best practice into account in determining disputes or reporting on management failures.

1.1 Structure of this Supplementary Note

The remainder of this Note covers the following topics:

- in Section 2 the general principles that will determine infrastructure planning, budgeting, and management in the Federal Government are set out;
- in Section 3 the characteristics of PPP projects are described;
- section 4 sets out the roles and responsibilities of various ministries and agencies within the Federal Government, including the PPP Resource Centre, in developing PPP policy and implementing projects.

1.2 General Principles for Planning and Managing Infrastructure

This section outlines the general principles that should be followed by the Federal Government and its MDAs when developing investment programmes, making investment decisions, managing the procurement of infrastructure, monitoring contracts, and providing public services.

All infrastructure projects will progress through four distinct phases:

1. **Project development**
 - a. economic, social and environmental cost benefit analysis;
 - b. a systematic appraisal of a number of technical solutions to the identified need;
 - c. value for money and affordability testing of different procurement options;
 - d. appropriate budget allocation within the National Development Plan and subsequently the Medium Term Expenditure Framework;
 - e. approval of an Outline Business Case prior to the commencement of procurement.
2. **Procurement**
 - a. creation of a project team and management structure;
 - b. preparation of an Information Memorandum and bid documentation;
 - c. market consultation if appropriate;
 - d. a competitive and transparent procurement process, with a clear audit trail for the selection of bidders and the evaluation of bids;
 - e. approval of a Full Business Case before the decision to award a contract.
3. **Implementation**
 - a. monitoring of design and construction, and subsequently operation and maintenance to ensure compliance with the required service standards;

- b. monitoring of payments against services delivered and any contingent liabilities

4. **Contract Maturity**

- a. inspection and preparation for the handover of any public asset if appropriate;
- b. analysis of future service delivery options and further procurement if appropriate;
- c. contract close and recording of lessons learned

Infrastructure planning and procurement, and management should follow the principles of good governance described below.

1.3 Accountability

The Federal Government and its Ministers are accountable to the National Assembly for the development and implementation of their policies, as are State Commissioners to the State Assemblies. This democratic principle can only be safeguarded if the members of the Assembly have access to relevant information. Ministers, senior civil servants, and the heads of parastatals bodies may be questioned on the implementation of policy and their use of public funds. The scrutiny by the National Assembly and State Assemblies of the basis on which investment decisions are made across government, and the independent audit of public expenditure by the Auditors General, are important safeguards against the misuse of public funds. The process followed in making investment decisions therefore needs to be systematic and auditable, and it is important that in setting out due process for investment or procurement decision-making, that accountability is allocated to a specific MDA within government, and to named individuals as Accounting Officers.

The focus on policy skills in public administration, or the need to rotate individuals between different postings, has often been at the expense of the management or implementation of projects and the development of specialist skills within the public sector. It can also diminish personal accountability for decisions, particularly if more than one department or ministry is involved in the decision-making process. Public scrutiny can discourage risk-taking by decision makers, since the consequences of mistakes may be worse than the rewards for success. The Government will address

these conflicting pressures on MDAs by encouraging them to appoint dedicated project teams and to follow good project management practices, including:

- setting out a clear statement of the policy context and the objectives of the project;
- the identification of all of the relevant decision-makers at the outset;
- timely provision of information and a clear plan and timetable for the key project decisions;
- independent review at key stages, reported to the individual who is held personally responsible for the achievement of the project's objectives;
- recording of lessons learned to inform subsequent project teams.

At the stage that a project enters the forward programme, the relevant MDA will appoint an Accountable Officer at Director level, who will be responsible for oversight of the preparation and procurement phase and chair a Project Steering Committee. It is recommended that the Steering Committee includes a representative from the PPP Resource Centre within ICRC. At this point, a Project Director and project team will also be appointed, including, if necessary, external advisers, who will be responsible for preparing all of the project business cases, the procurement documents, and the bidding process up to contact award. They will report progress to the Project Steering Group, which will make the key policy decisions.

The Government will provide dedicated funding for the additional costs of external financial and legal advisers that will fall on the early pathfinder PPP projects as they develop appropriate templates for the key project documents.

All PPP projects will require the approval of each project's Outline Business Case by the Government's Economic Management Team or other relevant authority before procurement can commence, and the approval of a Full Business Case by the Federal Executive Council before a contract can be awarded. Guidance on each of these approvals and other aspects of the PPP procurement process will be provided by the ICRC. In due course, a PPP Unit within the MDA may be set up to provide further guidance specific to PPP in the relevant sector.

It is important that public authorities share information on pricing and lessons learned in procurement and standardize documentation where possible, so that they can become better customers and make procurement decisions based on reliable and

consistent information. There should be a culture of continuous improvement in procurement, and benchmarking. The use of cost databases can be a useful tool for achieving this. For the market for government works or services to work efficiently and for transaction costs to be minimized different levels of government, including parastatals bodies, may need to cooperate or share information to ensure that they are not competing against each other for the attention and limited resources of the supplier base.

1.4 Commercial Confidentiality

Federal Ministers will not be involved in the evaluation of bids or the selection of a preferred bidder. This is to ensure that bidders for PPP projects can be confident that their bids will be considered on merit against the evaluation criteria issued with the procurement documents, by preventing inappropriate lobbying or political interference and ensuring that there are no perceived conflicts of interest. Ministers will of course be involved in the final investment decision for significant projects, since this decision will be made by the Federal Executive Council.

For competition to work effectively, it is vital that bidders have confidence that their pricing and innovative ideas are confidential between them and the authority. Procedures will be adopted to minimize leaks of confidential information, including restricting access to pricing or other sensitive information in bids only to those who are directly involved in the evaluation process. The Bureau of Public Procurement will continue to be responsible for auditing compliance with due process, and its certificate of 'no objection' will be part of the Final Business Case for approval by the Federal Executive Council. Unsuccessful bidders who feel aggrieved that due process has not been followed will have redress through the courts.

The Government will consider alternative appeals procedures as part of its review of the Public Procurement Act. In cases where due process has not been followed, the procurement may need to be repeated or other remedies applied.

1.5 Government Accounting and Budgeting

Cash budgets for capital and maintenance spending on infrastructure need to be planned a number of years ahead to allow time for feasibility studies, planning, outline

design, and procurement. PPP projects would not normally result in any payment until construction is completed and the public infrastructure services are available for use. Currently, MDAs submit their spending plans for the following year to the Ministry of Finance (MOF) and once agreed the Government presents its consolidated draft budgets to the House of Representatives and Senate. These are amended or accepted by both Houses and finally signed by the President before the start of the new financial year in January. If there is a delay in approving the consolidated budget, the President may authorize the MDA to spend the proportionate amount for the corresponding period in the immediate preceding financial year for a period not exceeding six months.

The 2007 Fiscal Responsibility Act strengthens the budgetary process. Federal budgets are now determined over a three-year cycle (the Medium Term Expenditure Framework). The planning of infrastructure across the economy is coordinated and approved by the National Planning Commission (NPC), which was created under the National Planning Commission Act 1993 within the Office of the President (although with its own Minister of State). The NPC is developing an infrastructure investment strategy that will consider investment requirements over a fifteen-year period and become a new National Development Plan. In future, therefore, budgeting and planning will be longer term and this will assist in the development of a sustainable PPP programme alongside direct public funding of infrastructure.

Once budgets have been approved by the National Assembly and the President, MDAs are permitted to move spending between different budget headings within their overall allocation and there are established procedures for doing so. MDAs may also submit Supplementary Estimates through the Ministry of Finance to the National Assembly during the year for unforeseen expenditure. MDAs must not enter contractual commitments without an appropriation from the budget, but once such commitments are made then the Government will ensure that future payment liabilities will be ring-fenced within future budgets.

The Debt Management Office (Establishment, etc) Act 2003 provides a framework for managing the Federal debt and those contingent liabilities created by Federal guarantees of borrowing by the States. (States are allowed to borrow internally, but all

external borrowing has to be approved and guaranteed by the Federal Government). The Debt Management Office Will, therefore, have a role in monitoring liabilities created by Federal PPP projects and those State projects that require Federal guarantees. Credit insurance provided by the World Bank (through MIGA) as partial risk guarantees in a PPP project, or for State borrowing, require a Federal Government counter-guarantee that also has to be approved by the Debt Management Office.

The Government is considering the merits of creating a Guarantee Fund to make provision for the liabilities it may incur under PPP and similar arrangements.

Both the National Planning Commission (NPC) and the Federal Ministry of Finance have a role in capital projects that are funded wholly or partly by donors or multilaterals, even where a project falls under the jurisdiction of an individual State. So, for example, World Bank or African Development Bank loans are channeled through the Ministry of Finance and the NPC acts as National Authorizing Officer for EU and other grant funded projects, even where the service which the grant is provided to support is a State or local government obligation. In these cases, the respective State will sign a Memorandum of Understanding with the Federal Government on the use and application of the respective funds.

The majority of spending by States is disbursed from the Federation Account which consolidates all national revenues. It is distributed in accordance with a formula recognizing location, population, area and other factors. The Excess Crude Account is disbursed on a similar basis.

Since the budgets of MDAs are cash-based, so is the reporting of expenditure (though not accruals) through the annual accounts. These are audited by the Auditor General's department usually by the joint appointment of independent auditors with the relevant ministry. Each State has its own Auditor General.

Contractual commitments for payment, insurance or other guarantees provided under PPP projects may need to be consolidated into the national accounts for statistical purposes but should, in any case, be recorded and in some cases formally approved in accordance with the processes described later in this Supplementary Note, because they are likely to involve spending commitments beyond the budgetary period. These considerations apply not only to State or Federal ministries and parastatals but also to

corporations or public companies where the public sector is the sole or majority shareholder. The Ministry of Finance will monitor risks created under Government contractual commitments arising from Federal PPP projects and will issue guidance on their accounting and budgetary treatment.

1.6 The Role of Regulators

The privatization and commercialization of public services and public assets as well as Private sector participation in the provision of public services have often been accompanied by regulation where competition is absent or limited to promote investment and operational efficiency and to prevent abuse of a monopoly position, and so protect consumers. The regulators have statutory powers to grant operating licences and may have powers to set prices or tariffs. The price review process takes account of not only input costs and efficiency but also the need for new investment, sometimes to comply with new legislation. In this role, regulators can sometimes use benchmarking against a group of similar suppliers as a guideline.

The role of the regulator is to prevent market abuse or to determine appropriate environmental or safety standards where this is not already provided for by the Federal Environmental Protection Agency or similar bodies. Regulators therefore provide the framework that enables private investors to make investment decisions and quantify commercial risks.

It is important that they remain independent of government and establish a track record that provides some stability and certainty to the private sector. PPP projects will operate within this framework.

2. Public Private Partnerships in Nigerian Infrastructure

A wide range of contract forms in turn represented by numerous acronyms (BOT, DBFO, BOOT, etc.³) falls within the scope of the term 'public private partnership'. It can be said to include: outsourcing and partnering; performance-based contracting; design, build, finance and operate (or build operate transfer) contracts; and, sometimes, concessions. These forms of contract have the following characteristics:

- i. They are long-term contracts (typically between 5 and 30 years) between a public sector authority and private sector contractor for the provision of a public service. The contract may require the construction of new public infrastructure

or other assets, in which case the private sector contractor may finance the investment and recover its financing costs over the remainder of the contract from tolls, service charges or payments by the public authority.

- ii. Payment to the contractor is linked to the quality, and sometimes also quantity, of the service delivered. This means that the contract includes an output specification rather than a definition of inputs. Payment may be based on the availability of an asset, such as a road, provided it is meeting the standard required in the specification.
- iii. There is more risk transferred to the contractor than is the case with other traditional forms of procurement. The general principle is that the project risks should be allocated to the party best able to manage them. Often these risks arise at the interfaces between the different phases of a project so these will be integrated into one contract for example design, construction, maintenance and operation. This feature, when combined with a contract term that matches the economic life of the underlying asset, means that there is an incentive on the contractor (provided the contract is awarded under competition) to minimize the whole life costs of providing the service. These incentives are much weaker in the public sector, which will usually contract for each phase separately and where typically there is an emphasis on the lowest upfront cost (possibly leading to higher maintenance costs later),

2.1 Sectors considering PPP in Nigeria

The focus for PPP in Nigeria is the creation of new infrastructure or expansion of existing ones, such as:

- power generation plants and/or transmission/distribution;
- roads and bridges;
- water supply, treatment and distribution systems;
- ports;
- airports;
- railways;
- inland container depots and logistic hubs;
- gas and petroleum storage depots and distribution pipelines;

- solid waste management
- educational facilities;
- urban transport systems;
- housing;
- healthcare facilities etc.

It is estimated that over the next years six years, Nigeria will need to invest over USD 100bn in just four key sectors of the economy if it is to meet its annual growth targets and become one of the 20 largest economies in the world by the year 2020:

- power (USD 18-20 billion);
- railways (USD 10 billion);
- roads (USD 14 billion);
- oil and gas (USD 60 billion).

The Government expects that some of this investment will be provided by private finance under PPP arrangements.

2.2 Concessions as PPP

Concessions are included in the broader definition of PPP since they have most of the features of PPP described above. But they also transfer some or all of the demand and revenue risks within the projects to the private party that has been granted the concession. The output specification may include requirements with regard to the frequency of services or levels of charges. This is because the service may create a local monopoly and political considerations may require some element of cross-subsidy between different users, or a minimum frequency of services for wider social reasons.

Since the underlying purpose of these contracts is the provision of a service to the public, it is important that the political aspects are considered fully at the outset, including the need for some public subsidy to capture wider social benefits and ensure that the tariff structure is affordable for all potential users. Concessions and other forms of PPP can also allow a clearer separation between the policy and regulatory aspects of public services and their day-to-day management and operation. Policy risks must inevitably remain with government, but regulation can be applied through an independent regulator or through legislation. Risks should be allocated to the party

best able to manage them, and some risks may continue to rest most appropriately with the owner of the underlying asset. The use of private finance to fund capital costs may also make the true cost of the service more transparent, since all investment projects carry a degree of risk and this will be reflected in the cost of financing the investment.

Concessions have also been used as a form of commercialization of public enterprises or their activities. For example, the Nigerian Ports Authority granted concessions for the operation of certain ports facilities in Nigeria, under the Privatization and Commercialization Act. The Bureau of Public Enterprise tendered these concessions, which were subsequently approved by the National Council on Privatization. The programme of privatization and commercialization is well advanced (except in the power sector), however, where concession is involved the ICRC and the relevant MDAs will assume responsibility and take the lead. The role of the regulator of a sector will be the same, regardless of whether a concession is granted through the National Council on Privatizations or through PPP under the management of the relevant Ministry.

2.3 Partnering and Joint Ventures

In some projects the full scope of the service requirement may not be clear at the outset, or the underlying technology may be subject to rapid change. Defining a long-term contractual requirement under a PPP may be difficult and these contracts are less flexible in responding to changing circumstances, particularly where further investment may be required. The Government will consider other options for working with the private sector to increase operational efficiencies where this is appropriate. These options include partnering contracts or the creation of a joint venture company to manage the project or operate the services. The Government recognizes that these arrangements may be more complex, however, and there may be potential conflicts of interest between the private sector objective of maximizing profit and the public sector objective of maximizing social benefits⁴. It will ensure that the involvement of the public sector in day-to-day management of the service does not create conflicts between its policy and operational roles, and in managing operational risks such as demand, safety, or maintenance. The creation of regulators that are at arm's length

from the government is an important safeguard for both the investor and the Government as owner and policy maker. There will be a clear separation between the public authority role in determining policy, the regulator's role in implementing that policy, and the Government's potential role as investor or joint venture partner. The way that this separation of the Government's role as investor from its policy role may be achieved is discussed further below in the context of funds.

2.4 Risk and the Financing of Projects

All projects may entail a number of specific risks that need to be managed. Some of these risks can be quantified and others may be difficult to quantify but can be identified as having a potentially high or low impact, and high or low probability of occurrence. Public transport projects often have a particularly high level of risk and there is strong data to suggest that the promoters of these projects usually underestimate their cost and overestimate their benefits¹. In the private sector, the riskiness of an investment project will have an effect on the cost of its finance. Project finance structures have been developed to allocate risks efficiently to different types of investor (see box) and thus reduce the overall costs of finance.

The Government will develop techniques to take account of risks in its appraisal of projects and allocation of resources between competing demands for public investment. This can be done through the calculation of the expected cost of risks in the project cash flows, and the inclusion of an optimism bias factor in the discount rate used in economic appraisal². By properly considering risk throughout the project lifecycle, the Government will also be able to reduce risk by appropriate structuring of the project or commercial environment, and thus reduce the overall costs of investment.

The Government will issue guidance through the National Planning Commission on how the risks inherent in these projects should be factored into the appraisal process, and on how to compare the costs of public versus private financing (which already incorporates the cost of risk) on a comparable basis through the use of a test discount rate. Separate Supplementary Notes on how the Government will meet its objective of obtaining better value and lower overall cost for PPP projects and how risks

should be allocated to the party that is best able to manage them have also been issued in support of the National Policy on PPP.

Project Finance

The techniques of project finance were developed in the 1970s and 1980s when high cost investments were required in the oil, gas, and power sectors. The capital value of a project was often greater than the value of the companies contracting to design, construct and operate it. Investment was therefore provided through bank debt (or now through the bond market as well) where the investors had limited, or no, recourse to the parent companies in the event of project failure. To achieve this a Special Purpose Company was created to deliver the project under contract to the client (under a Take or Payor Power Purchase Agreement. The Special Purpose Company (also known as a Special Purpose Vehicle or SPV) then entered into financing agreements with investors and subcontracted with specialist firms for the design, construction or operation of the project assets. The third party investors would have first call on the after tax project revenues and would ensure through the use of a financial model that the project revenues would under most scenarios be sufficient to repay the capital and interest costs. They would also require the project sponsors to have a certain amount of equity capital in the Special Purpose Company and this provided an incentive on the sponsors (often the construction companies themselves) to manage the project risks effectively. They would realize a return on their investments through dividends and/or capital gains.

This project financing structure matched the cost of finance to the risk taken by the investor, with senior lenders taking less risk and accepting a lower return than the providers of equity. The same approach is taken in most PPP projects where there is a need for a significant capital investment up front to construct the public infrastructure, such as the road, water treatment plant, rail track and signaling, etc. from which the public service is to be delivered.

Project finance uses competition (either between banks, or between banks and the bond market), to drive down the cost of finance. The Government will use competition in the procurement of PPP to ensure that the different elements of the project, including the pricing of risk, are provided at the lowest economic cost, although all of these elements will be combined to give a single overall price for delivering the service. Financial models are used during the bidding process to provide transparency of costing to both the public authority and investors, and these models can be tested using sensitivity analysis to ensure that the pricing is robust against changes in the input assumptions. The involvement of international financial institutions such as the African Development Bank can help to reduce the cost of finance by providing some of the senior debt, or other financial instruments to reduce political risk or other financial risks.

PPP procurement is a complex process and the planning process will require early identification of those sectors where it may be effective in delivering public services because of the effect on budgets. It will require an understanding of the risks associated with the long-term delivery of public services, including demand, the residual value of underlying assets, and operational! Lifecycle costs. A failure to properly identify these issues before procurement starts is likely to result in delay, increased costs for bidders, and reputation damage to the procuring authority and government. The Government will ensure that projects are only brought to market having been reviewed by a centre of expertise and approved by the Economic Management Team of the Federal Executive Council, and that the market is properly prepared for the bidding process.

2.5 Third Party Equity and the Role of Funds

PPP projects have increasingly been seen as an attractive investment opportunity because they provide relatively predictable long-term revenue streams which can match the long-term liabilities of institutional investors such as pension funds. The bond market can be used to match the needs of these investors with the relatively low risk and therefore low cost financing of the senior debt in the SPY. The Federal Government will encourage the use of capital markets for funding these projects because of the wider economic benefits of increasing the use of the bond market as an option for corporate finance. Competition between bond and debt finance may also help to drive down the cost of private finance more generally.

Equity plays an important role in the financing and management of PPP projects. Providers of equity are the effective 'owners' of the Spy created to deliver the project, although their management of the company is constrained by the various agreements it enters into with other investors and the public authority. Equity takes a greater share of the risk but can achieve potentially higher returns through dividends, interest on subordinated debt and the future sale of its ownership to other (secondary) investors. Investors can also diversify risk by investing equity in these projects through a fund, and the use of funds has increased internationally in recent years. Many of these funds specialize in particular markets or classes of infrastructure. Project sponsors have sometimes been able to sell on their-equity in the SPY to funds, acting as secondary

investors once the project enters the lower risk operational phase. The recycling of equity to other projects is beneficial since contractor equity is a relatively scarce resource. Funds can also help to spread expertise and management resource across different projects, since the equity fund, as part 'owner', will participate in the management of the Spy (and often assist in the bidding process).

Funds have therefore helped to increase the availability of capital, and enabled investors to spread risks across a portfolio of different projects. Equity funds that specialize in emerging markets such as Nigeria already exist and it is likely that more will continue to emerge in future.

Funds can also be used to involve multilaterals such as the World Bank, or even government itself, in the management and funding of these projects. This role of government acting as a minority investor in SPVs in order to improve understanding and communication between the public authority acting as client and the private sector acting as service provider is still developing. But, it could lead to better management of services as these evolve over time and help achieve continuous improvement in service delivery. It may also encourage third party investors to participate in projects where there is a high degree of political risk or regulatory uncertainty. The Government is considering whether the creation of an Infrastructure Fund and a Guarantee Fund would be beneficial to the implementation of its PPP policy and will consult further on these issues in due course.

2.6 Government Equity in PPP Project

In some cases Government capital may be used as equity in a Special Purpose Vehicle (SPV) or Joint Venture that contracts to provide services to a public authority. This mechanism can provide confidence to private sector investors and encourage best practice in the procurement and governance of PPP joint ventures. Including equity from both central and local government in the SPV, could provide a mechanism for continuing involvement by a government centre of expertise in the joint venture arrangements. It could give confidence and support to both the local government and private partners in the ongoing relationship and help to change the behaviour of both public and private parties, helping to avoid the potentially adversarial nature of the customer-provider split sometimes found in PPP contracts. Company law also

provides a structure for the continuing governance and respective responsibilities of the parties to the arrangement (in conjunction with a Shareholders Agreement).

In order to avoid a conflict of interest, and ensure a clear separation between the policy and provider roles, government investment in project equity will need to be managed on commercialized and at arm's length from the rest of government. It could, for example, have a target rate of return and participate directly or through a fund, along similar lines to the Africa Finance Corporation model.

3. PPP Roles and Responsibilities across Government

This Section of the Supplementary Note provides further detail on the roles and responsibilities within the Federal Government for planning infrastructure, allocating budgets, and managing fiscal risks. It also allocates responsibilities for providing further guidance and support to PPP projects including a new PPP Resource Centre. The Government has taken account of international experience in developing the institutional framework in the PPP Policy Statement. It will also keep this framework under review as its use of PPP as a procurement tool evolves and develops.

3.1 The Infrastructure Concession Regulatory Commission

The Infrastructure Concession Regulatory Commission (Establishment, etc.) Act 2005 permits the granting of PPP-type contracts or concessions by any Federal Government ministry, agency, corporation, or body. The term "concession" as used in the Act does not imply that rights to any revenue stream from user charges are also transferred to the private sector operator (defined as the Project Proponent²⁷), but it does include an obligation to finance the infrastructure. The Act includes an illustrative list of infrastructure to which it may be applied but also allows the Federal Executive Council to approve any other form of infrastructure and development project. It places an obligation on each ministry of the Federal Government to prioritize its infrastructure projects and for a formal approval of the investment decision by the Federal Executive Council as set out in the National Policy Statement. The Act requires that the approved projects should follow a competitive procurement process that is openly advertised. It also requires that any subsequent guarantee, letter of comfort, or undertaking given by the ministry may only be given with the prior

approval of the Federal Executive Council. The Act therefore provides the statutory basis for the procedures set out in the National Policy for PPP.

The Act creates the Infrastructure Concession Regulatory Commission as a statutory body, and this will incorporate the PPP Resource Centre with the functions described below and in the Policy.

3.2 The PPP Resource Centre

In general terms, international experience demonstrates that the development of PPP in a country can be enhanced through the establishment of a central PPP unit. The Government therefore proposes to create a PPP Resource Centre within the Infrastructure Concession Regulatory Commission. It will play an important part in the institutional framework that the Government is creating to support its PPP policy. This arrangement will give the Resource Centre some independence from the Federal Government ministries and enable it to recruit (or second) staff directly from the private sector. It will be able to provide a support role to similar units within the States and it will act as an effective interface between the public and private sectors in relation to PPP policy and practice. It may also have a role in managing government equity in projects, should the Federal Government decide that this is appropriate. In this role it would ensure that its investment decisions were made on commercial rather than political grounds.

An important role for the Resource Centre will be capacity building in the private sector, through publicity, conferences and other meetings. It will therefore act as a bridge between the public and the private sectors and will ensure that the PPP programme across the Federation has sufficient scale and ambition to encourage international players into the market, probably to team up with the smaller and medium sized local contractors.

It will be responsible for ensuring that the Government's PPP programme is effectively marketed and that both investors and potential bidders have confidence in the ability of the procuring authorities working together to manage a procurement process efficiently. The Resource Centre will comprise a mix of public and private sector personnel, with legal, financial, and public sector backgrounds, to provide the

wide range of skills that a programme of PPP projects across a number of different sectors requires.

The role of the Resource Centre will be:

- to provide advice to the Federal Government on the development of policy for PPP;
- to issue guidance, in conjunction with the National Planning Commission (NPC), on the identification of PPP projects and programmes within the Government's investment strategy;
- to provide advice on the value for money assessment and affordability analysis of infrastructure projects that are being considered for PPP;
- to develop a communications strategy for PPP across the Federation and with all private sector stakeholders;
- to assist MDAs with project appraisal, the appointment of external advisers where required, and the preparation of Outline and Final Business Cases;
- to provide technical assistance to MDAs in the procurement of PPP projects including defining appropriate output requirements, a payment mechanism, risk allocation, evaluation criteria, and draft contractual terms;
- to provide, through the ICRC Board, advice to the Federal Executive Council on the approval of all significant infrastructure projects;
- to support MDAs during the operational phase of projects when required, for example in contract change or refinancing;
- to coordinate the PPP policies and programmes of the State and Federal Governments, working with similar units in the States or Ministries to ensure consistency of approach and a steady flow of projects to the market.

The PPP Resource Centre will be allocated a Project Development Fund to support the cost of external project and policy advisers for the pathfinder PPP projects.

3.3 Contract Compliance Centre

The Contract Compliance Centre will:

- take custody of every concession agreement and monitor compliance with the terms and conditions of such agreement;

- ensure efficient execution of any concession agreement or contract entered into by the government;
- develop guidance and procedures for monitoring of such agreement;
- maintain a database on concessions and other PPP contracts entered into by the Government.

3.4 **The National Planning Commission**

The National Planning Commission (NPO) will have the lead role in the preparation of the Federal Government's new National Development Plan, based on the sector plans of the MDAs and subject to the final approval of the Federal Executive Council. This will set out the Government's 15-year investment strategy covering all forms of procurement that will be financed in whole or in part from the Federal budget. The investment strategy will match infrastructure needs against predicted financial resources for all sectors, based on the Medium Term Sector Strategies prepared by each ministry. The investment strategy will identify those infrastructure projects that will be financed by borrowing, in effect transferring some of the costs of investment to future generations, as well as those projects that will be financed from current revenues.

NPC will also be a centre of expertise in economic appraisal, developing guidance on procedures and economic assumptions for cost-benefit analysis and discounting, and for assessing whether private or public borrowing will have the lowest economic cost for projects or programmes. Guidance will also be provided on how risk and appraisal optimism should be taken into account within the project cost estimates provided by MDAs.

NPC will monitor the economic benefits that result from government investment and use this data to prioritize those projects that offer the highest economic or social return. The investment strategy will be presented to the National Assembly as part of the budgetary process.

3.5 **Line Ministries and their Agencies**

Line Ministries, or their agencies responsible for service delivery, will continue to be accountable through their Ministers for the quality of public services and for the management of their resources. In some cases, such as power and transport, the

planning and coordination roles are being devolved to new bodies. The creation of new executive bodies such as the Federal Roads Authority will increase accountability.

PPPs are a more complex form of procurement they need to be integrated into the overall investment strategy for the relevant sector, as well as cross section plans such as the Medium Term Expenditure Framework. MDAs will therefore be required to prepare long term plans for infrastructure investment and maintenance which will be incorporated into the Government's 15 year Development Plan by the National Planning Commission⁷,

As part of this process the MDAs in consultation with the ICRC will also identify where PPP is likely to offer better value for money over other forms of procurement and this will be factored into the budgetary estimates in the Plan. The NPC in consultation with ICRC will provide guidance on the criteria that MDAs will use to measure value for money and provide budgetary estimates of costs and risks.

Decisions on procurement options will be reviewed as projects are refined and enter the three-year Medium Term Expenditure Framework (MTEFI). The MTEF will define the forward programme of projects and allocate resources for their planning and preparation. At the stage that a project enters the forward programme, the relevant MDA will appoint an Accountable Officer at Director level who will be responsible for oversight of the preparation and procurement phase and chair of a Project Steering Committee. At this stage a Project Director and project team will also be appointed, including if necessary external advisers, who will be responsible for preparing all of the project business cases, the procurement documents, and the bidding process up to contract award. The team will need to plan the handover of the project management to the managers who will be responsible for its implementation, supervision, and management.

There will be a minimum of two consents required from the Federal Executive Council (or the Economic Management Team or other relevant authority) before the project can proceed to subsequent stages. These consents will be based on Outline and Full Business Cases which will be completed before the procurement can proceed or before a PPP contract can be awarded. Guidance on each of these approvals and other

aspects of the PPP procurement process will be provided by the new PPP Resource Centre. In due course a PPP Unit within the MDA may be set up to provide further guidance specific to PPP in the relevant sector.

The relevant Accounting Officer of the MDA will sign PPP contracts on behalf of the Federal Government and will be responsible for both the project procurement and its implementation.

3.6 The Bureau of Public Enterprises

The privatization of many State owned assets has been led by the Bureau of Public Enterprises (BPE) since 1999. It has held the Government's assets in trust for Ministry of Finance Investments until they have been sold or commercialized. The National Council on Privatization has had ultimate responsibility for determining which sectors should be included in the programme under the Privatization and Commercialization Act. BPE has used concessions as a means of Commercialization of existing Government owned enterprises.

The lessons gained through these Concessions, and the skills and capacity developed in BPE should be made available in implementing PPP and other concession projects under the new PPP Policy and the ICRC will develop guidance in this regard. For instance, the BPE may be required to serve as "Internal Consultants" to MDA's PPP Project teams along with any other External Transaction Advisers that may be procured by ICRC.

The BPE will however continue to lead and take responsibility for the full or partial Privatization of all State Owned Enterprises slated for Privatization under the National Council on Privatization Act

To continue to achieve the goals of both the Privatization and Commercialization as well as PPP Policies of government, there is need to sustain reforms in the legal and regulatory environment The ICRC and BPE should therefore, work closely in this regard to expand the space and opportunities for private sector investment in the Nigerian economy.

3.7 Federal Ministry of Finance

The Ministry of Finance will have an important role in the public financial management of PPP projects. It will need to ensure that the forecast costs for the

Government are affordable within the Medium Term Expenditure Framework. Budgets will need to provide for any subsidies that may be required to make a project financially viable or to ease the transition to a full cost recovery tariff for poor households. Costs and contingent liabilities will need to be reviewed as the project design and risk valuations are refined during the project preparation and procurement phases. The Government will consider setting up a Risk Management Unit within the Ministry as a centre of expertise on the kinds of risks that commonly arise in PPP projects.

3.8 Debt Management Office

The Debt Management Office (DMO) has an important role in supervising the financial and capital markets and ensuring that they are working efficiently and developing the range of financial instruments that will be required to manage financial risks in PPP projects. For example, the secondary market in government bonds is developing rapidly in both liquidity and depth and will eventually provide a reference interest rate for PPP financing.

DMO will need to be satisfied that any contingent liabilities are manageable within the Government's economic and fiscal forecasts. The DMO will advise the Federal Executive Council as part of the approval process for individual projects. The DMO will also need to be consulted in advance of requesting approvals by project teams who are considering the involvement of multilateral agencies such as IFC, MIGA or IDA in providing guarantees or other financial instruments⁸.

3.9 Accountant General of the Federation

The Government will put in place measures through the Office of the Accountant General of the Federation to ensure that funding for payment obligations incurred through Federal PPP contracts are safeguarded to ensure prompt payment, subject to appropriate authorization. The States will also need to develop processes to ensure that contractual payment obligations are met. The Government will consult with the States on whether the creation of a PPP Guarantee Fund would provide additional security to investors against both actual and contingent liabilities should this be required.

The Government will consider the case for an Infrastructure Fund that is able to provide equity or debt to contracting companies under PPP arrangements.

3.10 Bureau of Public Procurement

The Bureau of Public Procurement has a statutory role in regulating public procurement in Nigeria under the Public Procurement Act 2007. It prescribes guidelines for the membership of Tender Boards in each procuring entity in the Federal Government; and has a statutory authority to issue a certificate of no objection before a procurement can be finalized and funds may be dispersed by the Accountant General. The Government will subsume this procedure into its approval of a Final Business Case by the Federal Executive Council.

The Government will review the Procurement Act to ensure that it allows for tender evaluation procedures based on economic value as well as lowest price. The ICRC and the BPP will continue to develop appropriate procurement processes for PPP Projects.

4. STAGES IN PPP PROJECT LIFECYCLE

1. Development

Stage	Task	Sub Task	Responsibility	Approvals
Project Initiation	Development of a Long-term Master Plan	Recognition of need Review and approval by NPC and inclusion of Project in 15 year Master Plan	Ministry NPC	NPC
Project Identification	Identify Viable PPP Projects	Cost benefits analysis and prioritization. Definition and Scope of Requirement. Preliminary Project Appraisal. Registration in 3 year MTEP.	Ministry with PPP Resource Centre support	NPC MOF
Preparation of OBC	Approve OBC	Option Appraisal of form of Procurement. Selection of Preferred Option. Value for money assessment. Affordability Assessment. Approval of OBC-Entry into Procurement.	Ministry with PPP Resource Centre support	Economic Management Team

2. Procurement

Stage	Task	Sub Task	Responsibility	Approvals
Preparation	Competitive Procurement Process	Design Procurement Plan Prepare Finance Plan, Risk Matrix and Shadow Cash Flow. Prepare Summary IM. Commence Preparation of Bid Docs. Carry out Market Testing	Ministry with PPP Resource Centre Support	
Eol	Identify Suitable Bidders	Prepare Eol Evaluation Criteria. Prepare & Issue Invitation to Submit Eols. Receive & Evaluate Eols. Prepare Bid Evaluation Criteria. Finalize Bid Documentation.	Ministry with PPP Resource Centre Support	
Bidding	Select & Approve Preferred Bid	Issue Bid Docs to Short-Listed Bidders. Hold Bidders' Conference. Evaluate Bids. Negotiate and Select Preferred Bidder. Value for Money Test. Finalize PPP Contract.	Ministry with PPP Resource Centre Support	
FBC		Prepare FBC	Ministry	FEC
Contract Close		Contract Negotiation/Close	Ministry	FEC if significant deviation from FBC approval

3. Implementation

Stage	Task	Sub Task	Responsibility	Approvals
Construction	Commission Asset	Appoint Technical Advisor Monitor Design & Construction Receive & Evaluate Progress Reports Take Part in Commissioning Tests Confirm Construction Completion	Ministry	
Operation & Maintenance	Effect Oversight of Project	Monitor Contract Compliance Performance Monitor Contingent Liabilities (Annually)	Ministry/ICRC	

4. Contract Maturity

Stage	Task	Sub Task	Responsibility	Approvals
Survey	Assess Assets & Needs	Carry out Detailed Asset Inventory & Survey Assess Asset Condition & Remaining Life Discuss Findings with Operator Assess Future Needs	Ministry/ICRC	
Review	Analyze & Decide on Options	Identify & Assess Options Select Most Economically Favourable Option Implement New Procurement Process	Ministry/ICRC	
Conclusion	Conclude the PPP	Finalize New Arrangements Formally Confirm End of PPP Contract	Ministry/ICRC Ministry/ICRC	

(Footnotes)

¹Exceptionally, the introduction of competition to unsolicited bids may be excluded from this requirement.

²BOT: build, operate, transfer, DBFO: design, build, finance, operate, BOOT: build, own, operate, transfer.

³An example of these considerations may be a light rail project where certain fares may be controlled and a minimum service specified during the working day and at weekends.

⁴In some sectors these conflicts may be resolved by a regulator taking into account service quality and business viability as well as the lowest possible tariff.

⁵See Flyvbjerg, B., Skamris Holm, M. and Buhl, S. (2002).

Underestimating costs in public works projects: error or lie?

Journal of the American Planning Association, Vol. 68.

⁶Discounting is a technique for reflecting time preference for receiving benefits now and paying for them later.

Cash flows or benefits that occur in the future will have a lower value than those that occur now and the higher the discount rate the lower this value.

⁷Parastatals and the separate (government-owned) companies created within the power sector will prepare their own business and investment plans. Once these plans are approved by the relevant sponsoring line ministry then these businesses will plan their own implementation, driven by customers and business need. However, the need for direct government funding and guarantees will still need to be incorporated into the overall planning and monitoring process through the relevant line ministry.

⁸The various agencies of the World Bank (International Finance Corporation, International Development Agency, Multilateral Investment Guarantee Agency) will only work through the Federal Government even if providing sub-sovereign guarantees to Nigerian States.

“This administration assures the investor community of the legally and enforcementability of concessions consummated in accordance with the ICRC Act”.....

Excerpts from address by

His Excellency Umaru Musa Yar'Adua, GCFR

At the Inauguration of the Board of the ICRC in Abuja

27th November 2008



SECTION FOUR

NIGERIA'S FINANCIAL SYSTEM STRATEGY 2020 PLAN "OUR DREAM"

PRESENTED BY:
PROF. CHUKWUMA C. SOLUDO, CFR
AT THE
FSS 2020 INTERNATIONAL CONFERENCE, ABUJA, NIGERIA

JUNE 18TH 2007

INTRODUCTION/BACKGROUND - Why FSS2020?

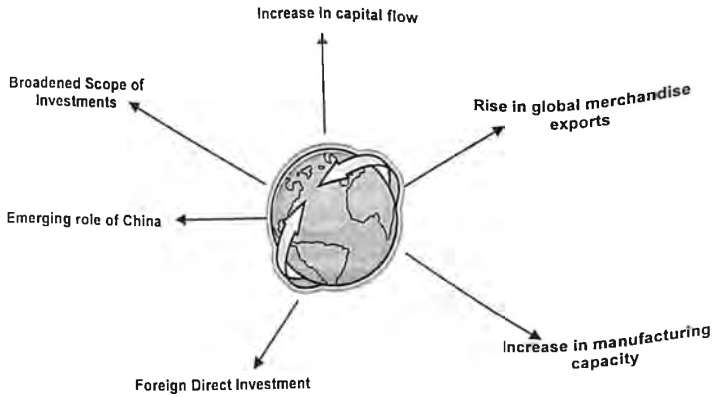
WHERE ARE WE NOW - RECENT REFORMS AND OUTCOMES

WHERE WE WANT TO BE – OVERALL STRATEGIC DIRECTION

I Why Financial System Strategy 2020?

- THE WORLD IS RAPIDLY CHANGING, AND NIGERIA/AFRICA MUST CLAIM THE 21ST CENTURY.
- ALREADY, NIGERIA IS SEEN AS ONE MAJOR PROMISE IN AFRICA.....
 - Global trends
 - BRICs trends
 - Emergence of the Next 11
 - Nigerian Financial Industry reforms

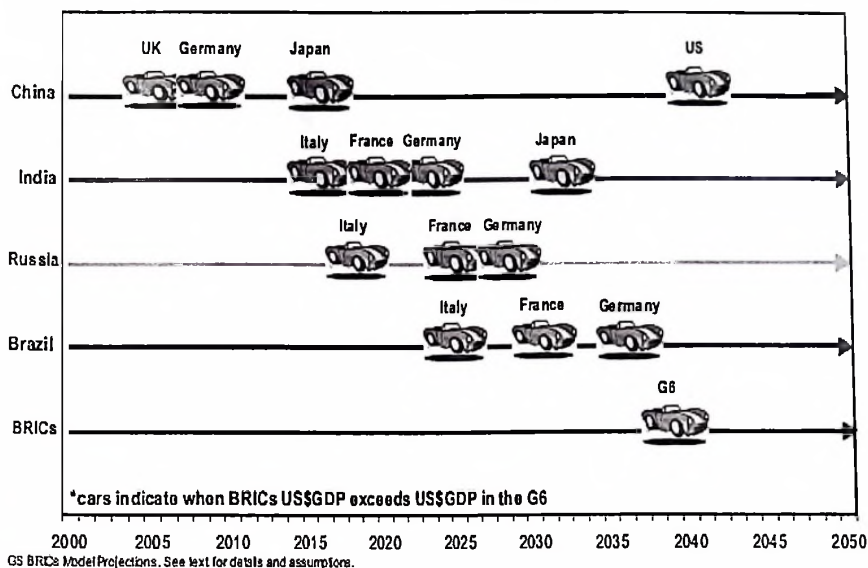
Global Context - Pace of globalisation and its effect on the world today...



BRIC Economies Are Overtaking The G6 Nations...

Extensive work done by Goldman Sachs in 2001, projected that the economies of Brazil, Russia, India & China (BRIC) would surpass that of the G6 nations based on extrapolation of growth rates, demographic changes, capital accumulation, diminishing returns with development, exchange rates etc.

Overtaking the G6: When BRICs' US\$GDP Would Exceed G6



And Paving The Way For The Emergence Of The N11 Countries

After the BRICs, there is the next 11 or N11 countries, which have the potential to be “BRIC like” in the future as identified by Goldman Sachs one of which is Nigeria. Goldman Sachs believes that only 2 countries in Africa will overtake Italy in GDP size by 2015 i.e. Nigeria and Egypt. For Nigeria to achieve this feat and its aim of being part of the 20 largest economies by 2020, she must maintain an annual average growth rate of 12.4% over the next 15 years and focus on developing the following

areas:



Why FSS2020?

- TO ACHIEVE GOLDMAN SACH'S PREDICTION OF THE N-11s, THERE IS NEED FOR A ROBUST AND VIBRANT FINANCIAL SYSTEM THAT WILL POWER NEW ECONOMY
- FOR NIGERIA TO PROPEL THE REST OF AFRICAN ECONOMY, AN INTEGRATED FINANCIAL SYSTEM IS CRITICAL

II: Where Are We Now? Recent Reforms And Outcomes Nigeria's financial system nascent; had chequered history

Where We Were

- Before 2004, Nigeria's financial system could not deliver on its defined roles and was characterised by:
 - Low aggregate banking credit to the domestic economy (20% as percentage of GDP)
 - Systemic crisis; growing resort to Central Bank bail Out
 - Inadequate capital base
 - Oligopolistic structure -10 (out of 89) banks accounted for over 50% of total banking system asset
 - Poor corporate governance
 - Low banking/population density - 1:30,432
 - Payment system that encouraged cash-based transactions

- Insurance industry was weak, undercapitalized
- Pension Funds were largely absent
- Stock market was shallow

Elements of the Reforms.....

▪ **Banking Industry Consolidation:**

- increased bank capital base from \$15 million to \$200 million through:
 - merger and acquisition, and/or
 - injection of fresh capital
- adoption of risk focused and rule-based regulatory framework
- adoption of zero tolerance in data returns by DMBs
- automation of the banking system through e-FASS
- PLAN to establish an Assets Management Company as an important element of distress resolution.
- strict enforcement of the contingency planning framework for systemic banking distress.
- enforcement of dormant laws.
- Adoption of new code of corporate governance
- Deployment of IT in all banking operations

Elements of the Reforms.....

- Recapitalization and consolidation in the insurance and capital markets.....
- Micro finance banks, and conversion of community banks
- Establishment of the Africa Finance Corporation (AFC)
- Pension reforms--- to generate long-term investible funds and solve the pension crisis

Elements Of Reforms---- Reserves And Exchange Rate Management

- Full liberalisation of foreign exchange market
- Foreign exchange market liberalisation through (WDAS, admission of Bureaux de Change into official foreign exchange market).
- Unification of rates in all segments of the market
- Easier access to foreign exchange by end users

- Capital account liberalisation
- More efficient management of external reserves--- building internal capacity for reserve management
- Encouraging Strategic Partnership between Nigerian banks and International Asset Managers for managing Nigeria's Foreign Reserves
- Increased Deposits to Subsidiaries of Nigerian banks in OECD countries

Elements Of Reforms--- Payments System

- **Restructuring of Nigeria Security Printing & Minting Company (NSPMC) to:**
 - Promote efficient payment through clean, cost-effective and responsive currency notes and coins.
 - Ensure 100% domestic production of currency
 - Comprehensive review and redesign of currency notes and coins
 - Standardize checking standards and promote use of cheques
 - Promote e-payments system
 - Enforce Anti-Money Laundering Laws and Rules

Elements Of Reforms... Monetary Policy

- **Monetary Policy reforms**
 - Establishment of a new Monetary Policy Department to refocus CBN on its primary (core) mandate.
 - Daily liquidity forecasting for effective liquidity management
 - Generation of daily CBN Balance Sheet
 - Support to National Bureau of Statistics (NBS) for timely provision of Statistics --- to assist Monetary Policy
- **Revamping of monetary targeting as framework for monetary policy**
 - Adoption of medium- term monetary policy programme
 - Enhanced transparency in the conduct of monetary policy
 - Effective Communication
- Zero tolerance to Ways and Means advances to Government
- Sterilization of crude oil receipts above the benchmark price

Key Outcomes.....

- GDP (\$142 billion in 2006); per capita income of \$1,050
- Sound and stable banking system:
 - Emergence of 25 strong banks (down from 89)
 - Larger capital base (from under US\$3 billion to over US\$9 billion)
 - Rating of Nigerian banks by international rating agencies (S & P; Fitch) for the first time
 - Branch network increased from 3,200 in 2004 to 3,866 in April 2007
 - 919 community/Micro Finance Banks (capital requirement about \$156,000)
 - Non-performing loans/total loans down from 23% to about 7% in 2006
 - Credit to Private Sector growing rapidly
 - Longer-tenured deposits growing relative to total

Outcomes.....?

- New banking system powering new economy
 - Over 7 banks expected to have over US\$1 billion each in Tier-1 capital by end of 2007
 - 11 banks now have market capitalization ranging between \$1 bn and \$5.3 billion; and would range between US\$2 billion and US\$7 billion by end 2007
 - 16 banks now in top 1000 in the world: There was none in 2003; and 5 now out of top 10 in Africa
 - Banks now the soundest and safest they have ever been
 - Big ticket assets are now being created by banks
 - Nigerian banks described as “fastest growing” in Africa in Financial Times, December 2006

Outcomes.....?

- **Price and Monetary Stability:**
 - Achieved Reserved Money and Broad Money targets
 - Inflationary pressures subdued and down to single digit since May 2006
 - Stable real GDP growth rate of about 6% since 2004 and programmed to attain 7.6% in 2007

Outcomes.....?

- **External Sector Viability**
 - Exchange rate convergence and stability
 - Inflow of foreign private capital--- over \$7 billion in 2007
 - Build-up of External Reserves of US\$44 billion (compared with US\$7.47 billion in 2003).
- **Debt Reduction/Exit from The Paris Club**
 - External debt stock down to US\$3 billion compared with US\$36.0 billion in 2004

Outcomes.....?

- **Improved Payments system**
 - Effective cost of currency notes production down by 41- 58% and coins production down by 60% .
 - New bank notes and coins issued in November 2006
 - Standardization of Nigerian cheques for greater efficiency of clearing operations through reduced reject rates have been implemented.
 - High level of efficiency in currency processing and distribution has been achieved
 - Enhanced e-payment system
- **I T deployment in the entire banking system**

Outcomes.....?

▪ **Capital Market Explosion:**

- About 19 companies now have market cap of US\$1 billion and above (India has about 100): About 20 in West Africa, out of which 19 in Nigeria. None in 1999.
- 11 of these 19 companies are BANKS
- Stable prices (exchange rate, inflation) and stronger banking system powering NSE
- Hundreds of thousands of Nigerians are making money out of the capital market
- Nigerian Stock Exchange Capitalization of about \$65 billion, and expected at about US\$100 billion in 2007-2008, ahead of Egypt and second only to JSE
- Banking sector stocks growing faster than NSE index
- Pension assets (over N600 billion--- \$5 billion) and long-term capital

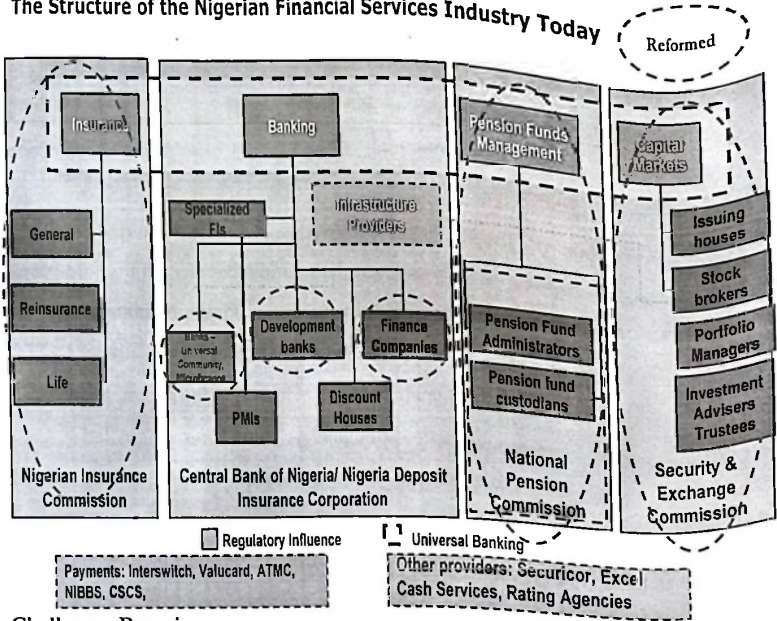
Outcomes.....?

▪ **The World Is Voting for the Nigerian Economy**

- Nigeria exited external debt ---freer economic space--- less intrusion by BWIs and Creditors
- FATF has de-listed Nigeria
- Fitch and S&P rated Nigeria BB-
- FDI and portfolio inflows more than doubling every year---- about US\$7 billion in 2006
- Non-oil exports grew by 24% in 2006 and China and India becoming preferred partners
- Diaspora remittances now over \$4 billion per annum

The Nigerian FS Industry Structure

The Structure of the Nigerian Financial Services Industry Today



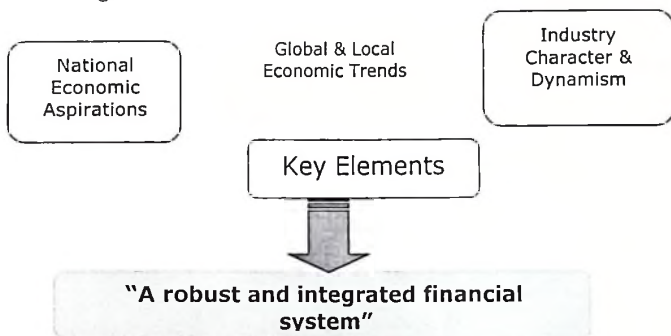
Challenges Remain.....

- Sustaining macroeconomic Stability
- Deepening the Banking/Financial System:
- Evolving appropriate regulations and laws
- Poor state of infrastructure: power & roads
- Challenge of continuing fight against corruption
- Shortage of qualified and experienced manpower
- Poor corporate governance and risk management framework in an era where the regulator has become stricter
- Risk- averse operator, regulator-led market
- Total credit as % of GDP just about 30%
- Total credit to SME about 1% of total
- Low savings rate

- Formal banking only covers about 40% of the bankable public
- Insurance and Capital Markets still below potentials
- Mortgage System largely absent
- Consumer Credit not developed

OVERALL STRATEGIC DIRECTION

The Visioning Process



Dimensions	Outcomes/End State
Vision Timeframe	2020
Geographic Dimension	Emerging Markets
Scope of Offerings	Full bouquet of financial
Growth Rate	Fastest Growing
Size of Economy	Top 20
Role of Financial System	Driver & Catalyst
Sector Target	Full diversification of the
Additional Focus	Efficiency & Safety

Overriding Financial System Aspirations –Vision & Mission

Our Vision

- To be the **safest** and **fastest** growing financial system amongst **emerging** markets

Key Elements of the Vision

- “**Fastest growing** – Our rate of growth will be measured by clearly defined parameters that would enable us become one of the world’s 20 largest economies, through the strengthening of our financial system”
- “**Safest** – The Nigerian financial system will be modeled to provide unparalleled safety, in order to mitigate the perception usually associated with emerging economies. Our financial system will be re-configured with shock-recovery capabilities and sensitivity”
- “**Emerging markets** – We intend to conquer and use the key emerging markets as our initial benchmark. Emerging markets will be as defined by World Bank and IMF e.g. the BRICs”

Our Mission

“To drive rapid and sustainable economic growth primarily in Nigeria and Africa”

OUR GROWTH STRATEGY

Growth Approach - Rationale

To achieve our objectives requires a **unique blend of outlook and a carefully defined implementation framework that embodies the peculiarities of Nigeria.**

These would be guided by the following:

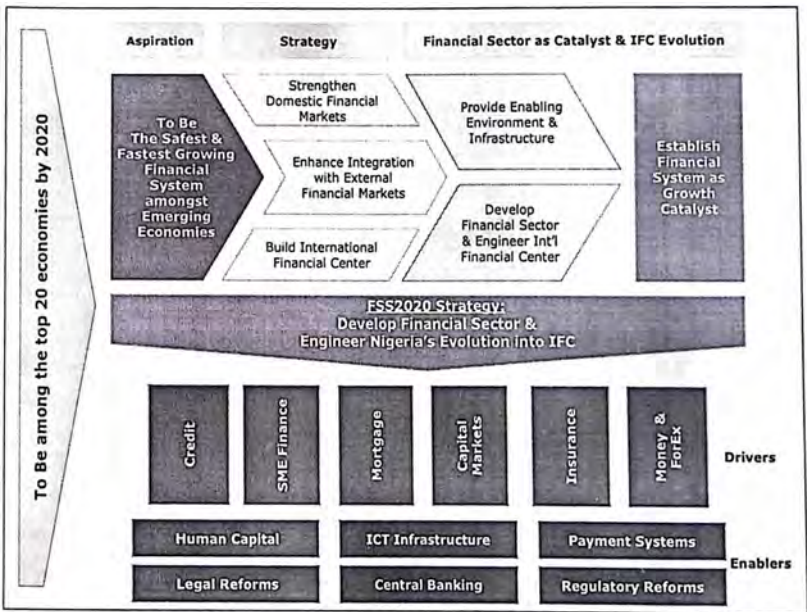
- **A sense of urgency:** We are a country in a hurry. We’ve started late in the race to become a major financial and economic centre globally.
- **A clear recognition of national potential:** We have over the years suffered major economic set back due to our inability to fully leverage the areas of national strength and comparative advantage
- **A clear identification of FS & non-FS related factors including politics, infrastructure and fiscal measures:** We recognize that these factors, if not identified, highlighted and consciously planned for (despite being outside the

ambit of financial services), will prevent the attainment of our financial services vision.

- **An appropriate implementation model:** To ensure we achieve our desired targets within our planning timeframe, we will adopt an “engineered growth” approach as opposed to an organic approach.

Overarching Strategy

The Financial System Strategy 2020 blueprint will be used in achieving these goals: developing and transforming Nigeria’s financial sector into a growth catalyst and engineering Nigeria’s evolution into an international financial centre.



The Engineered Growth –Concept and Components

To accomplish these goals, we plan to concurrently strengthen our domestic financial markets; enhance integration with external financial markets; and engineer Nigeria’s evolution into an international financial centre.

Overriding Financial System Aspirations –Vision & Mission

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- To be the **safest and fastest** growing financial system amongst **emerging markets**

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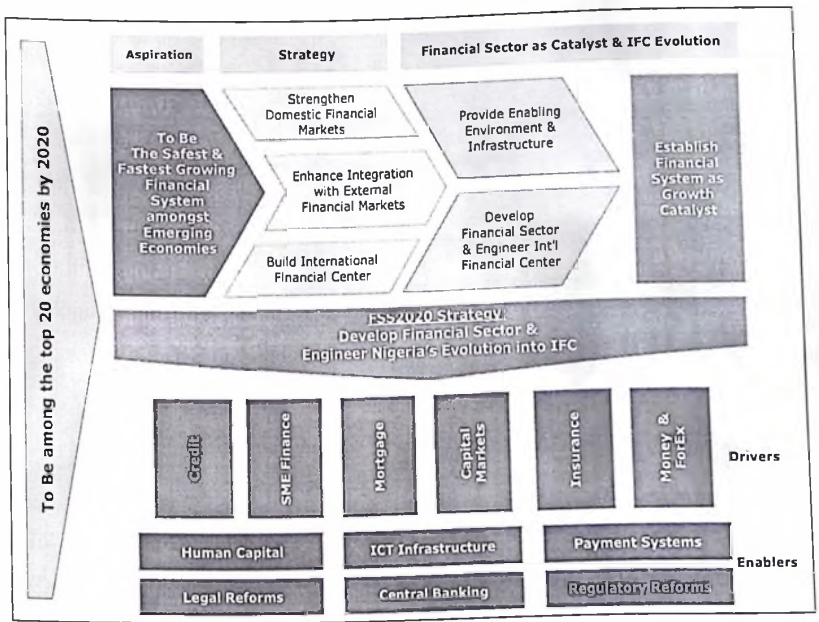
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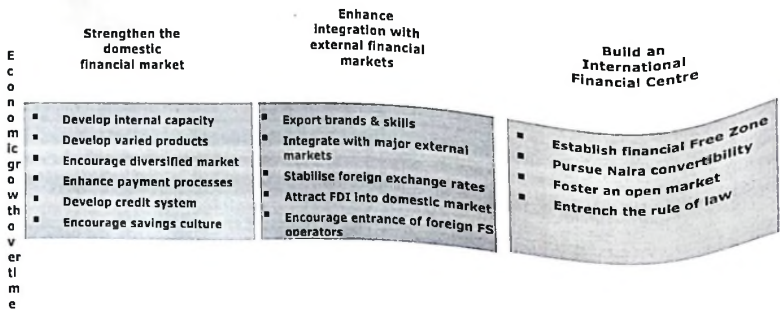
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DETAILED FS-WIDE STRATEGIES

Overall Strategy Framework

Our overall strategy was structured after our engineered growth model

Strengthen the domestic financial market

Enhance integration with External Financial markets

Build an International financial centre

Overarching Considerations



How to strengthen the domestic financial markets

The first prong of our strategy for achieving our national aspirations focuses on strengthening our domestic financial markets. We will then use our strengthened financial sector as a catalyst to drive overall economic growth. To develop our financial sector, we plan to:

- Develop competence and skills for financial services industry
- Leverage on the oil and gas sector to develop the non-oil sectors

- Integrate the informal financial sector into the formal financial sector
- Improve access to finance
- Build an integrated infrastructure for the financial industry

Enhancing Integration with External Financial Markets

The second prong of our strategy focuses on enhancing integration with external financial markets. We plan to focus on initiatives that would enable the financial sector to reinforce the expansion of our export base. In integrating with external markets, we plan to start with our regional bloc, and then expand to other global economic blocs. We will do these by:

- Creating a platform for seamless and robust link to international financial markets
- Pursuing currency convertibility while maintaining macroeconomic stability
- Maintaining a healthy foreign reserves level
- Assisting in the progressive unification of trade and commercial laws among ECOWAS and AU countries
- Creating an enabling environment for entry of global financial services providers and export of local financial services operators

Building An International Financial Centre

The third prong of our financial system strategy focuses on engineering Nigeria's evolution into an international financial centre. We plan to become an international financial centre in the medium- to long-term. We intend to leverage an area of strength as a key differentiating factor.

Building An International Financial Centre

- To further enable us achieve our objective of transforming Nigeria into an International Financial Centre, we would attract global players by:
 - Creating a pool base of knowledgeable and skilled personnel
 - Providing world-class communication and technology infrastructure in the Financial Services Sector
 - Growing our local customer base (size of the market – integrate West Africa)
 - Leveraging on our previous track record
 - Creating sophisticated market operations

- Creating appropriate and consistent awareness that attracts/creates a positive image
- Developing the physical beauty of the IFC (city spectacle)
- Creating World-class legal and regulatory framework and practices linked to international jurisdiction
- Establishing a capital account liberalisation and currency convertibility environment
- 100% foreign ownership
- Internationally competitive tax rate on income and profits

Building An International Financial Centre

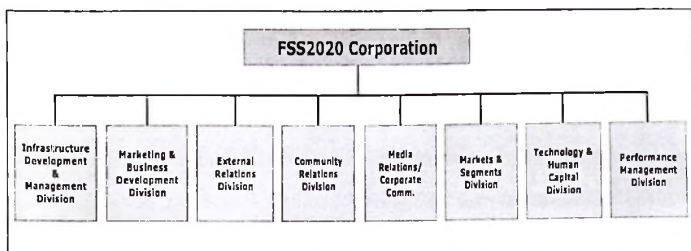
Name: Lekki Financial Corridor (LFC)	Location: Lekki Peninsula
Form: a corporation with different arms responsible for implementation of the strategy. It is also responsible for marketing the LFC, the Nigerian financial market, infrastructure development and management amongst others.	Infrastructure: it would be quarantined from the rest of the country to provide superior service at all levels; it will have its own institutions that would be at a more advanced level of development (infrastructure-wise).
Funding: use of Public-Private Partnerships (PPPs) among the government, private sector and international development agencies.	Governance: the LFC would be run by a board of directors who will be heads of the different regulatory bodies and the head (Mayor) of the LFC.

Our implementation strategies are as follows:

1. Institutionalise the FSS2020 initiative in Government
2. Set-up governance and implementation structures
3. Adopt PPP approach where possible in implementing the initiatives

Implementation Structure

The proposed implementation structure is a corporation, tentatively called the FSS2020 Corporation. The corporation's governance structure and "lines of business" are depicted in the chart below:



Implementation Horizon

Implementation of the strategy has been split into three phases:

- Phase 1 (June 2007 – December 2012): This phase includes quick-wins that will be implemented within the first year, especially around the review and updating of the legal framework. This phase also commences the physical development of the LFC and implementing the technology and human capital initiatives. It requires concerted efforts and high-level energy to give the implementation high momentum to drive it through the other years.
- Phase 2 (January 2013 – December 2016): Emergence of global brands & world-class players, integration of African financial markets & regulatory environment. Development of the physical site for the LFC would continue with a review and revalidation of the strategic objectives and initiatives carried out.
- Phase 3 (January 2017 – December 2020): Emergence of world class financial services industry consistent with the objectives of the FSS 2020 concept. The final years would be spent consolidating all initiatives toward the final performance review of the strategy.

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Mitigants To Anticipated Challenges & Issues

Political Stability

- Developing the right level of political will to see the initiative through
- Ensuring the continuity of the initiative through all new regimes by setting up bodies backed up by appropriate laws

Implementation

- Building an implementation plan with well identified milestones and realistic timeframes
- Identification and adoption of quick-wins
- Obtaining implementation support from relevant institutions
- Setting up an empowered implementation committee
- Continuous evaluation and re-strategizing
- Providing adequate and timely funding

Mitigants To Anticipated Challenges & Issues

Infrastructure

- Communication infrastructural requirements transportation, telecommunication, technology, etc
- Adequate educational coverage
- Availability of credible, comprehensive and timely data

Change management

- Ensuring adequate participation of all stakeholders
- Ensuring buy-in by all stakeholders
- Converting passive stakeholders into active advocates for the change



SECTION FIVE

GUIDELINES FOR INVESTING IN THE ECONOMY

FOREWORD

This is a documentation of the current state of infrastructure in Nigeria; her investment potentials for Small and Medium Scale Enterprises) Development and the capacity available for management of assets within the economy. This compilation is in partial fulfillment of the mandate of the Nigerian Investment Promotion Commission (NIPC) to collect, collate, analyse and dissemination up-to-date information on investment potentials of the Country, amongst several other functions it has to perform. The inventory of industrial estates which is included as part of infra structural facilities available in Nigeria was originally compiled by the Federal Ministry of Industry in March 1994, which has been updated by the NPC. It is pertinent, however, to mention that because of the political and economic travails which the country went through under the military era, there has not been any newly created industrial estate since that date. Nevertheless, the existing ones have attained various stages of development as indicated since they were created.

The information on minerals and agricultural raw materials available on state-by-state basis was also an original compilation of the Raw Materials Research and Development Council which has been slightly modified and incorporated into the table in order to present a comprehensive data on investment potentials of the States to prospective investors. Supplement on investment potentials of various state compiled by the states themselves during the last days of the military Administration is also used. This is a documentation of the current state of infrastructure in Nigeria; her investment potentials for Small and Medium Scale Enterprises) Development and the capacity available for management of assets within the economy. This compilation is in partial fulfillment of the mandate of the Nigerian Investment Promotion Commission (NIPC) to collect, collate, analyse and disseminate up-to-date information on investment potentials of the Country, amongst several other functions it has to perform.

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through the materials on asset management in Nigeria was compiled by Denhan Management Limited, Lagos and made available to the commission to enrich the content of the brochure. While every effort has been made to put together as much information as possible, it is recognized that there is quite a few details that may still need to be provided. This detail will be readily furnished by the NIPC. It is intended that the publication will be updated as necessary from time to time with the NIPC working in collaboration with relevant agencies. In this regard, the views and suggestions of users of the booklet are welcome.

It is my sincere hope that this document will meet the intended purpose of providing adequate information and guidance to would-be investors. It is in that same spirit that I recommend this document.

CHIEF FELIX OHIWEREI

Chairman, NIPC

1.0 CURRENT STATE OF INFRASTRUCTURE

Infrastructure includes all facilities that support economic and social activities. The deficiency in availability and quality of infrastructure often compels industrial enterprises to engage in ancillary investment. This unduly increase investment as well as overhead costs which subsequently have dire consequences for the gestation period of investment, competitiveness of their products and the repayment of loans, of particular importance in this regard, are energy supply electricity and petroleum products; water transportation, telecommunications and industrial estates/layouts.

The Nigerian economy has been badly battered and virtually brought to a state of coma in the last fifteen years or so. The abuses and neglect to which virtually all the sectors of the economy were subjected before the dawn of a new era, signified by the inauguration of a democratically elected government are quite monumental and may be unprecedented in the history of Nigeria. The aspect of the effects of the criminal abuse and neglect of the nation's economy, which can hardly go unnoticed, is the disturbing state of our infrastructural facilities.

The importance of basic infrastructural facilities to the socio-economic development of any nation cannot be over emphasized. The well being of the people and their contributions to the national economy will depend to a large extent on the availability and quality of relevant infrastructure. It is against this background and in order to achieve the policy objectives of government in respect of provision and maintenance of basic infrastructural facilities, that the Federal Government of Nigeria has assigned responsibilities to various Ministries and other Agencies. Although the challenges posed by the long term neglect leading to almost total decay is enormous, the present Administration is however determined to reverse the ugly trend, which it inherited.

2.0 STATE OF INFRASTRUCTURAL DEVELOPMENT IN NIGERIA

Economic infrastructure produces services that are vital to development. Infrastructural inadequacies have continued to be one of the factors that make Nigeria a high cost environment for business thereby making domestic products uncompetitive. Domestic industries are forced to absorb various direct and indirect costs that are imposed on them by the environment in which they operate.

1.1 ELECTRICITY

The development of electricity infrastructure in Nigeria started in the early 1950s when the then Electricity Corporation of Nigeria (ECN) was created. In 1977, the National Electric Power Authority (NEPA) took over the responsibility of ECN. Today, it is saddled with the responsibility of generation, transmission and distribution. The country has 32 identified potential sites for hydroelectricity generation from dam with all estimated capacity of 9,405MW. Currently only about 10 percent of the country's estimated hydroelectric power potentials is been utilized.

1.2 CURRENT STATE OF ELECTRICITY POWER GENERATION

Nigeria has three hydro and five thermal power stations. The combined installed capacity of the eight stations is 5,876MW. This has dropped to 5,400MW in recent years. Today, only 1,600MW of the total installed capacity is available to 30% of consumers of electricity. This is far below the estimated national demand of 2,470MW. The inability to generate at full or optimal capacity is as a result of the state of disrepair and gross negligence of all the eight existing generating plants. The plants are now undergoing massive rehabilitation, refurbishment and turn-around maintenance.

1.3 ELECTRIC POWER TRANSMISSION

The national grid is characterized by its vulnerability to vandalisation, age, rickety line and incomplete loop. Its power transformers and circuit have either broken down or operating at less than full capacity. The grid suffers from vandalisation of its towers, insulators and parts as well as the supply of substandard materials. The grid is virtually non-existent in some parts of the country like the north eastern, northwestern and southeastern Nigeria.

1.4 CURRENT STATUS OF ELECTRIC POWER DISTRIBUTION

Distribution of power is the point of contact with the public and industries. It is the bane of power delivery in Nigeria. The mode of distribution and marketing of power is over centralized and fraught with serious malpractices, bills are irregular and erroneously or arbitrarily estimated. Incidents of non-technical losses occasioned by illegal connection, use of substandard materials or outright consumer theft, contribute significantly to undermine the System.

1.5 RURAL ELECTRIFICATION

Nation-wide rural electrification scheme designed to augment the programmes of NEPA has suffered tremendous setbacks arising from lack of funds and political will. The programme to electrify a significant part of the Local Government headquarters and villages and connect these to the national grid is yet to get halfway.

1.6 CURRENT OPERATIONS IN THE SECTOR

Currently, the National Electric Power Authority is the only government agency statutorily responsible for the generation, transmission and distribution of power in the country. However, there is a plethora of rural electrification schemes nation-wide. The deregulation of the sector has resulted in the emergence of some independent power producers (IPP) now operating in Nigeria, e.g.:

- i. Mobil Nigeria Limited set to generate power from natural gas and provide 350MW of power in Bonny, Rivers State.
- ii Enron Limited - set to generate power from natural gas and provide 540MW of power to Lagos, etc.

4.0 TRANSPORTATION

Road

Although, considerable resources were devoted to road development especially in the period of the oil boom, the conditions of these roads do not justify the huge investment made on them. The poor condition of these roads can be attributed to bad maintenance policies among others. The above notwithstanding, there has been significant progress in road development for the past five years now. All the thirty-six state headquarters and major towns in those states are linked with well-developed network of roads and, in some cases with dual carriage motorways. Top on the agenda of the present administration is road rehabilitation, construction and maintenance programme. The priority accorded the road sub sector is based on the established fact that over 80% of the nation's commercial activities, especially the movement of goods and services depend largely on road transportation. The action programme of government has been directed towards the improvement of road network so that motorists and commuters can be relieved of the agonizing experiences, which they have been enduring over the years. Under the programme, 2,500 kilometres of road

will be rehabilitated annually for the next four years, 1,300 kilometres will be constructed, 1,230 kilometres will be dualised while 24 bridges and modern services like telephone, rest stations medical facilities and 24 hours rescue services will be provided.

Railway

The railway system of about 3,500 kilometres has been receiving attention in recent time in order to boost road transportation.

Seaports

The Nigeria Ports Authority (NPA) has made remarkable progress since its inception in April, 1955. From a modest beginning, today NPA controls major ports excluding oil terminals with a cargo handling. Facilities at the ports include 93 general cargo berths, 3 RORO berths, 7 bulk solid berths, 11 bulk liquid cargo berths, 63 buoy berths in addition to a large number of private jetties. Cargo storage facilities are composed of 63 transit sheds, 22 back sheds, 4 acorn sheds and 40 warehouses all with a total storage area or over 460,459 square metres. Also available at the ports is a fleet of cargo handling plants and equipment. Characteristics of the various major ports are as indicated below:

Generally, firms operating in EPZ, are subject to special regulatory and fiscal regimes which allow them freedom of operation at competitive cost. The Nigeria Premier

S/No	Ports	Location	Maximum Depth of berth	Quay Length (Metres)
1.	Apapa Port	Lagos	24.59	
2.	Tin Can Island Port	Lagos	11.5	2045
3.	RORO Port	Lagos	11.5	2045
4.	Container Terminal	Lagos	10.5	1005
5.	Port Harcourt	Port Harcourt	7.8	1877
6.	Delta Ports	Warri	11.5	2506
7.	Calabar Port	Calabar	11.0	1137
8.	Federal Lighter Terminal	Onne	4.7	1185

AIRPORTS

The significance of the aviation industry in the development of trade, investment and tourism cannot be overemphasized in the 21st Century. To this end, it is fully being utilized in the country. Air traffic and utilization are generally dense with most of the cities and larger towns connected to Lagos and Abuja by an extensive network of domestic flights. Lagos, Kano, Abuja and Port Harcourt are the main International Airports. Several private airlines service all routes.

5.0 EXPORT PROCESSING ZONES

Export Processing Zones (EPZ) by definition are clearly delineated and fenced industrial estates within national customs territories, whose purpose is to attract export-oriented industries. The berthing of EPZ is located at Calabar, Cross River State and it is serviced by:

- Modern and well equipped seaport and international airport.
- Good road network linking Calabar to all the other parts of the country.

5.1 FACILITIES WITHIN THE ZONE

- Serviced Plots
- Uninterrupted Power and Water Supply
- Modern and efficient Telecommunication system excellent internal road networks
- Standard Pre-built factories
- Modern Catering and Recreational facilities Banking Services
- Customs Services
- Warehouses.

5.2 INCENTIVES OF THE ZONE

- Legislative provision pertaining to taxes, levies, duties and foreign exchange do not apply within the zone.
- Tax holiday
- Repatriation of foreign capital investment in the EPZ at any time with capital appreciation on the investment.
- Unrestricted remittance of profits and dividends earned by investors in the zone.

- No import or export licences required.
- Rent free land during construction of factory space.
- 100 percent foreign ownership of enterprises in the EPZ allowable.
- “One-Stop” approvals.
- Sale of up to 25 percent of production permitted in the domestic market.

6.0 ONNE OIL AND GAS FREE ZONE

The zone is meant to enable Nigeria to become a central logistic point for the oil and gas industry in West Africa. The zone takes the advantage of the existing Onne Port Complex, which is being patronized by regular Shipping services bringing cargo from all parts of the world. The concept should be seen as primarily designed to stimulate import and export oriented activities in the nation’s economy and to attract foreign direct investment for its economic growth.

6.1 INCENTIVES

The incentives available to importers and exporters at the port are comparable to the most successful free zones in the world. They include:

- Free Corporate tax
- Free Import and Export duties for goods imported or exported from the Zone
- 100 percent repatriation of capital and profit free from foreign exchange regulation.
- 100 percent foreign ownership
- Free pre-shipment inspection of goods imported into the Zone
- - Free expatriate quota in the heart of a buoy-ant oil and gas activity
- First class facilities
- An efficient oil services centre.

6.2 SERVICE AVAILABLE

- Transit and Marine base services
- Shipping and air freight
- Clearing and forwarding
- Living Camp
- Drilling companies and rig suppliers
- Support vessels, barges and tugs

- Heavy lift facilities and services and tools

7.0 TELECOMMUNICATIONS

Telecommunication services were introduced in Nigeria in the late 1880s. At independence, in the 1960, there were only 18,724 telephone lines developed and managed by the then Department of Post and Tele-communication (P&T). The Nigerian Telecommunication Limited (NITEL) Plc was established in 1985 as a result of the merger of the Nigerian External Tele-communication (NET) and the Telecommunications Division of P&T. Its major objective was to harmonize the planning and coordination of the internal and external telecommunications, which were under P & T and NET respectively. The establishment of NITEL and the subsequent deregulation of the industry have brought about a significant development in the industry. A number of private companies have been licensed by the National Communication Commission (NCC) to undertake telecommunications services. They include MTEL, MTN, Econet, Globacom, Intercellular. etc.

7.1 EXISTING INFRASTRUCTURE IN THE TELECOM INDUSTRY

a. Switching Network

The national telecommunication network consists presently, of three parallel networks for Telephone, Cellular and Telex Switching, respectively. The fourth parallel network, Data and Packets Switching is in its implementation stage.

Integrated Service Digital Network (ISDN) Services have been introduced into the digital services.

b. Telephone Network

The telephone network is structured into four levels:

International level Three (3) switching centres (Lagos, Enugu and Kaduna) all are digitalized. The nodes of the top network level are interconnected by a fully meshed network while the intermediate and local exchanges form a star-shaped network.

c. Pay-Phone System

The MTEL Network is made up of 22,500 mobile cellular telephone lines with service stations located in Lagos, Abuja, Enugu and Jos. The first three are operational while the last station is in its implementation stage. There is only one (1) mobile switch in each station.

d. Telex/Gentex Network

The telex Gentex network consists of a system of telex exchange and Gentex stations, which are limited at the local, national and international levels to provide telex/telegraphy services for national subscribers and the outside world. International telex transmission is carried out through Earth Stations stationed in Lagos, Enugu, Kaduna and Microwave radio to the West African Countries. The Telex network is made up of 16 exchanges with two (2) being digital. The voice telegraph terminals consist of twenty one (21) exchanges. The total installed capacity is 15,000 lines with only 6,843 being connected. Before the end of year 2000, this network would have been replaced by International Digital Network (IDN) services.

e. Transmission Network

The transmission network consists of radio links in the UHF and Microwave range of frequency co-axial cable, optical fiber cable and satellite links. Five satellite stations are in operation. These are sited in Lanlate, Kujama, Enugu, Kaduna, and Lagos. Enugu, Kaduna and Lagos Stations are digital and are used for international traffic. The other two are presently analogue exchange and used for data traffic and Very Small Aperture Terminal (V-SAT) hub respectively.

STATE BY STATE INVENTORY OF INDUSTRIAL ESTATES IN NIGERIA

State: FCT, Abuja

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Idu	1981	Fed. Capital Development Authority (FCDA)	879Ha 1700plots	TR.E.W Available but no telephone, no bank, no post office, no police post.	680 of the 700 plots already allocated. Plots sizes vary from 0.25ha to 2.5ha
2	Gwagwalada		As above		TR.E.W.	Partly Developed
3	Kuje		As above		TR.E.W.	Partly Developed

State: Abia

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Ogbor Hill Industrial	1974	Ministry of Industry	25ha 34 plots	TR.E.W & T	Partly Developed
2	Opobo Road Layout (as Mechanic Village, Aba)	1993	Ministry of Industry	8ha	ER	No development beside per meter/contour survey
3	Umuahia Evangel Layout Umuahia	1992	Ministry of Industry	125.4ha	ER.W	Development of phase I (30 ha) is in progress. Phase II & III to cover 25 ha each will follow
4	Ubakala Workshop Layout					
5	Bende Road/Nkata					
6	Afara Mechanic Village, Aba					
7	Mechanic Layout Industrial estate, Aba.					

State: Ebonyi State

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Uturu Industrial Layout, Uturu					
2	Afikpo Industrial Layout, Afikpo					

State: Bayelsa

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Yenagoa	1987	Ministry of Commerce and Industry	190ha	TR.E.W & T	Partly Developed
2	Sagbama	1993	As above	250ha	ER.E	Partly developed

State: Bauchi

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Bauchi Industrial Layout	1977		135ha (6m ²)	TR.E.W & T	276 of the 300 plots of the layout have been allocated. Plot sizes are 100m. 100m x 100m x 150m & 200m x 200m. Some of the facilities are provided by tenants. Railway siding for easy transportation of goods/machinery available.
2	Industrial layout along Jos Road, Bauchi.	1993	Ministry of Commerce and Industry	33.59ha		At planning stage, preliminary design completed and estimates for infrastructure provision already exist.
3	Gombe	1989		300ha	Partly developed located here	
4	Azare	1989		200ha	ER	Partly developed
5	Misau	1989		100ha	ER	Partly developed

State: Benue

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Makurdi Industrial layout along Makurdi Naka Road	1988	Ministry of Finance & Economic Development (Department of Industry and Commerce)	310ha	TR	Partly Developed

State: Borno

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Pompomari industrial layout (light industrial and heavy industrial Maiduguri)	1989	Ministry of Commerce and Industry	118.20ha of which 56.18ha for light/commerce & 62.02ha for heavy industries	TR.E.W & E	Partly Developed. Fed Government matching grant used to acquire this site physical occupancy rate in light industrial estate is 6/198 and is 40/104 in the heavy industrial layout. Plot sizes are 50m x 60m x 90m respectively.
2	Baga Road (East and West) industrial layout Maiduguri (Also called Bolori Estate)	1976	Ministry of Lands Survey & Urban Planning	76.89ha (190 acres)	TR.E.W.T.R. D	Layout fully developed with medium and large scale industries. All 195 plots have been allocated. Physical occupancy rate is 7/25 in the light industrial layout and 46/170 in the heavy industrial section. 70% of Baga Road layout has unofficially been converted for residential purpose. Plot sizes are 40m x 60m in the light industrial section and 80m x 130m in the heavy industry.

State: Cross River

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Northern Industrial Layout Calabar	1975	State Ministry of Commerce and Industry/Ministry of Lands and Survey	452.53ha (156 plots)	E.TR. ER.T Petrol filling station. Police station & ITF offices	Tenants provided some of the facilities (boreholes). Physical occupation is by tenant only. Part of the area has been allocated to the Export Processing Zone (EPZ).
2	Southern Industrial Layout	1977	As above	144.76ha	E.T.TR & W	Physical occupation by only 3 firms, but all the plots have been allocated.
	Akamkpa Economic Relief	1987	As above	3.25ha (22 plots)	ER	This layout was established for cottage and small industries only to cushion the effects of SAP. But no allocation has been made and factory shade were not built.
4	Ikom Industrial Layout	1984	As above	30.02ha (27 plots)	E. & ER & T	All plots allocated by only 4 tenants are currently in operation. One of these firms has an allocation of 14 plots.

5	Ojoja Industrial Layout	1992	As above	40.85ha (51 plots)	E & ER	Only 16 plots allocated to date. Physical occupation rate is about 6 percent, i.e. only 1 company.
6	Odukpai Industrial Layout	1992	As above	50.147ha	None	New estate

State: Delta

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Asaba	1992	Federal Govt. Ministry of Commerce and Industry	100ha	TR.E.W.T	Land compensation and surveys completed. Quotations for infrastructural design being evaluated. Partly developed.
2	Warri	1992	As above	109 plots	TR.E.W.T.	Partly developed
3	Sapele	1992	Ministry of Commerce and Industry. Delta Steel Industry		TR.E.W.T.	Partly developed
4	DSC Industrial Area	1982	Ministry of Commerce and Industry	411ha	TR.E.W. within reach	411ha includes 180ha for proposed tyre factory, 100ha for industrial estate and balance for housing estate. Partly developed
5	Edewor Industrial Area		Chief Edewor (Private)	1.6 km ²	Facilities provided by occupants	Fully occupied by industrial and oil service companies, including TENACO, Edewor Vegetable Oil Co. etc

State: Edo

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Benin (along upper Sakpomba Road)	1989	Ministry of Commerce Industrial and Federal Ministry of Industry. Funding.	100ha	W.E & TR	Within 1 km of site. Partly developed
2	Auchi Road Industrial Estate.	1989	Edo State Government	300ha	E.W & ER	Partly developed
3	Ebvoriarua Industrial Estate Benin	1994	Edo State Government/ World Bank Funding under IDF Scheme	300ha		Feasibility study just completed. Awaiting funding from World Bank Assisted Infrastructure Development Fund.

State: Enugu

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Emene Industrial Layout, airport Road.	1972	Formerly East Central State Ministry of Lands.	30.4ha (78 plots of which 63ha are industrial and 14ha are commercial	TR.ER.T.W. R.D.E & security services.	Not fully developed. Estimate 55% physical occupancy. All industries there are functional including ANAMCO, Eastern Plastics.
2	Emene Industrial Layout Extension, Abakaliki Road, Enugu.	1975	As above	123 plots	TR.ER.T.E. & SS	Not fully developed. 35% physical occupancy site for IDC permanent site, PRODA, RADUCHE & INTERCIL.

3	Eastern Nigeria Industrial Estate 30 Zik Avenue Enugu.	1964	Formerly Eastern Region Government Ministry of Industry and Commerce Industrial Estate Management Board.	0.5ha	W.E.ETR Built-up factory sheds.	16 units accommodation in all fully occupied and need expansion. Estate management is by the newly created Industrial Estate Management Board.
4	Federal Govt. Assisted Layout, Abakpa, Nike-Enugu	1972	Ministry of Industry and Commerce	118 plots	TR.ER.T & E	Some facilities especially water provided by tenants. Estimated physical occupancy of 45%. Land handed over to NASSI, which opened the earth road, now overgrown. No tenants as yet.

State: Imo

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Onitsha Road Layout (Or Action Area Industrial Layout) Owerri.	1982	Owerri Capital Development Authority	265ha (273 plots)	TR.ER.E & SS	Partly developed
2	New Naze Industrial Layout, Aba Road, Owerri.	1980/81	Ministry of Commerce and Industry	289ha	ER.E	Site covers area for dormant Sach-Hercules Motorcycle Assembly Plants, Integrated Aluminum Products Company. Partly Developed.

3	Umuhia Evangel Layout Umuhia	1992	Ministry of Industry	127.8ha (124 plots)	ER.E	Site cover 45ha. Area for 31 small scale industries proposed by Federal Ministry of Industry in 1979, now designated for electronics market.
4	Amike-Odu Industrial Layout	1993	Ministry of Commerce and Industry	26.076	None	Erosion affecting the site, which lies outside Orlu urban and lacks infrastructure.
5	Okigwe Industrial Layout	1993	Owerri Capital Development Authority		None	No development at site yet.

State: Jigawa

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Dutse Industrial Estate, Damasara Village, Dutse.	1993	Ministry of Commerce and Industry	24ha	ER.W.E	Partly developed. Designs for 127 units marked up of 78 factory shed in 3 different sizes 45 shops and admin buildings.
2	Ringin	1993	As above	5ha		
3	Gumel	1993	As above	5ha		

State: Kaduna

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Kaduna North Industrial Area, Kaduna (TPO451)	1988	Ministry of Commerce and Industry	160ha (400 acres) (63 plots)	E.W.TR.T.RD	Plot sizes vary from 1.6.6.6ha. Estate populated by medium and heavy industries fully occupied.

2	Kaduna Industrial Area, Western Bye Pass, Kaduna (TPO566)	1981	Ministry of Commerce and Industry	256ha (640 acres) 120 plots.	E.W.TR.RD	Few plots yet to be allocated.
3	NNPC Refinery Industrial Layout, Kaduna (TPO542)	1978	As above	48ha (5300 acres) (105 plots)	E.ER	-do-
4	Abuja Road Junction Industrial Area, Kaduna (TPO528)	1978	As above	48ha (120 acres) (140 plots)	E.ER	Plots vary from 1.6.7ha. 36 plots allocated to date.
5	Angwar Mu'azu Light Kaduna (TPO460)	1977	As above	126ha (315 acres) (47 plots)	W.E.ER.40	Plots have been allocated.
6	Mando Road Light Industrial Layout, Kaduna (TPO483 A.B&D)	1978/81	As above	126ha (315 acres) 97 plots)	ER	8 plots have been allocated.
7	Kawo Light Industrial Layout (TPO461)	1977	As above	278 acres	ER.W.E.T	All plots allocated.
8	Dakace Industrial Area, Old Jos Road, Zaria.	1977	As above		ER.W.E.T	Partly developed
9	Cikaji Light Industrial Area, Cikaji, Zaria	1977	As above	55 acres	ER.W.E.T	5 plots yet to be allocated. Average plot size is 2.5 acres (1ha).

10	Kafanchan Light Industrial Area, Kafanchan.	1977	As above	45 acres (10 plots)	ER.W.E.	Plots yet to be allocated.
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State: Kano

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Bompai Industrial area, Kano	1959	Ministry of Commerce and Industry	N.A	E.W.TR.T	Fully developed estate
2	Sharada Industrial Area I, II, and III, Kano	1970	Ministry of Commerce and Industry	430ha	E.W.TR.	Fully developed estate with medium and large scale enterprises.
3	Sharada SME, Estate	1972	Ministry of Commerce and Industry	583ha	E.W.TR.	Estate fenced, and lies within Sharada Industrial Estate. Area is for 83 plots. Plot sizes are 15 x 22.5m; 15 x 30m; 22.7 x 37.5m
4	Challawa Industrial Area, Kano.	1989	Ministry of Commerce and Industry	N.A	E.W.TR.	Estate fully developed with medium – large scale enterprises.
5	Hadejia Rd Industrial Area, Tokorawa SME Layout, Kano.	1989	Ministry of Commerce and Industry	61.62ha	E.W.TR.	Estate fully developed with medium – large scale enterprises.
6	Tokorawa SME Estate, Kano.	1989	Ministry of Commerce and Industry	45ha	E.W.TR.	Estate to be developed for SME's.
7	Zaria Rd Industrial Layout, Kano.	NA	Ministry of Commerce and Industry		E.W.TR.	

State: Katsina

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Katsina Industrial Estate	1988	Ministry of Commerce and Industry	14.18 acres	ER.W	21 plots to be completed
2	Funtua-Zaria Rd. Gusau Rd.	1989	Ministry of Commerce and Industry	7.2 acres		
3	Dutsinma Industrial Layout	1989	Ministry of Commerce and Industry	7.5 acres		
4	Daura Industrial Layout	1989	Ministry of Commerce and Industry	5.7 acres		
5	Malumfashi Industrial Layout	1988	Ministry of Commerce and Industry	7.5 acres		
6	Okankia	1988	Ministry of Commerce and Industry	6.5 acres	ER.E.W	
7	Mani	1987	Ministry of Commerce and Industry	5.2 acres		

State: Kebbi

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Goru Bulasa Estate and Industrial Layout	1992	Ministry of Commerce	1Km ²	E.W.ER	84 plots of which 42 are 100 x 80m, and the other 42 are 140 x 100. Only 3 of the former plots have been allocated.
2	Yauri	Proposed	Ministry of commerce	10ha	Proposed estates	
3	Zuru	Proposed	Ministry of commerce	10ha	Proposed estates	

State: Kogi

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Lokoja Industrial Estate, along Okene-Abuja Highway, Lojoka.	1994	Ministry of Lands	Over 100ha		Land surveyed but compensation yet to be paid. No further development and no evidence of FGN grant for special federal industrial layout.

State: Kwara

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Ilorin Industrial Estate.	1971	Lands Department	62.0ha	E.ER.W	Facilities provided by allottees. 80 of the 136 plots, each of 1ha have been allocated.
2	TPO 140 A & B Pilgrims Camp, Ilorin.	1980	Lands Department	136.0ha	E.T.ER.W	Facilities provided outside the estate by private arrangement of industrialists.
3	TPO 158, Ajase Rd, Ilorin	1981	Lands Department	174.0ha	E.TR.W.ED.FD	Not developed as yet
4	Ilorin Industrial Estate, TPO 141, Asa Dam/New Yidi Rd, Ilorin	1984	Lands Department	30ha	E.TR.W.ED.FD	Not developed as yet

5	TPO 203 AFON, Afon Ogbondoko Rd Ilorin.	1987	Lands Department	54ha	E.TR.W.ED.FD	Not developed as yet
6	Omuaran Industrial Estate.	1985	Lands Department	112ha	E.TR.W.ED.FD	Not developed as yet
7	Share Industrial Estate	1985	Lands Department	8ha	E.TR.W.ED.FD	Not developed as yet
8	Bode-Saadu Industrial Estate.	1987	Lands Department	291ha	E.TR.W.ED.FD	Not developed as yet
9	Lafiagi Industrial Estate	1986	Lands Department	54ha	E.TR.W.ED.FD	Not developed as yet
10	Jebba Industrial Estate.	1984	Lands Department	209ha	E.TR.W.ED.FD	Not developed as yet
11	Offa Erinle Industrial Estate, Offa.	1987	Lands Department	241ha	E.TR.W.ED.FD	241 plots
12	Ulagbo Industrial Estate.	1979	Lands Department	77ha		2 industries currently on the site.

State: Lagos

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Yaba Industrial Estate	1958	Ministry of Commerce and Industry	1.112ha	E.T.TR.RD Restaurant Security service, and built-up factory sheds (fs)	For SME. All 42 factory shed in 3 size lots (47.25, 57.99 and 118.8m ² are allocated. 29 of the tenant-firms offer services while 14 are engaged in manufacturing.

2	Matori SME Estate Fatai Atere Way, Mushin	1975	Ministry of Commerce and Industry	2.07ha	E.T.TR.W.RD SS and built-up factory sheds	For SMEs. All 32 factory sheds in 3 sizes (162.9m ² , 313.2m ² and 462.3m ²) are allocated.
3	Isolo SME Industrial Estate, Cheeseborough way Isolo	1993	Ministry of Commerce and Industry	6.28ha	E.T.R.T.W.RD SS and built-up factory sheds	Each of 12.3m x 6.15m have been allocated. All existing tenants-firms are engaged in manufacturing.
4	Lagos Technology Incubator Centre, Agege	1993	Fed. Min. of Science and Tech. And State Min. of Commerce and Industry	6ha	E.T.R.W.SS	For SMEs. All 21 units in phase I are allocated but physical occupancy is 6/21 as at January 1994. Shed dimensions vary.
5	Igando SME Estate	1993	Fed. Min. of Science and Tech. And State Min. of Commerce and Industry	6ha		Still being developed.
6	Epe SME Estate	1993	As above	6ha	E.T.TR.W.E D.RD	Still being developed.
7	Imota SME Estate	1993	As above	26ha	E.T.TR.W.E D.RD.ARE	Still being developed.
8	Apapa Industrial Estate	1957	Ministry of Physical Planning and Environmental and New Town Devt. authority, Min. of Commerce and Industry.	100ha	E.T.TR.W.ED	Next to Apapa Port. Fully occupied by medium – large manufacturing, commercial enterprises including Flour Mills CAPL, Christlieb, GM Motors, etc.

9	Ikeja Industrial Estate.	1959	As above	180ha	E.T.TR.W	Fully occupied by medium - large manufacturers including Guinness, Dunlop Nig., Textile Mills, Nigerite, etc.
10	Ilupeju Industrial Estate	1962	As above	110ha	E.T.TR.W.E D.RD.ARE	Fully occupied by medium - large manufacturers, PZ, RD, ARE, Nestle Foods, Sterling.
11	Uora Industrial Estate	1965	As above	160ha	E.TR.W	Fully occupied by medium - large enterprises.
12	Iganmu Industrial Estate	1965	As above	80ha	E.W.TR.ED.RD	Fully occupied by medium - large enterprises, e.g. Nigerian Breweries Plc, Thomas Wyatt, etc.
13	Oshodi/Isolo Industrial Estate (off Badagry Express Way)	1968	Ministry of Commerce and Industry	140ha	E.W.TR.T.RD	All 135 plots are allocated. Estate fully developed and associated with a residential estate. Existing tenants are mainly medium - large manufacturers including Aprint Textiles, Aswani Textiles, Johnson Wax, etc.

14	Amuwo-Odofin	1969	Ministry of Physical Planning & New Towns Devt. Authority.	200ha	E.W.TR.T.RD	Fully developed.
15	Ogba Industrial Estate	1969	As above	150ha	E.TR.W.T.RD	Estate fully developed. All 95 plots allocated occupied by medium – large manufacturers including Guinness, West African milk, Carnaud Metal Box, etc.
16	Oregun Industrial Estate	1981	As above	100ha	E.ER.W.ARE	Estate is partly private but fully developed. All plots allocated.
17	Agidingbi Industrial Estate	1969	As above	97ha	E.W.TR.T.RD	Fully developed. Home to Cadbury, Daily Times and Nig. Bottling Co.
18	Gbagada Industrial Scheme	1974	As above	50ha	E.T.TR.W/RD	Schemes with a residential estate. All 28 industrial plots allocate as are all the 619 residential plots.
19	Ikorodu Industrial Scheme	1974	As above	1,582.27ha	E.ER.W.ARE	Estate partly occupied by medium – large enterprises including PZ, steel rolling mill, fishing companies, etc.
20	Surulere	1981	As above	20ha	E.W.TR.T	

21	Badiya	1958	As above	15ha	E.T.TR.W/RD. ARE	All 58 plots allocated. Largely commercial.
22	Motori Industrial Estate			120ha	E.T.TR.W/RD	Fully developed occupied by medium – large enterprises.
23	Oyediran/Yaba	1970	As above	20ha	E.Ws.T.TR. & RD.ARE	Fully developed occupied by medium – large enterprises.
24	Illasamaja	1971	As above	60ha		
25	Lagos South-West	1972	As above	317ha		
26	Kirikiri	1981	As above	30ha	E.W.TR.	
27	Mosafejo-Aradagun Industrial Estate Badagry	1980	As above	214.27ha		Estate partly developed, but all 97 plots allocated.
28	Abesan/Ipa ja	1981	As above	100ha	ER.ARE	Industrial estate associated with residential estate. Partly developed.
29	Akowonjo	1976	As above	50ha		Part of the area has been squatted upon. Existing tenants are largely small-scale enterprises.
30-34	The State Government proposes to establish other industrial estates at Oworonsoki, Oduragunsin, Ginti, Agbowa, Ewu-Elepe, Oko-Afro/Ilogbo					

State: Nasarawa

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Keffi	1993	State Government	35ha	TR.Z.W.PFS	Partly developed
2	Lafia	1987	As above	60ha	E.W.SS.TR	Partly developed
3	Karu	1993	As above	44ha	E.W.TR.SS	Partly developed

State: Niger

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Minna Industrial Layout Phase I	1978		63ha	W.TR.E.T	35 plots fully allocated.
2	Minna Industrial Layout Phase II	1988		150.225ha	W.TR.E.T	88 plots, partly developed. All 31 plots of 130 x 138m allocated are 15 plots of 100m x 100m.
3	Bida	1984	Federal Govt. Assisted	170ha	E.ER	Being developed, 102 plots.
4	Suleja	1989		80ha		Planning for 39 plots. Only compensation for land has been paid.
5	Kontagora	1984	Federal Govt. Assisted	150ha	E.ER	Being developed into 50 plots.

State: Ogun

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Sango-Ota Industrial estate, Idi-Iroko Rd., Ota.	1980	Ogun State Housing Corporation	60.879ha, 4 (208) plots	E.T.IR.ER.S SARE	185 of the 232 plots allocated are partly occupied by medium and large establishments like Nestle, Honda Manufacturing, Intersadine, etc. associated with a residential estate. Plot sizes are 0.5ha and 1ha.
2	Abeokuta (Lagos-Abcokuta) Road.	Pre 1976	As above	887.082ha (140 plots)	ER.E.W	Partly occupied by medium manufacturers of paints, ceramics, iron roofing sheets. Plot sizes are 0.5ha and 1ha.
3	Ikangba, Ijebu Ode	1979	As above	341.20ha, (64 plots)	E.T.ER.TR. W.SS	Partly developed. Only 7 of the plots at Ikangba have been allocated. Home to Gateway Pharmaccutical Co.
4	Itanrin, Ijebu Ode	1979	As above	877ha (561 plots)	E.ER	Not yet developed
5	Apoje, Ijebu Igbo	1979	As above	240.246ha	E.ER	Not yet developed
6	Ifo Industrial Estate	1980	As above	340.30ha	SS	8 of the 47 plots at Ifo have been allocated

7	Sagamu Ind. Estate	1979	As above	212.679ha	T.TR.E.W.SS	17 industrial plots available
8	Odogbolu	1979	As above	380.201ha	ER.E	15 industrial plots available
9	OPIC Estate, Agbara	1979	Ogun State Property and Investment Co. (OPIC)	160ha	E.W.TR.ED. ARE, club House	Partly occupied by large manufacturing establishments
10	OPIC Estate, Abeokuta along Lagos-Sokoto Expressway	1991	As above	63.5ha		Layout in progress
11	New OPIC Estate, along Lagos-Ibadan Expressway	1993	As above	1000ha		Fully developed
12	Abeokuta Ind. Estate Ajebo Road	1987	Ministry of Lands, Survey and Town Planning	254.58ha (350 plots)		97 of the 350 plots have been allocated and partly developed.
13	Agbara Estate Ltd.	1973	Private			Partly developed and occupied by medium-large manufacturing establishments like Lever Brothers, Glaxo, CMB, Toyo Glass, Dumex, etc. associated with a residential scheme. Perhaps Nigeria's best planned private industrial estate.

State: Ondo

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Ondo-SME Estate Ile Oluji Rd. Ondo	1989	Ministry of Commerce and Industry	10.379ha	None as yet	47 plots to be available
2	Ado Ekiti SME Estate, Ikere Rd. Ado Ekiti	1989	As above	11.407ha	None as yet	38 plots to be available
3	Owo SME Estate, Benin Owo Rd Owo	1989	As above	10.52ha	As above	43 plots to be available
4	Ondo Industrial Est., Ondo	1978	Ondo State Housing Corporation.	34.773ha	E.W.ER	Partly developed. 10 of the 45 plots have been allocated. 3 firms on site.
5	Ondo Rd, Ind. Estate.	1988	As above	342.10ha	E.ER	Partly developed. 19 of the 72 plots have been allocated. 1 firm on site.
6	Owo Light Ind. Estate, Owo-Ikere Junction, Owo	1989	Ministry of Lands	13.3ha	E.ER	All 8 plots already allocated, 2 firms on site
7	Akure Ind. Layout, Ilesha Road, Akure.	1976	As above	28.90ha	E.ER. 2 Industries located	13 of the 44 plots have been allocated, 2 firms on site.
8	State Ind. Layout, Lalesha Rd. Akure.	1980	As above	327.52ha	E.ER	16 of the 313 plots have been allocated. 9 firms on site.

State: Osun

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Oshogbo SME Estate.	1992	Ministry of Commerce and Industry	29ha	ER	Yet to take off
2	Ilesha SME Estate	1992	As above	30ha		Not yet executed
3	Oshogbo-Iwo Road Trade Fair Complex.		Ministry of Lands	175ha		Land just acquired
4	Ajaka Estate, Oshogbo Rd. Ilesha	1970s	Osun State	81.1ha	ER	108 plots still under construction
5	Oroki Estate, Ilobu	1976	Osun State Property Devt. Co.	36.54ha	E.W.TR.T	21 plots
6	Ede Akoda Ind. Estate	1982	As above	42.35ha3.0 ha		
7	Moremi Ind. Est., Ile-Ife	1970	As above	Under preparation	E.ER	
8	Okinu via Oshogbo	1993	As above			

State: Oyo

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Ogbomosh o SME Estate		Ministry of Commerce and Industry	20.30	E.W.TR.SS	Partly completed, 35 plots proposed
2	Shaki SME Estate		As above	240	As above	Land acquired
3	Oyo SME Estate		As above	23.46	As above	Land acquired, 39 plots proposed.
4	Oluyole Ind. Extension Estate	1973	Ibadan Local Govt. Council	617.06	E.W.TR.T. SS.MW.ARE	All 104 plots allocated. About 70 percent of allottees have moved in.

5	Lagos Rd. Scheme	1972	As above	23.1	E.T.TR	Partly developed but all 67 plots allocated. 25-30 percent allottees have moved in.
6	Iwo Rd. Ind. Scheme, Monotan Ibadan	1975	As above	566.39	E.TR	10 percent of the 59 plots already allocated. 6 firms already operating including Exide Batteries, Triplex Safety Glass, etc.
7	Owode Ind. Estate.	1973	Oyo State Property Corporation (OSPC). All OSPC Estates are associated with residential schemes	289.84	E.TR.W.RD. ARE.SS.FS. Schools, Banks, Clinic, Record Club	23 of the 76 plots have been allocated
8	Olubadan Ind. Estate, new Ife Rd. Ibadan	1987	OSPC	200.13	E.T.ER.RD.E D. ARE.SS. Clinic. Schools. Banks, etc	All 22 plots allocated
9	Iwo Rd. Estate, Eji-Oku Ibadan	1989	OSPC	200.13	E.ER.SS.W	86 plots partly developed
10	Ogbomosh o Industrial Estate		OSPC	223.15	At design stage.	Not yet developed. 43 plots proposed.
11	Ondo-Ona Kekere (Phase I)	1992	Ministry of Lands	129.7		90 plots planned.

State: Plateau

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Naraguta Light Ind. Estate	1989	Municipal Authority	30	T.R.E.W	Partly developed
2	Anglo-Jos Medium and Large Ind. Estate, Jos.	1989	As above	198	As above	Extension of existing industrial area occupied by Jos Steel Rolling mill, Jos International Brewery & NASCO Group.

State: Rivers

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Ahoadia Ind. Estate	1987	Ministry of Commerce and Industry	250	ERE.W. Central Workshop & Scientific laboratory completed.	Waterlines passing through the estate can be tapped. 3 plots factories for manufacturing pins, chalk and candles commissioned.
2	Trans-Amadi (Phase I & II) Industrial Layout	1960	Ministry of Lands	2,500 acres for phase I	TR.W.T.E & RD	Phase I fully developed and occupied while Phase II is still under-developed
3	Alesa Eleme (Onne) Layout	1993	Ministry of Industry and Commerce/ Fed Ministry of Lands funding	67.05	NONE	Still under-developed
4	Isiokpo Layout	1993	As above	250	NONE	As above

State: Sokoto

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Kalambiana Ind. Layout Heavy	1961	Ministry of Commerce and Industry	135	E.T.W.TR.SS	Fully developed. 64 plots allocated to medium-large establishments including Sokoto Cement Co.
2	Light Ind. Area, Phase I Canteen Area, Sokoto	1971	As above	70	E.ER.W.T.SS	Fully developed
3	Light Industrial Area Phase II Sokoto	1976	As above	80	E.ER.W.RD. T.SS	Fully developed. The Phosphate Beneficiation Project is located in this Estate
4	Bye-Pass Light Industrial Layout, Sokoto	1988	As above	18	None as yet	Yet to be developed

State: Taraba

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Jalingo Ind. Layout Jauro	1992	Ministry of Commerce and Industry	25	ER	Site acquired, compensation paid and earth roads being opened up.
2	Yinu Village Jalingo					Partly developed

State: Yobe

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Potiskum Rd. Industrial Layout (A & B)	1993	Ministry of Commerce and Industry	117.3ha divided into 2 parts by the Trunk A Road.	E.W.TR	NEPA HT electricity line running through Maiduguri to Potiskum passes by the Estate. Federal Government funds were used to acquire the site B layout for SMEs.

State: Zamfara

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Gusau Light Industrial Area	1975	Ministry of Commerce and Industry	68	E.T.W.TR.SS	68 plots fully developed
2	Special Federal Industrial Layout, Gusau	1992/93	As above	75	E.T.ER.TR. W.WW	26 plots partly developed.

INVESTMENT POTENTIALS FOR SMALL AND MEDIUM ENTERPRISES (SMEs) IN NIGERIA

7.1 INTRODUCTION

The advent of SMEs in Nigeria was necessitated by the need to stimulate the establishment and growth of industries, in order to launch the country's industrial development. Governments the world over as well as development experts recognize the critical role SMEs play as the main engine of growth and a major factor in promoting private sector development and partnership. SMEs are indeed the bases that

provide the necessary impetus for the transformation of most industrialized economies. Thus, SMEs serve as pivots for industrialization.

SMEs therefore, represent the most vital and dynamic sector of growth especially for developing nations like Nigeria. This is because, they have proved to be among other things:

1. Vehicle for employment generation thereby increasing the purchasing power of citizens and also contributes significantly to improved living standards.
2. Major drive for the development of a broad based entrepreneurial culture with equitable and sustainable diversification and dispersal of industries in all facets of the economy.
3. Means of producing a core trained manpower for utilization in major industries. This is particularly of importance because our educational system lays more emphasis on paper qualification to the detriment of the development of technical skills.
4. Source of linkage and Support services to major industries. Where these services are not available the major industries cannot operate effectively because They will have to import all of their requirements which will be too cumbersome and thereby disrupt production process.

Hence, the rapid growth of the SMEs is of critical importance not only to promote the development of locally owned industries but equally for socio-economic development through generation of employment and income on a much wider scale and the extension of industrial production over a diversified base.

DEFINITION/CLASSIFICATION

SMEs refer to those enterprises whose total investment is limited to amount not in the large scale category' and therefore do not have economics of scale in their own right.

These investments are usually characterized by:

- i. Low set-up capital
- ii. Short gestation period
- iii. Small labour force
- iv. Use of simple technology etc.

Thus, according to the National Council on Industry SMEs are those enterprises in which total capital (working capital inclusive) falls within ₦1 million to ₦150 million mark with a labour force of between 11 to 100 people.

Classification: Industrial enterprises in Nigeria are categorized according to their level of investment as depicted thus:

TOTAL INVESTMENT (INCLUDING WC) LESS LAND LABOUR FORCE

Cottage	Not more than N 1 million	Not more than 10
Small	Above N 1 million but not exceeding ₦40 million	11-35
Medium	Above ₦40 million but not exceeding ₦150 million	35-100
Large	Above ₦150 million	Over 100

Source: National Council on Industry, 1996.

GOVERNMENT INVOLVEMENT WITH SMEs

Government concern with the development of SMEs was prompted by the critical role they play in industrialization. More so, the failure of other developmental policies (such as import substitution industrialization) to booster the country to the required level of advancement, forced governments to refocus its policies to look inwards.

Meanwhile, government involvement in this sector is mainly in terms of favourable policy formulation and establishment of support institutions. Nigeria's industrial policy since the 1980s has been directed at using the oil wealth to develop the industrial and manufacturing base of the economy. Specifically, the objectives of this policy is to achieve among others:

- i Maximization or local value-added
- ii Steady growth of technological and material self-reliance
- iii Industrial dispersal
- iv Promotion of export promotion industries;
- v Employment generation

These attributes, the government realized could best be achieved through the development or SMEs. Therefore the strategy of promoting the SMEs by government was aimed at opening up the vast rural areas of the country and creating remunerative employment opportunities. In addition the strategy is also intended at using the SMEs to serve as a springboard by which indigenous entrepreneurs should be able to

undertake venture in the large-scale subsector eventually and attract foreign direct investment through partnerships. Accordingly in order to make the strategy successful to achieve the desired objectives the government established an umbrella organization for the small-scale industries with all the attendant advantages. This is called Small and Medium Enterprises Development Agency of Nigeria (SMEDAN). Banks have also established a scheme called Small and Medium Industries Equity Investment Scheme (SMIEIS) to take up equity in SMEs. The Bank of Industry is also established to grant credit to industries. Meanwhile, research institutions such as the Raw Materials Research and Development Council have been commissioned to provide valuable information on opportunities in the sector. In spite of all these government efforts, the sector is yet to realize the desired result due mainly to the inability of the local entrepreneurs to take advantage of the opportunities provided and some other inherent problem of the macroeconomic environment of the recent past. Notwithstanding this limitation however current level of activities in the sector is still commendable although there is room for improvement in order to reach the desired level of development.

POTENTIAL AREAS OF INVESTMENT FOR SMEs

Investment opportunities for SMEs in Nigeria are to say the least tremendous. Virtually all sectors of the economy offer a need either in terms of finished goods or input to processes of raw materials to bigger industries and other support services to these industries. Therefore opportunities exist in every sector especially the priority sector that attract government incentives. These include:

i. Agro-Allied Industries

- a. Production of products which assist in farming and processing of farm produce such as farm implements and simple technology for storage and preservation.
- b. Food processing industries to convert the farm produce into semi-processed and finished goods.
- c. Industries for leather processing and production of leather products

Specifically, projects for which studies have been conducted on their viability include:

- a. Production of puffed cereal biscuits

- b. Fish and meat smoking
- c. Cassava processing for production of garri
- d. Reconstituted pasteurized milk
- e. Pasta production
- f. Small-scale tanning
- g. Fibre processing
- h. Bee keeping cum honey
- i. Mineral water production
- j. Desiccated coconut etc.
- k. Mini sugar plant

ii. Chemical, Petrochemical and Pharmaceutical Industries:

Most of the raw materials input in this field is by products of petroleum, which is the major product of this country, and some natural minerals widely available. Therefore, opportunities exist for:

- a. Fertilizer production
- b. Rubber, plastic and wood products
- c. Pharmaceuticals

Some specific area of investment in high demand include:

- a. Production of infusion solution
- b. Ophthalmic lenses
- c. Ethyl alcohol
- d. Phosphoric acid
- e. Glycerin recovery
- f. Polyester resin
- g. Oxygen Production
- h. Production of Industrial glues and adhesives Production of rodenticides.

iii. Mechanical Engineering and Metals Industries:

Opportunities abound for:

- a. Metal fabrication
- b. Production of machine tools
- c. Spare parts fabrication

d. Foundries and forges

Specific areas of investment include

- a. Maintenance and repair shop
- b. Metal coating shop such as chromium plating
- c. Metallic Stearate
- d. Copper salts
- e. Zinc chloride, sulphate, cyanide and nitrate
- f. Sodium/potassium citrate and iodides
- g. Calcium carbide
- h. Sodium sulphide

iv. Building and Construction Sector

Opportunities in this sector include among others:

- a. Cement production
- b. Production of non-metallic building materials
- c. Electrical fittings

Specific areas of investment include:

- a. Manufacture of village silos
- b. Production of wall and floor tiles with cement base
- c. Production of sanitary ware
- d. Production of straw board
- e. Abrasive wheels
- f. Copper wire, soldering wire
- g. Switches, plugs sockets and other electrical accessories
- h. Hot dip galvanizing
- i. Silica gel

OTHER AREAS

The following investment potentials available to SMEs also fall within the list of pioneer industries products, which attract incentive of tax holiday for a period of the years. These include:

- Manufacture of paper pulp

- Manufacture of yarn and man-made fibers
- Manufacture of nets from local raw materials
- Manufacture of gas cylinders
- Rubber plantation and processing
- Gum/Arabic plantation and processing
- Vehicle parts manufacture
- Oil palm plantation and processing - Book printing

Specific areas of investment include:

Nineteen (19) Domestic Earth Stations (DOMSAT) are located in some states capitals, these are operated by three leased INTERSAT transponders for national TV coverage. Presently, 110 IMMARSAT terminals are operational in the country.

a. Internet system

NITEL has installed 5,500 ports to provide Internet services. The Point of Presence (POP) are:

Lagos 3000 ports

Abuja 1000 ports

Kaduna, Enugu and Bauchi

b. Private Network (BIZNET)

NITEL operates a Domestic Satellite - based private Network for business community, (BIZNET). This is aimed primarily for Voice and Data transfer. The network is made up of fourteen (14) terminals with one hundred and seven (107) circuits utilizing 36 MHz Leased INTELSAT transponders.

c. Frequency Monitoring System

- i. Fixed International Monitoring stations in Lagos, Ogoja, Azare and Gusau
- ii. Mobile monitoring system of three mobile stations in the Lagos area. Each of the fixed stations, when fully operational, will contain:
- iii. Radio receivers capable of receiving signals from low frequency to superhigh frequency
- iv. Spectrum Analyzer
- v. Field strength measuring equipment (iv) Direction finding equipment
- vi. (v) High quality receiving antennas etc.

7.2 REGULATORY BODIES

a. **The Ministry of Communication**

- The, Ministry of-Communication is responsible for the management of the Radio Frequency Spectrum from Nigeria. In the discharge of this responsibility, the Ministry ensures that the spectrum available to Nigeria is put to the best possible use.
- The Ministry also discharges the following responsibilities;
- Coordinating, as the national administration, all matters relating to the International Telecommunications Union (ITU) preparation of guiding principles and recommendation of the functioning of national and international meetings concerning the international consultative committee bodies of the ITU;
- Coordination and negotiation of all matters relating to harmful interferences that are referred to the Ministry for solution;
- Ensuring the establishment of adequate maritime, aeronautical and space services to the region.

b. **Nigerian Communication Commission (NCC)**

The Commission was established in 1992, with the following as its functions among others:

- Licensing telecommunication operators and facilitating private sector participation and investment in the telecommunication sector of the Nigerian economy;
- Establishing and supervising technical and operational standards and practices for network operators, overseeing the quality of services provided by the operators and setting terms for the inter-connection of different carriers/network;

- Ensuring that the interest of the consumer of telecommunication services is protected by promoting competitive pricing of such services and combating the abuse of markets power;
- Mediating between operators, carriers and consumers;
- Reporting and giving assistance to the Ministry of communication in respect of its regulatory functions.

c. National Frequency Management Board (NFMB)

In order to streamline the management of radio frequencies, the government is proposing the establishment of a Board to be known as the National Frequency Management Board (NFMB). It would be responsible for the planning, coordination, allocation, assignment, registration and monitoring of the radio frequency spectrum in the country. To facilitate the operation of the Board when constituted, relevant portions of the law establishing the NEC and the NCC, relating to radio frequency spectrum management would be reviewed accordingly.

8.0 LAND

Land is available for all purposes and the method of acquisition is simple and straight forward. All lands in Nigeria belong to the Federal Government and the authority over their administrations vested on the state governments which are 36 in number, in addition to the Federal Capital Territory. Land, whether~ for industrial or other purposes, can be leased from the State Government at prevailing rates in the respective states. The land lease is for a term of 99 years unless a company stipulates a shorter duration. In some cases, there are various concession and incentives with respect to land granted to investors by State Government.

9.0 INDUSTRIAL ESTATE/LAYOUTS

The provision of industrial infrastructural facilities in Nigeria can be closely linked to the establishment of Industrial Estates. Since 1958 when the first Industrial Estate was established in Yaba, Lagos State, successive Nigerian Government at the Federal and State levels have made bold efforts to build industrial layouts/estates in different locations throughout the country. These initiatives were undertaken with a view to

facilitating the establishment of manufacturing outfits whether large, medium or small-scale and thereby promoting rapid industrial development. By building industrial layouts/estates where land Ownership is unencumbered along with supporting infrastructural facilities such as good access roads, electricity and water among others, it is believed that some of the major problems facing business start-ups will be eliminated. However, after four decades of this policy, it would appear that achievements have fallen far short of expectation, especially outside the major industrial centres of Lagos, Kaduna-Kano axis and Port Harcourt-Aba Area. Current Government policy is more in favour of developing industrial estates for promoting small scale manufacturing enterprises in both urban and rural areas. Stated below, on a state-by-state basis, is the list of industrial estates in Nigeria.

Abbreviations representing facilities and services provided in the estates are as follows:

Services

- PFS Petrol Filling Station
PS Police Station
SS Security Service
RST Restaurant
RD Refuse Disposal
ARE Associated Residential Estate

Facilities

- E Electricity
ER Earth Roads
TR Tarred Roads
W Water
T Telephone
- Large scale mechanized farming
 - Cattle ranching and piggery of not less than 500 herds
 - Re-refining or recycling of waste oil
 - Large-scale inland fishing farms
 - Manufacture of flat sheets

- Manufacture of alum, enzymes, concentrates, welding electrodes, nails, iron rods and ropes.
- Production of coal briquettes

Key Advantages

Meanwhile the other advantages for investing in the SME sectors are

1. Market: Demand for these products are not met even at the home market with a population of about 120 million people while opportunities for export to other African regional markets are offered by Nigeria's strategic location with access through both land and sea to other countries.
2. Availability of raw material inputs for these industries as well as trained and trainable workforce.
3. Provision of government incentives in terms of tax holidays and development of industrial estates.
4. Availability of credit facilities from Banks and other development finance institutions specifically designed for the sector.

ROLE OF NIPC IN PROMOTING SMEs

1. Identification of Local Entrepreneurs Actively Involved in the Sector and Promoting their Activities. This involves the establishment of contact with business and industrial association to which local entrepreneurs belong. The Commission maintains close contact with these bodies to boost their activities through local investors for investment missions and facility visit.
2. **Match-making with Prospective foreign Investors**
One of the mandates of the Commission is to coordinate match-making activity between the local entrepreneurs and their foreign counterparts. The Commission invites members of the SMEs to hold discussions with their foreign counterparts whenever a foreign trade delegation visits the country. Plans are also underway to embark on foreign trade missions to some targeted countries to boost the activities of the SMEs.
3. **Provision of Information**
As an Investment Promotion Agency, the Commission provides information on opportunities and potentials available in the country with a view to promoting

the activities of SMEs. This data is effectively disseminated at available avenues such as trade fairs, exhibitions, investment missions and other promotional activities.

ANALYSIS OF SOME: SELECTED PROJECTS THAT CAN BE TAKEN UP IMMEDIATELY.

These are projects for which studies have been conducted by Raw Materials Research and Development Council (RMRDC), resulting in a detailed analysis of investment prospect and requirements including costs, process, market etc.

1. FRUIT JUICE AND CONCENTRATE PRODUCTION PLANT

Introduction

The availability of abundant fruit varieties in Nigeria coupled with the seasonal nature of these fruits make it desirable to process them into user-friendly products. Meanwhile natural fruit juices and squashes are preferred to the carbonated drinks by individuals due to health reason. Also fruits are among the vital ingredients for the healthy growth and sustenance of the individual. In addition, production of fruit juices is made easier with the advent of basic technology for it. Thus, it is a very viable project.

Market: The country's population of about 120 million people provides a ready market for fruit consumption, conservatively put at about 10,000 tonnes of juice per annum. Access to ECOWAS and other African market is also guaranteed. **Raw Materials:** Major raw materials for making juice include fruits, sweeteners sugar, citric acid and probably preservatives. In Nigeria, fruits are available in the following quantities:

FRUITS	TONNES/ANNUM
Citrus	7,500,000
Mango	3,000,000
Tomatoes	32,000,000
Guava	8,000,000
Paw Paw	7,000,000
Pineapple	5,000,000

HYDRATED LIME PRODUCTION PLANT

Product: Hydrated Lime Uses:

- As industrial raw material for production of caustic soda, controlling of acidity, precipitated calcium carbonate production and cement, fertilizer and rayon. also for production of calcium hydrochloride bleach, citric acid, phosphate chemicals, glycerin and polypropylene oxide.
- In building industry, it is used in the manufacture of cement
- In metallurgical industry, it is an input in the production of non-ferrous metal such as Copper, zinc, lead, gold, silver and uranium.

Market: National demand alone is put at 101,000 MT/A while current supply is about 35,000/ A, the remaining 65,000 MT/A demand is largely unattended to. Also access to ECOWAS and other African markets.

Raw Materials: Limestone for which deposits (quantified and un-quantified) exist in about 12 States of the Federation.

2. PRECIPITATED SILICA PLANT

Product: Precipitated silica is essential filler, which impacts elasticity, resistivity and flexibility to rubber products.

Uses: It is mostly used in rubber reinforcement, for tyre making, footwear, brakes, hoses, radiator, etc. Its gel is used as vehicle, carriers in pesticide formulation.

Market: So long as there is demand for tyre and other allied rubber products, the demand for precipitated silica is insatiable. Therefore, it is a product with great market potential.

Raw Materials: For production capacity of 40 MT/A

- a. Sodium silicate 120 MT/A 7000/Ton
- b. Sulphuric Acid 18 MT/A 5000/Ton
- c. Packaging Material

Meanwhile detail report on the following listed projects are available either at the Nigerian Investment Promotion Commission (NIPC) or Raw Materials Research and Development Council.

3. FOOD AND BEVERAGES:

- i. Industrial Starch production plant
- ii. Starch Derivatives Production
- iii. Cashew- nut shell liquid) CNSL)
- iv. 200I-IA Integrated palm oil palm kernel oil production
- v. Pectin from fruit juices
- vi. Commercial food mixers (baking powder, custard, jellies, ice cream)
- vii. Banana Powder (flavour) production
- viii. Soya milk production
- ix. Mini Sugar plant
- x. Potato processing etc.

4. NON-METALLIC

- i. Kaolin processing
- ii. Industrial mineral grinding plant
- iii. Flooring tiles, roof tiles (marble granite)
- iv. Plaster of Paris (POP)
- v. Gemstone cutting and polishing
- vi. Bentonite processing plant
- vii. Lead zinc smelting
- viii. Mini cement plant
- ix. Refractory and insulating bricks plant
- x. Phosphate rock benefaction plant etc.

5. CHEMICAL AND PHARMACEUTICAL

- i. Gum Arabic
- ii. Barium compounds
- iii. Basic dyes

- iv. Aluminum sulphate
- v. Mini fertilizer blending plant
- vi. Sealing wax
- vii. Absorbent cotton
- viii. Magnesium sulphate
- ix. Paint driers
- x. Essential oils etc.

6. RUBBER, PLASTIC PAPER

- i. Laboratory glass were
- ii. Wood preservative plant base on copper and arsenic (Paris Green)
- iii. Welding electrodes manufacturing plant
- iv. Corrugated fiber-board
- v. Surgical gloves production factory etc.

7. PROJECTS BEING PROMOTED

NIPC and UNIDO are currently promoting 75 projects under UNIDO NIPC partnership programme. The list is as follows:

INVESTMENT POTENTIALS OF ALL THE STATES AND THE FEDERAL CAPITAL TERRITORY, ABUJA

States	Mineral Resources	Agricultural and Agro-Allied	Oil and Gas	Industrial Potential
Abia	Brine, iron-ore, kaolin, clay	Cowpeas, soybeans, groundnuts, rice, maize, yam, cassava, coco yam, oil palm, raffia palm, cocoa, rubber, cashew, coconuts, kola nuts, grapes, lemons, mangoes, papaws, and guava.	Petroleum gas	Obuaku city project, ceramic, brewing, cosmetics, textiles, plastics, garments, shoe making, and glass, petroleum and gas industries, sugar cane, plantain, banana, oranges.
Abuja	Marble, kaoline, Clay, tin, tantalite, lead, zinc	Yam, cassava, fruits, maize, beans, and vegetables.		Food processing and manufacturing industries.
Adamawa	Barites, salt (evaporates) trona, calcium laterites,	Guinea corn, sugar cane, yam, cassava, maize, millet, rice, milk, cheese, cotton		Agriculture, processing industries, sugar plant.

	ilmenites (titanium iron oxide) minerals, marble, gypsum, clay minerals	seed, groundnuts, cowpeas, cotton, livestock.		
Akwa-Ibom	Clay, glass, sand, beutonite	Coconut, cocoa, fishing, rubber, raffia palm, coffee, coil, palm.	Crude oil, and natural gas	Agricultural processing and manufacturing, fishing, Aluminum Smelting Company at Ikot-Abasi.
Anambra	Kaolin, limestone, marble, etc.	Rice, yam, cassava.	Crude oil reserves	Manufacturing and industrial activities.
Bauchi	Limestone, columbite, iron-ore, kaolin, tantalite, wolframite	Sugarcane, maize, groundnut, millet.	Crude oil (under survey)	Spring water bottling, tourism, limestone, dairy production, Steyr motors assembly plant, Nigeria asbestos, guinea corn, cotton rice limited, Yankari Natural Water Company and Arewa ceramic Industry.
Bayelsa	Clay, silica sand	Plantain, fish, banana, cassava, coco yam.	Crude oil and gas	Petroleum and fishing industries.
Benue	Wolframite, tin, columbite, tantalite, kaolin, gypsum	Yam, rice, maize, sorghum, beniseed, coco yam, potatoes, millet, beans, cassava, cowpea, groundnuts, oil palm, orange, mango, cashew, kola nut, etc.	Crude oil reserve and gas	Food canning and processing industries, cement industry and allied products.
Borno	Diatomite, gypsum, iron-ore, feldspar, magretite, potash, trona, limestone, clay.	Millet, wheat, gum Arabic, hides and skins, and onions.		Soda ash plant, cottage industries, Borno State Wire Industries Ltd. Shoe industry and leather manufacturing.
Cross-River	Limestone, barite, uranium, bentonite	Rubber, cocoa, oil palm, plantain, banana, yam, cassava, maize, rice, fruits, fresh vegetables, melon, garden eggs, fish, etc.		Agriculture, fishing and tourism.
Delta	Lignite, Gypsum, tar,	Palm oil, palm kernel, cassava, yam tubers,		Petrochemical and allied industry, plastic rubber

	sand, silica	rubber and timber.		processing, palm oil processing, glass industry, and wood processing.
Ebonyi	Salt, limestone, lead, zinc, brine, gypsum	Yam, rice, cassava, maize, Soya beans, melon, fish.	Crude oil reserve and gas	Mining, food processing and preservation, canning of food drinks.
Edo	Oil, gypsum, tar sand, lignite, marble, silica sand	Cassava, yam, garri, plantain, rubber, coco yam, timber,	Crude oil reserve	Food processing, rubber processing, cement factory and wood processing.
Ekiti	Tantalite, quartz, kaolin, sand, clay, gold, feldspar, granite, mica.	Cocoa, Iroko, mahogany, timber Gmelina trees, etc. palm produce, yam, coco yam, plantain, cassava.	Oil and gas reserve	Wood processing industry, paper and paper production, food and canning industry.
Enugu	Coal, clay, limestone, silica, iron-ore, lead, zinc, kaolin, barites.	Oil palm, cassava, rice, maize, palm wine, yam, cashew.		Motor assembly, manufacturing, ceramics, pottery, coal mining, cement and building materials, steel and Aluminum.
Gombe	Glass, silicon stone, gold, iron-ore, and limestone.			
Imo				
Jigawa				
Kaduna				
Kano				
Katsina				
Kebbi				
Kogi				
Kwara				
Lagos				
Nasarawa				
Niger	Glass, silicon stone, gold, iron-ore, and limestone.	Corn, rice, sheanut.		Power generation, cottage industries
Ogun	Limestone, chalk, phosphate, clay kaolin, tar sand.	Rice, maize, beans, poultry, cassava, yam, plantain, banana, palm produce, rubber, cocoa, sugar cane.		Wood processing and agricultural processing

Ondo	Bitumen (tar sand) quartz, limestone, kaolin, iron ore, columbite, clay.	Mahogany, Gmelina, Iroko, yams, plantain, rubber, palm produce, kolanuts, cashew and coffee, cocoa, timber.	Crude oil	Food processing industries and manufacturing industries and wood processing.
Osun	Gold, clay, limestone, granite, talc.	Cocoa, kola nut, rice, millet, maize, plantain and yam.		Manufacturing industries, food processing industries and kaolin, Federal Government Steel Mill.
Oyo	Dolomite, silimanite, kaolin, and granite, marble, iron ore, clay and gemstones.	Cocoa, palm produce, cassava, maize, yam, cashew, and kola nuts.		Palm produce and food processing, solid mineral exploration.
Rivers	Silica sand, granite, clay.	Palm oil, fish, cassava, plantain, banana, fruits and vegetables.	Crude oil and natural gas	Oil industries, refinery and petrochemical companies, fertilizer company (NAFCON), West African Glass Industry, and flour mills, Gas, etc.
Sokoto	Gold, kaolin, gypsum, salt, marble, lignite, feldspar and limestone, phosphate, etc.	Rice, wheat, millet, guinea corn, maize, potatoes, cassava, groundnuts, beans, etc.		Sokoto Cement Industry, soft drink factory, forma factory, burnt brick industry, cotton ginnery manufacturing, and food industry.
Taraba	Barites, bauxite, iron ore.	Rice, guinea corn, yam, cassava, coconut, bambara-nuts, banana, beniseed, tobacco, coffee and citrus fruits.		Rice and brine, graphite, flour mills (food processing) soap making industry, livestock and animal feed.
Yobe	Potash, gum Arabic, gypsum, limestone, trona glass sand, diatomite, espomite, clay shale, marble, granite rock and kaolin.	Cotton, groundnut, millet, maize, guinea corn, wheat, beans, and beniseed.		Manufacturing and food processing industries.
Zamfara	Gold, mica.	Rice, maize, guinea corn, wheat, bans.		Burnt brick manufacturing, food processing.

ASSET MANAGEMENT IN NIGERIA

INTRODUCTION

The Nigerian management industry has under-gone considerable transformation over the past ten years. From a situation where custodial and fund management roles were being performed by the same institution hence creating glaring lapses vis-à-vis global best practices the past five years have witnessed the establishment of a number of world class investment vehicles by well-trained and dynamic fund managers. In order to put the Nigerian asset management industry in proper perspective., it is important to provide an overview of the key elements of the asset management industry in Nigeria.

REGULATION OF FOREIGN INVESTMENT

Any funds that are imported into Nigeria from abroad for the purpose of making investment in Nigeria are governed by the foreign Exchange (Monitoring and Miscellaneous Provisions) Decree No. 17 of 1995 (“the Decree”). The Decree removes restrictions that were hitherto placed on foreign investments as follows:

Procedure for Bringing in Foreign Capital

- The prospective investor identifies a suitable investment that meets the investor’s objectives based on advice obtained from the investor’s asset manager.
- The investor, in conjunction with the asset manager, nominates an authorized dealer for the transfer of funds.
- Funds are remitted from the investor’s foreign account through the authorized dealer and the investor obtains the Naira equivalent of the funds which is subsequently transferred to the asset manager or custodian, depending on the nature of the transaction.
- The authorized dealer issues a certificate of capital importation (“the CCI”) to the investor, which provides evidence of the funds that have been brought into the country. The CCI allows the investor to;
 - Open foreign currency domiciliary account with any authorized dealer for investment purposes;

- Open a special non-resident Naira account to which can be credited all receipts from -capital inflows, proceeds from sales of securities, dividends and the interest;
- Make investments in Nigeria out of the balances in the Naira account; and
- Remit capital, profits, capital gains, dividend
- And other income received through an authorized dealer subject to deductions of withholding tax.

IDENTIFYING A SUITABLE INVESTMENT

Prior to making an investment, an investor needs to ensure that any investment made shall enable the investor meet present and future financial obligations. The objectives of an investor, which could include profit or wealth maximization, depends on various factor such as:

- Existing and future liabilities (e.g. Indebtedness and responsibilities).
- Institutional investors tend to ensure that cash flows generated by the portfolio are able to cover regular payments and occasional lump sum payments. These include pension funds, which seek to ensure that the income generated from their portfolio cover payments that are likely to fall due in the future as employees retire.
- Existing asset (e.g. existing investments, income). Most-wealthy individual do not require additional income in the short-term and may wish to make investments that focus on capital appreciation.
- Investment horizon. The investment horizon refers to the length of time for which an investment is made. Investors with short-term horizons should invest in fairly liquid instruments that allow liquidation of investments at short notice.
- Age. The age of the investor is closely connected to the investment horizon. Younger investors normally invest in portfolios that primarily have a long-term focus. On the other hand, pensioners may prefer income yielding portfolios that help augment their pensions.
- Risk tolerance/profile. Risk averse investors should avoid high risk investments, regardless of the anticipated high returns from such investments.

Pension funds, for example tend to focus more on the safety of workers' monies.

CHOOSING AN IDEAL ASSET MIX

The putting in place of an optimum asset mix in a portfolio is of great importance to an investor. Choosing an ideal asset mix depends on the (i) needs and objectives of the investor, (ii) relationship between the returns on the various classes of assets and (iii) regulatory and tax considerations. It is crucial to adequately diversify a portfolio such that the overall returns are not tied to the fortunes of a particular company, industry or sector. In addition, an ideally structured portfolio should seek to ensure that an investor is adequately protected against inflation and is tax efficient.

DISCRETIONARY MANAGEMENT

Discretionary asset management involves the investor leaving the day-to-day investment decisions to the asset manager. This arrangement is normally under strict and clear-cut guidelines agreed to by the investor and the asset manager. It gives the asset manager freedom to make routine investments without recourse to the investor thus saving time and allowing greater flexibility. On the other hand, non-discretionary asset management involves the asset manager being given limited powers to manage the investor's funds.

TYPES OF INVESTMENTS

There are various types of investments available to investors in Nigeria. Investments can be classified according to their lifespan, namely, investments in short-term instruments, Short-term investments usually have a lifetime of up to eighteen months; medium term investments eighteen months to three years; while long term investments range from three years upwards. Short term investments include money market instruments such as commercial paper and treasury bills while medium and long term investments include shares, bonds and property.

EQUITIES

A share represents fractional ownership of a company. An owner of a share receives dividends, as earned and declared by the company. The life time of the share is continuous with the existence of the company. In Nigeria, trading in existing shares of public quoted companies (this market is known as the secondary market) are done on

the trading floor of the Nigerian Stock Exchange ("The Exchange"), by licensed stockbrokers. Investments in the- primary market (new shares that are offered by the issuing company) can be made through receiving agents (such as banks, stock brokers, issuing houses etc), shares of top quality companies listed on the Exchange are fairly liquid and can be disposed of very easily. Shares provide capital appreciation and are usually bought by investors with a medium to long-term investment horizon.

BONDS AND DEBENTURES

A bond represents a creditorship in a corporation. The holder of a bond receives interest which must be paid when it is due. The lifetime of a bond is limited to a specific maturity date when that obligation must be repaid. If a company is unable to pay interest or principal on the date prescribed on the trust deed, the trustees may through a court action compel the company to make payments. A debenture is an unsecured debt offering of a company. Some bonds are denominated in dollars (principal and interest), such as the dollars (principal and interest), such as the dollar denominated Nigerian Government par Bonds and Promissory Notes issued by the Nigerian Government.

TREASURY BILLS ('T-BILLS')

This is a 91-day debt instrument issued by the Federal Government of Nigeria. T-bills offer investors access to a secure and highly liquid investment. T-bills are sold at a discount to their face value and provide yields in excess of the 4%-8% P.A. presently payable on bank savings accounts. Investors submit weekly bids through their brokers, and the T-bills are allotted by the Central Bank of Nigeria. The minimum investment in T-bills by an individual applicant is ₦10,000 (ten thousand Naira). At maturity, the proceeds of the investment are either rolled over or repaid to the investor, depending on the wishes of the investor. However, should the investor require liquidation of the investment before maturity, the T-bills can be discounted by the Central Name of Nigeria and the investor is repaid almost immediately treasury bills can be purchased, on behalf of investors by stock broking firms, banks and discount houses.

COMMERCIAL PAPER

(CPs) CPs are short-term (normally 90-270 day) unsecured debt instrument usually issued by corporate entities to fund their working capital requirements. Investors are paid interest either upfront or at maturity of the investment.

BANK DEPOSITS

Bank deposits are liquid investments, and are relatively safe (depending on the financial strength of the bank which is normally measured in terms of the bank's credit rating). The returns on bank deposits are normally lower than returns from commercial paper and treasury bills.

MANAGED FUNDS ('MFs')

MFs consist of a pool of funds that are professionally managed by fund managers on behalf of unit holders. This non-discretionary type of fund management is more cost-effective as transaction costs tend to constitute a higher proportion of small investments. The use of MFs allows the fund manager concentrate its energy and resources to manage a large pool of funds instead of numerous small batches of funds. It is very important that MFs align and meet the needs of the investor. For example, some investment funds, concentrate mainly on capital appreciation and consequently, investors inquiring regular income (e.g. on a quarterly basis) should not be encouraged to invest in such funds. One of the investment funds offered by Denham Management Limited is the Nigeria Global Investment Fund ("the NGIF"). The NGIF is a N2 billion open-ended unit trust scheme operated by Denham Management and commercial Bank (Credit Lyonnais Nigeria) limited in conjunction with Credit Lyonnais Asset Management, Paris. The NGIF is registered with the Nigerian Securities and Exchange commission. The Fund's investment portfolio ("the Portfolio") is comprised mainly of investment grade Nigerian (Naira and foreign currency) corporate and government securities. The composition of the Portfolio enables the NGIF meet the requirements of institutional investors (such as insurance companies, pension and trust funds) and high net worth individuals alike by providing them with a combination of relatively safe investments, competitive returns and adequate liquidity. 'Furthermore, periodic reports are sent to investors on a monthly,

quarterly, semi-annual and annual basis to enable investors track the value of their investment(s).

PROPERTY

Property Investments involve investment in property with a view to obtaining rental income and/or profit from an appreciation on the market value of the property. This type of investment is appropriate for investors with a long term focus as it is not as liquid as, say, shares.

TAXATION

One of the clear signs of efficient asset management is a portfolio that minimizes the tax burden on the investor as tax efficiency is of most importance. In Nigeria, Profits on various classes of investments are subject to different taxes, as set out below:

SHARES

Dividends received are subject to withholding tax (currently 10%) regarded as franked investment income and are exempt from further tax. Furthermore by virtue of section two of the Finance (Miscellaneous Taxation Provisions) Decree No. 19 of 1998 the provisions of Section three of the Capital gains Act 1967 have been deleted, thereby removing stocks and shares from the list of chargeable assets liable to capital gains tax. Therefore, there is no capital gains tax on the disposal of stocks and shares.

UNIT TRUST SCHEMES

Unit trust schemes are treated as limited liability companies and the income received by unit trust schemes, in respect of which no tax has been withheld, are subject to company income tax (currently 30%) in the hands of the unit holder. When dividend received by unit holders were redistributed, such dividends will be exempt from tax in the hands of the unit holder. The tax treatment of a unit trust is the same regardless of whether or not it distributes or reinvests the profits. In addition, gains derived by a unit holder on the disposal of an investment are not subject to capital against tax.

INTEREST

Interest earned on treasury bills, commercial paper bank deposits etc are subject to personal income tax or company income tax (depending on the investor). When tax is withheld at source, this can be used to offset the final tax that is payable by the investor. In addition any amount of profits or gains arising from acquisition and

disposal of short-term money instruments such as Federal government securities, treasury bills, treasury of savings certificates, debenture certificates or Treasury bond shall be subject to tax.

REPORTING

Investors should be provided with timely- and regular (e.g. monthly, quarterly and annually) reports on their investments. These reports should, ideally, show concise but informative details of transactions that have been undertaken on behalf of the investor, returns on the investor's investment and the investor's cash balance, as appropriate.

PERFORMANCE MANAGEMENT

In order to ensure that the investor is being provided with top quality service, there should be market indices with which the investor can measure the performance of his portfolio. The Nigerian Stock Exchange all share index. Treasury bill rates, the performance of other investment fund, can be used as a benchmark for measuring performance. It is important that the investor's objective be considered when measuring the performance. In this regard, an investor's objectives should be reviewed regularly by the investor (preferably in conjunction with the asset manager) to ensure that the investor's portfolio structure is optimally tailored to meet those objectives.



SECTION SIX

**BANKS AND OTHER FINANCIAL
INSTITUTIONS ACT**

ARRANGEMENT OF SECTIONS
PART I: BANKS
ESTABLISHMENT OF BANKS, ETC

SECTION

1. Functions, powers and duties of Central Bank of Nigeria.
2. Banking Business.
3. Application for grant of licence.
4. Investment and release of prescribed minimum paid-up share capital.
5. Powers to revoke or vary conditions of licence.
6. Opening and closing of branches.
7. Restructuring, reorganization, merger and disposal, etc. of bank
8. Operation of foreign banks in Nigeria.
9. Minimum paid-up share capital of banks and compliance with minimum paid-up share capital requirement.
10. Shareholder's voting right to be proportional to shareholding.
11. Restriction of legal proceedings in respect of shares held in the name of another.
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55. Application of Companies and allied matters Act Cap. C20.
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Chapter One

BANKS AND OTHER FINANCIAL INSTITUTIONS ACT

An Act to regulate banking and other Financial Institutions and for matters
connected therewith

[1991 No. 25]

[20th June, 1991]

[Commencement]

PART 1

Banks

Establishment of Banks, etc

1. Functions, power and duties of the central Bank of Nigeria

- (1) The Central Bank of Nigeria (hereafter in this Act referred to as “the Bank”) shall have all the functions and powers conferred and the duties imposed on it under this Act, subject to the overall supervision of the Minister.

[1997 No. 4]

- (2) The Bank shall in addition to the functions and powers conferred on it by this Act, have the functions and powers conferred and the duties imposed on the Bank by the Central Bank of Nigeria Act.

[1997 No. 4. Cap. C4]

- (3) The Bank may authorize or instructs any officer or employee of the Bank to perform any of the functions, exercise any powers, or discharge any of its duties under this Act.
- (4) The Bank may, either generally or in any particular case, appoint any person who is not an officer or employee of the Bank, to render such assistance as it may specify in the exercise of its powers, the performance of its functions, or the discharge of its duties under this Act, or to exercise, perform or discharge the functions and duties on behalf of and in the name of the Bank.

- (5) For the purposes of this Act, a person shall be deemed to be receiving money as deposits:
- (a) If the person accepts deposits from the general public as a feature of its business or if it issues an advertisement or solicits for such deposit;
 - (b) notwithstanding that it receives moneys as deposit which are limited to fixed amounts or that certificates or other instruments are issued in respect of any such amounts providing for the payment to the holder thereof either conditionally or unconditionally of the amount of the deposits at specified or unspecified dates or for the payment of interest or dividend on the amounts deposited at specified intervals or otherwise, or that such certificates are transferable.
- (6) Notwithstanding anything contained in this section to the contrary, the receiving of moneys against any issue of shares and debentures offered to the public in accordance with any enactment in force within the Federation shall not be deemed to constitute receiving moneys as deposits for the purposes if this Act.

2. Banking Business

- (1) No person shall carry on any banking business in Nigeria except if it is a company duly incorporated in Nigeria and holds a valid banking licence issued under this Act.
- (2) Any person who transacts banking business without a valid licence under this Act is guilty of an offence and liable on conviction to imprisonment for a term not exceeding ten years to a fine of N2,000,000 or to both such imprisonment and fine.

[1998 no. 38]

3. Application for grant of licence

- (1) Any person desiring to undertake banking business in Nigeria shall apply in writing to the Governor for the grant of a licence and shall accompany the application with the following:

- (a) a feasibility report of the proposed bank;
 - (b) a draft copy of the memorandum and articles of association of the proposed bank;
 - (c) a list of the shareholders, directors and principal officers of the proposed bank and their particulars;
 - (d) the prescribed application fee; and
 - (e) such other information, documents and reports as the Bank may, from time to time, specify.
- (2) After the applicant has provided all such information, documents and report as the Bank may require under subsection (1) of this section, the shareholders of the proposed bank shall deposit with the Bank a sum equal to the minimum paid-up share capital that may be applicable under section 9 of this Act.
- (3) Upon the payment of the sum referred to in subsection (2) of this section, the Governor may issue a licence with or without conditions or refuse to issue a licence and the Governor need not give any reasons for the refusal.
- (4) Where an application for a licence is granted, the Bank shall give written notice of that fact to the applicant and the licence fee shall be paid.
- (5) An application for a licence shall be forwarded to the Governor and all licences to be issued shall be with the prior approval of the Minister.

[1997 No. 4]

4. Investment and release of prescribed minimum paid-up share capital

The Bank may invest any amount deposited with it pursuant to section 3 (2) of this Act in treasury bills or such other securities until such a time as the Governor shall decide whether or not to grant a licence, and where the licence is not granted the Bank shall repay the sum deposited to the applicant, together with the investment income after deducting administrative expenses and tax on the income.

5. Power to revoke or vary conditions of licence

- (1) The Bank may vary or revoke any condition subject to which a licence was granted or may impose fresh or additional conditions to the grant of a licence.

[1998 No 38]

- (2) Where the grant of a licence is subject to conditions, the bank shall comply with those conditions to the satisfaction of the Bank within such period as the Bank may deem appropriate in the circumstances.
- (3) Any bank which fails to comply with any of the conditions of its licence is guilty of an offence under this section and shall be liable on conviction to a fine not exceeding ₦450,000 for each day during which the condition is not complied with.
- (4) Where the Governor proposes to vary, revoke or impose fresh or additional conditions on a licence, he shall, before exercising such power, give notice of his intention to the bank concerned and give the bank an opportunity to make representation to him thereon.
- (5) Any bank which fails to comply with any fresh or additional condition imposed in relation to its licence is guilty of an offence and liable on conviction to a fine not exceeding ₦500,000 and to an additional fine of ₦45,000 for each day during which the offence continues.

[1998 No. 38]

6. Opening and closing of branches

- (1) No bank may open or close any branch office anywhere within or outside Nigeria except with the prior consent in writing of the Bank.
- (2) Any bank which contravenes the provisions of subsection (1) of this section is guilty of offence and liable to a fine not exceeding ₦2,000,000 and the closure in case of the opening of a branch office and the re-opening in the case of a closure of a branch office and in addition to a fine of ₦100,000 for each day during which the offence continues.

[1998 No. 38]

7. Restructuring, re-organization, mergers and disposal, etc, of bank

- (1) Except with the prior consent of the Governor, no bank shall enter into an agreement or arrangement;
 - (a) which results in a change in the control of the bank;
 - (b) for the sale, disposal or transfer howsoever, of the whole or any part of the business of the bank;
 - (c) for the amalgamation or merger of the bank with any other person;
 - (d) for the reconstruction of the bank;
 - (e) to employ a management agent or to transfer its business to any such agent.
- (2) Any person who contravenes the provisions of subsection (1) of this section is guilty of an offence and liable to a fine not exceeding ₦1,000,000 and in the case of a continuing offence to an additional fine of ₦10,000 for each day during which the offence continues.

[1998 No. 38]

8. Operation of foreign banks in Nigeria

- (1) Except with the prior approval of the bank, no foreign bank shall operate branch offices or representative offices in Nigeria
- [1998 No. 38]
- (2) The Bank may, subject to such conditions as it may impose, from time to time, grant to any bank registered in Nigeria or a foreign bank a licence to undertake offshore banking business from Nigeria.
- [1998 No. 38]
- (3) Subject to the provisions of subsection (1) of this section, nothing in the provisions of the Nigerian Investment Promotion Commission Act or any other law of enactment shall be constructed as authorizing any person, whether as a citizen of Nigeria or a non-Nigerian, to carry on any banking business in Nigeria without a valid banking licence issued by the Bank under this Act.

[1998 No. 38 Cap Ni 17]

- (4) Any person who contravenes the provisions of subsection (1) or (3) of this section is guilty of an offence and liable on conviction to a fine not exceeding N1,000,000 and in the case of a continuing offence to an additional fine of N10,000 for each day during which the offence continues.

[1998 No. 38]

9. Minimum paid-up share capital or banks and compliance with minimum paid-up share capital requirement

- (1) The Bank shall, from time to time, determine the minimum paid-up share capital requirement of each category of banks licensed under this Act.

[1998 No. 38]

- (2) Any failure to comply with the provisions of this section of this Act within such period as may be determined by the Bank, from time to time, shall be a ground for the revocation of any licence issued pursuant to the provisions of this Act or any other Act repealed by it.

[1998 No. 38]

10. Shareholder's voting rights to be proportional to shareholding

Notwithstanding the provisions of the Companies and Allied Matters Act or any agreement or contract, the voting rights of every shareholder in a bank shall be proportional to his contribution to the paid-up share capital of the bank.

[Cap. C20]

11. Restriction of legal proceedings in respect of shares held in the name of another

Notwithstanding anything contained in any law or in any contract or instrument, no suit or other proceedings shall be maintained against any person registered as the holder of a share in a bank on the ground that the title to the said share vested in any person other than the registered holder.

Provided that nothing in this section shall bar a suit or other proceeding on behalf of a minor or person suffering from any mental illness on the ground

that the registered holder holds the share on behalf of the minor or person suffering from the mental illness.

12. Revocation of licence

The Governor may, with the approval of the Board of Directors and by notice published in the Gazette, revoke any licence granted under this Act if a bank;

- (a) Ceases to carry on in Nigeria the type of banking business for which the licence was issued for any continuous period of six months or any period aggregating six months during a continuous period of twelve months;
- (b) Goes into liquidation or is wound up or otherwise dissolved;
- (c) Fails to fulfill or comply with any condition subject to which the licence was granted;
- (d) Has insufficient assets to meet its liabilities;
- (e) Fails to comply with any obligation imposed upon it by or under this Act or the Central Bank of Nigeria Act.

[Cap. C4. 1999 No. 40]

13. Minimum capital ratio

- (1) A bank shall maintain, at all times, capital funds unimpaired by losses, in such ratio to all or any assets or to all or any liabilities or to both such assets and liabilities of the bank and all its offices in and outside Nigeria as may be specified by the Bank.
- (2) Any bank which fails to observe any such specified ratios may be prohibited by the Bank from;
 - (a) advertising for or accepting new deposits;
 - (b) granting credit and making investment;
 - (c) paying cash dividends to shareholders.
- (3) In addition, the bank may be required to draw up within a specified time a capital reconstitution plan acceptable to the Bank.

14. Non-compliance with capital ratio requirement

- (1) Failure to comply with the provisions of section 13 of this Act may constitute a ground for the revocation of the licence of the bank under this Act.
- (2) Where the Bank proposes to revoke the licence of any bank pursuant to subsection (1) of this section, the Bank shall give notice of its intention to the bank and the bank may within 30 days make representation (if any) to the Bank in respect thereof.

15. Minimum holding of cash reserves, specified liquid assets, special deposits and stabilization securities

- (1) Every bank shall maintain with the Bank cash reserves, and special deposits and hold specified liquid assets or stabilization securities, as the case may be, not less in amount than as may, from time to time, be prescribed by the Bank by virtue of section 40 of the Central Bank of Nigeria Act.
- (2) Where both assets and liabilities are due from and to other banks, they shall be offset accordingly, and any surplus of assets or liabilities shall be included or deducted, as the case may be, in computing specified liquid assets.
- (3) In the case of the long-term advances to a bank or by an overseas branch or office of a bank, the advances may, with the approval of the Bank, be excluded from the demand liabilities of the bank.
- (4) Every bank shall-
 - (a) furnish within a reasonable time any information required by the Bank to satisfy the Bank that the bank is observing the requirements of subsection (1) of this section;
 - (b) not allow its holding of cash reserves, specified liquid assets, special deposits and stabilization securities to be less than the amount which may, from time to time, be prescribed by the Bank;
 - (c) not during the period of any deficiency, grant or permit increases in advances, loans or credit facilities to any person without the

prior approval in writing of the Bank.

- (5) Any bank which fails to comply with any of the provisions of subsection (4) of this section is guilty of an offence and liable to a fine of-
- (a) in the case of paragraph (a) N500,000 for every month during which a default under that paragraph (a) exists;
[1999 No. 40.]
 - (b) in the case of paragraph (b) N500,000 for each month of the offence;
[1998 No. 38.]
 - (c) in the case of paragraph (c) N500,000 for each month of the offence, and the Bank may also, during the period when the bank fails to comply with any of the requirements of subsection (4) as aforesaid, withdraw any privileges or facilities that are normally accorded to the bank. [1998 No. 38]
- (6) For the purposes of this section, specified liquid assets, provided they are freely transferable and free from any lien or charge of any kind, shall, without prejudice to the provisions of section 40 of the Central Bank of Nigeria Act 1991, consist of all or any of the following, that is;
- (a) currency notes and coins which are legal tender in Nigeria;
 - (b) balances at the Bank;
 - (c) net balances at any licensed bank (excluding uncleared effects) and money at call in Nigeria;
 - (d) treasury bills and treasury certificates issued by the Federal Government;
 - (e) inland bills of exchange and promissory notes rediscountable at the Bank;
 - (f) stocks issued by the Federal Government with such dates of maturity as may be approved by the Bank;
 - (g) negotiable certificates of deposit approved by the Bank; and
 - (h) such other negotiable instruments as may, from time to time, be approved by the Bank for the purpose of this subsection.

Duties of Banks

16. Maintenance of reserve fund

- (1) Every bank shall maintain a reserve fund and shall, out of its net profits for each year (after due provision made for taxation) and before any dividend is declared, where the amount of the reserve fund is;
 - (a) less than the paid-up share capital, transfer to the reserve fund a sum equal to not less than thirty percent of the net profits; or
 - (b) equal to or in excess of the paid-up share capital, transfer to the reserve fund a sum equal to not less than fifteen per cent of the net profit:

Provided that no transfer under this subsection shall be made until all identifiable losses have been made good.

- (2) Any bank which fails to comply with the provisions of subsection (1) of this section is guilty of an offence and liable on conviction to a fine of ₦500,000.
- (3) Notwithstanding paragraphs (a) and (b) of subsection (1) of this section, the Bank may, from time to time, specify different proportions of the net profits of each year, being either lesser or greater than the proportion specified in paragraphs (a) and (b), to be transferred to the bank for the purpose of ensuring that the amount of the reserve fund of such bank is sufficient for the purpose of its business and adequate in relation to its liabilities.

17. Restriction on dividend

- (1) No bank shall pay dividends on its shares until;
 - (a) all its preliminary expenses, organizational expenses, shares selling commission, brokerage, amount of losses incurred and other capitalized expenses not represented by tangible assets have been completely written off;
 - (b) adequate provisions have been made to the satisfaction of the Bank for actual and contingent losses on risk assets, liabilities, off-balance sheet commitments and such unearned incomes as are

derivable there from;

- (c) It has complied with any capital ratio requirement as specified by the Bank pursuant to section 13 (1) of this Act.
- (2) Any director, manager or officer who fails to comply with the requirements of this section of this Act is guilty of an offence and liable on conviction to a fine of five per cent of the dividend paid or to imprisonment for a term not exceeding three years or to both such fine and imprisonment.

[1998 No 38]

18. Disclosure of interest by directors, managers and officers

- (1) No manager or any other officer of a bank shall-
 - (a) in any manner whatsoever, whether directly or indirectly, have personal interest in any advance, loan or credit facility; and if he has any such personal interest, he shall declare the nature of his interest to the bank;
 - (b) grant any advance, loan or credit facility to any person, unless it is authorized in accordance with the rules and regulations of the bank; and where adequate security is required by such rules and regulations such security shall, prior to the grant, be obtained for the advance, loan or credit facility and shall be deposited with the bank;
 - (c) benefit as a result of any advance, loan or credit facility granted by the bank.
- (2) Any manager or officer who contravenes or fails to comply with any of the provisions of subsection (1) of this section is guilty of an offence under this section and liable on conviction to a fine of ₦4,100,000 or to imprisonment for a term of three years; and in addition, any gains or benefits accruing to any person convicted under this section by reason of such contravention, shall be forfeited to the Federal Government, and the gains or benefit shall vest accordingly in that Government.
- (3) It shall be the duty of a director of a bank who is in any way, whether

directly or indirectly, interested in the grant of an advance, loan or credit facility with the bank to declare the nature of his interest at a meeting of the board of directors of the bank.

[1998 No. 38]

- (4) In the case of a proposed advance, loan or credit facility, the declaration, required by this section of this Act shall be made at the meeting of the board of directors of the bank at which the request for the advance, loan or credit facility is first taken into consideration or if the director was not present on the date of the meeting at which the matter was discussed he shall state his interest in the proposed advance, loan or credit facility at the next meeting of the board of directors of the bank held after he becomes so interested, and in a case where the director becomes interested in any advance, loan or credit facility after it is granted, the declaration shall be made at the first meeting of the board of directors of the bank held after he becomes so interested.

[1998 No. 38]

- (5) For the purpose of this section of this Act, a general notice given to the board of directors of a bank by a director the effect that he is a member of a company or firm seeking an advance, loan or credit facility for the bank shall be regarded as a declaration of his interest in the grant of the advance, loan or credit facility which may, after the date of the notice, be granted to that company or firm, and shall be deemed to be a sufficient declaration of interest in relation to any such advance, loan or credit facility so granted:

Provided that any such notice shall not have effect unless it is given at a meeting of the board of directors of the bank which shall be required to do all things reasonably necessary to ensure that it is brought up and read at the next meeting of the board of directors of the bank after it is so given.

[1998 No. 38]

- (6) The provisions of subsection (3) of this section shall not apply in any case
- (a) where the interest of the director consists only of being a person holding less than five percent of the shares of the company which is seeking an advance, loan or credit facility from the bank; or
 - (b) if the interest of the director may properly be regarded by the Bank as international.
- (7) For the purpose of subsection (5) of this section, a general notice given to the board of directors of a bank by a director shall be deemed to be a sufficient declaration of interest in relation to any advance, loan or credit facility, if
- (a) the notice specifies the nature and extent of his interest in the company or firm;
 - (b) such interest is not different in nature to or greater in extent than the nature and extent specified in the notice at the time any advance, loan or credit facility is made; and
 - (c) the notice is given at the meeting of the board of directors of the bank or the director takes reasonable steps to ensure that it is brought up and read at the next meeting of the board of directors of the bank after it is given.

[1998 No. 38]

- (8) Every director of a bank who holds any office or possesses any property whereby, whether directly or indirectly, duties or interests might be created in conflict with his duties or interests as a director of a bank, shall declare at a meeting of the board of directors of the bank, the fact and the nature, character and extent of the interest.

[1998 No. 38]

- (9) The declaration referred to in subsection (8) of this section shall be required to be made at the first meeting of the board of directors of the bank held;

- (a) after he becomes a director of the bank; or
- (b) if already a director, after he came into possession of the property.

[1998 No. 38]

- (10) The secretary of the bank shall cause to be brought up and read any declaration made under subsection (3) of (8) of this section at the next meeting of the board of directors of the bank after it is made and shall record any declaration made under this section of this Act in the minutes of the meeting at which it was made or at the meeting at which it was brought up and read.

[1998 No. 38]

- (11) Any director who contravenes the provisions of subsection (3) or (8) of this section is guilty of an offence liable on conviction to a fine of ₦100,000 or imprisonment for a term of three years or to both such fine and imprisonment.

[1998 No. 38]

19. Prohibition of employment of certain persons and interlocking directorship, etc

- (1) No bank shall:

- (a) employ or continue the employment of any person who is or at any time has been adjudged bankrupt or has suspended payment to or has compounded with his creditors or who is or has been convicted by a court for an offence involving fraud or dishonesty, or professional misconduct;
- (b) be managed by a management agent except as may be approved by the Bank.

- (2) Except with the approval of the Bank, no bank shall have as a director of,
any person who is a director of,

- (a) any other bank;

- (b) companies which among themselves are entitled to exercise voting rights in excess of ten percent of the total voting rights of all the shareholders of the bank.
- (3) No bank shall be managed by a person who is:
 - (a) a director of any other company not being a subsidiary of the bank; or
 - (b) engaged in any other business or vocation.
- (4) Every director of a bank shall sign a code of conduct in such form or manner as the Bank may, from time to time, prescribe.
- (5) The chief executive of a bank shall cause all the officers of the bank to sign a code of conduct as may be approved by the board of directors.

20. Restrictions on certain banking activities

- (1) A bank shall not, without the prior approval in writing of the Bank, grant:
 - (a) to any person any advance, loan or credit facility or give any financial guarantee or incur any other liability on behalf of any person so that the total value of the advance, loan, credit facility, financial guarantee or any other liability in respect of the person is at any time more than twenty percent of the shareholders fund unimpaired by losses or in the case of a merchant bank not more than fifty percent of its shareholders fund unimpaired by losses; and for the purpose of this paragraph all advances, loans or credit facilities extended to any person shall be aggregated and shall include all advances, loans or credit facilities extended to any subsidiaries or associates of a body corporate:

Provided that the provisions of this paragraph shall not apply to transactions between banks or between branches of a bank or to the purchase of clean or documentary bills of exchange, telegraphic transfers or documents of title to goods the holder of which is entitled or payment for exports from Nigeria or to advance made against such bills, transfers or documents;

- (b) any advances, loans or credit facilities against the security of its own shares or any unsecured advances, loans or credit facilities unless authorized in accordance with the bank's rules and regulations and where any such provided or, as the case may require, deposited with the bank.
- (2) A bank shall not, without the prior approval in writing of the Bank:
- (a) permit to be outstanding, unsecured advances, loans or unsecured credit facilities, of an aggregate amount in excess of ₦50,000;
[1999 No. 40]
- (i) to its directors or any of them whether such advances, loans or credit facilities are obtained by its directors jointly or severally;
- (ii) to any firm, partnership or private company of which any of its directors is a guarantor;
- (iii) to any public or private company in which it or any one or more of its directors jointly or severally maintains shareholding of not less than five percent either directly or indirectly;
- (b) permit to be outstanding to its officers and employees, unsecured advances, loans or unsecured credit facilities, which in the aggregate for any one officer or employee, is an amount which exceeds one year's emolument to such officer or employee;
- (c) engage, whether on its own account or on a commission basis, in wholesale or retail trade, including the import or export trade, except in so far as may exceptionally be necessary in the course of the banking operations and services of that bank or in the course of the satisfaction of debts due to it; so however that nothing in this paragraph shall be construed as precluding a bank from undertaking equipment leasing business or debt factoring provided that the foregoing provisions of this paragraph shall not apply to a bank in the circumstances permitted under section 21

of this Act;

(d) without prejudice to the provisions of section 21 of this Act, acquire or hold any part of the share capital of any financial or commercial or other undertaking, except;

(i) any shareholding approved by the Bank in any company set, up for the purpose of promoting the development of the money market or capital market in Nigeria or of improving the financial machinery for financial economic development;

(ii) any shareholding approved by the Bank pursuant to subparagraph (1) of this paragraph, the aggregate value of which does not at any time exceed twenty-five percent of the sum of paid-up share capital and statutory reserves of that bank;

(iii) all shareholding acquired by a merchant bank while managing an equity issue;

Provided that the aggregate value of such acquisition does not at any time exceed the sum of the paid-up share capital of that merchant bank or ten percent of its total assets, excluding contract items, whichever is higher and that this paragraph shall not apply to any nominee company of a bank which deals in stock and shares for or on behalf of the bank's customers or clients or majority interest acquired by a merchant bank in a company while managing an equity issue;

(e) remit, either in whole or in part, the debts owed to it by any of its directors or past director;

(f) purchase, sell, dispose acquire or lease any real estate for whatever purpose.

[1998 No. 38]

- (3) Notwithstanding the foregoing provisions of this section, a bank may secure debt on any real or other property, and in default of repayment, may acquire such property and exercise any power of sale as may be provided for in any instrument or, by law prescribed, immediately upon such default or as soon thereafter as may be deemed proper.
- (4) In paragraph (a) and (b) of subsection (2) of this section, the expressions "unsecured advances and loans" or "unsecured credit facilities", mean advances, loans or credit facilities made without security, or, in respect of any advances, loans or credit facilities made with security, any part thereof which at any time exceeds the market value of the assets constituting the security, or where the bank is satisfied that there is no established market value, the value of the assets as determined on the basis of a valuation approved by the bank.
- (5) In paragraphs (a) and (e) of subsection (2) of this section, the expression "director", includes director's wife, husband, father, mother, brother, sister, son, daughter and their spouses.
- (6) All the directors of a bank shall be liable jointly and severally to indemnify the bank against any loss arising from any unsecured advances, loans or credit facilities under paragraph (a) of subsection (2) of this section.
- (7) Any director, manager or officer who fails to comply with the requirements of this section of this Act is guilty of an offence and liable on conviction to a fine not exceeding N100,000 or to imprisonment for a term of three years and shall in addition be required to repay the loan or forfeit his known assets in lieu of the unpaid loan.

[1998 No. 38]

- (8) Any bank which, after the commencement of this Act, enters into any transaction which is inconsistent with any of the provisions of subsection (1) or (2) of this section, is guilty of an offence and liable on conviction to pay to the Bank a fine of N100,000 for each day during which the transaction continues.[1997 No. 4]

21. Acquisition of shares in small and medium scale industries, agricultural enterprises and venture capital companies

- (1) A bank may acquire or hold part of the share capital of any agricultural, industrial or venture capital company subject to the following conditions that is:
- (a) the venture capital company is set up for the purpose of promoting the development of indigenous technology or a new venture in Nigeria;
 - (b) the shareholding by the bank is in small or medium scale industry, and agricultural enterprises as defined by the Bank;
 - (c) the shareholding by the bank in any medium scale industry, agricultural enterprise or venture capital company or any other business approved by the Bank shall not be more than ten percent of the bank's shareholders fund unimpaired by losses and shall not exceed forty percent of the paid-up share capital of the company, the shares of which are acquired or held;
 - (d) the aggregate value of the equity participation of the bank in all enterprises pursuant to this section does not at any time exceed, in the case of a commercial bank, twenty percent of its shareholders fund unimpaired by losses or, in the case of a merchant bank, not more than fifty percent of its shareholders fund unimpaired by losses:

Provided that a bank may hold shares acquired in the course of the satisfaction of any debt owed to it.

- (2) Without prejudice to the provisions of subsection (1) of this section, a bank may hold or acquire share capital of any other business, subject to the approval of the Bank.
- (3) Every bank shall, within 21 days of the acquisition of any shareholding pursuant to subsection (1) of this section, give full particulars thereof to the Bank.

- (4) Any bank which fails to comply with the provisions of subsection (3) of this section is guilty of an offence and liable on conviction to a fine of ₦1,000 for each day during which the offence continues.

[1999 No. 40]

22. Restrictions on Operations of Merchant Banks

- (1) A merchant bank shall not:
- (a) accept any deposit withdrawable by cheque;
 - (b) acceptable deposit below an amount which shall be prescribed, from time to time, by the Bank;
 - (c) hold for more than six months any equity interest acquired in a company while managing an equity issue, except as stipulated in section 21 of this Act.
- (2) Any merchant bank which acts in contravention of or fails to comply with any of the provisions of this section is guilty of an offence and liable to a fine not exceeding \$25,000 for each day during which the offence continues.

[1998 No. 38]

23. Display of Interest Rates

- (1) Every bank shall display at its offices its lending and deposit interest rates and shall render to the Bank information on such rates as may be specified from time to time by the Bank:
Provided that the provisions of this subsection shall not apply to profit and loss sharing banks.
- (2) Any bank in breach of any of the provisions of this section is guilty of an offence and liable to a fine not exceeding \$5,000 for every day during which the offence continues.

[1998 No. 38]

Books of Account

24. Proper Books of Account

- (1) Every bank shall cause to be kept proper books of account with respect to all the transactions of the bank.
- (2) For the purpose of subsection (1) of this section, proper books of account shall be deemed to be kept with respect to all transactions of such books as are necessary to explain such transactions and give a true and fair view of the state of affairs of a bank, are kept by the bank and are in compliance with the accounting standard as may be prescribed for banks.
- (3) The books of account shall be kept at the principal administrative office of a bank and at the branches of each bank in the English language or any other language approved by the Federal Government.
- (4) Where the books of account kept by a bank with respect to all its transactions, are prepared and kept in such a manner that, in the opinion of the Bank, they have not been properly prepared and kept, or where a bank renders returns in accordance with the provisions of section 25 of this Act, which in the opinion of the Bank are inaccurate, the Bank may appoint a firm of qualified accountants to prepare proper books of account or render accurate returns, as the case may be, for the bank and the cost of preparing the accounts and rendering the returns shall be borne by the bank.
- (5) If any person being a director, manager or officer of a bank:
 - (a) fails to take all reasonable steps to secure compliance with any of the provisions of this section;
 - (b) has by his willful act been the cause of any default thereof by the bank, he is guilty of an offence and liable, in respect of paragraph (a) of this subsection, to a fine of ₦100,000 and in respect of paragraph (b) of this subsection, to a fine of ₦50,000 or to imprisonment for a term not exceeding ten years or to both such fine and imprisonment. [1999 No. 40]

25. Returns by Banks

- (1) Every bank shall submit to the Bank not later than 28 days after the last day of each month or such other interval as the Bank may specify, a statement showing:
 - (a) the assets and liabilities of the bank; and
 - (b) an analysis of advances and other assets, at its head office and branches in and outside Nigeria in such form as the Bank may specify, from time to time.
- (2) Every bank shall submit such other information, documents, statistics or returns as the Bank may deem necessary for the proper understanding of the statements supplied under subsection (1) of this section.
- (3) Any bank which fails to comply with any of the requirements of subsection (1) or (2) of this section is, in respect of each such failure, guilty of an offence and liable to a fine not exceeding ₦125,000 for each day during which the offence continue.

[1998 No. 38]

26. Publication of Consolidated statements

- (1) The statements and information submitted by each bank under section 25 of this Act shall be regarded as confidential:
Proved that the Bank shall furnish any such statement or information to any agency or Government as required by law.
- (2) Notwithstanding anything in this section, the Bank may prepare and publish consolidated statements aggregating the statements furnished under section 25 of this Act for each category of banks.

27. Publication of Annual accounts of Banks

- (1) Subject to the prior approval in writing of the Bank, a bank shall not later than four months after the end of its financial year:
 - (a) cause to be published in a daily newspaper printed in and circulating in Nigeria and approved by the Bank;
 - (b) exhibit in a conspicuous position in each of its offices and branches in Nigeria; and

- (c) forward to the Bank, copies of the bank's balance sheet and profit and loss account duly signed and containing the full and correct names of the directors of the bank.
- (2) Every published account of a bank, under subsection (1) of this section, shall disclose in detail penalties paid as a result of contravention of the provisions of this Act and provisions of any policy guidelines in force during the financial year in question and the auditor's report shall reflect such contravention.
- (3) The balance sheet and profit and loss account of a bank shall bear on their face the report of an approved auditor and shall contain statements on such matters as may be specified by the Bank, from time to time.
- (4) For the purpose of subsection (3) of this section, an "approved auditor" shall be an auditor approved for the purpose of section 29 of this Act.
- (5) Any bank which fails to comply with any of the requirements of this section is in respect of each such failure guilty of an offence and liable on conviction to a fine of N10,000 each day during which the offence continues.

[1999 No. 40]

28. Contents and form of Accounts

- (1) Every balance sheet and every profit and loss account of a bank shall give a true and fair view of the state of affairs of the bank as at the end of the reporting period.
- (2) Every balance sheet and every profit and loss account of a bank forwarded to the Bank in accordance with the provisions of subsection (1) of this section and section 27 (1) (c) of this Act shall comply with the requirements of any circular which has been issued by the Bank thereon.
- (3) Any person being a director of any bank who fails to take all reasonable steps to secure compliance with any of the provisions of this section in respect of any accounts is guilty of an offence and liable to pay to the Bank a fine of N1,000 or to imprisonment for five years or to both such fine and imprisonment. [1999 No. 40]

29. Appointment, Power and Report of approved Auditor

- (1) Every bank shall appoint annually a person approved by the Bank, in this section referred to as “the approved auditor”, whose duties shall be to make to the shareholders a report upon the annual balance sheet and profit and loss account of the bank and every such report shall contain statements as to the matters and such other information as may be prescribed, from time to time, by the Bank.
- (2) For the purpose of this section, the approved auditor shall be an auditor who is:
 - (a) a member of one of the professional bodies recognized in Nigeria;
 - (b) approved by the Bank;
 - (c) resident in Nigeria; and
 - (d) carrying on in Nigeria professional practice as accountant and auditor.
- (3) Any person:
 - (a) having any interest in a bank otherwise than as a depositor; or
 - (b) who is a director, officer or agent of a bank; or
 - (c) which is a firm in which a director of a bank has any interest as partner or director; or
 - (d) who is indebted to a bank, shall not be eligible for appointment as the approved auditor for that bank;
 - (e) and a person appointed as such auditor who subsequently:
 - (i) acquires such interest; or
 - (ii) becomes a director, officer or agent of the bank; or
 - (iii) becomes indebted to a partner in a firm in which a director of a bank is interested as partner or director, shall cease to be such auditor.
- (4) If any bank fails to appoint an approved auditor under subsection (1) of this section the Bank shall appoint a suitable person for that purpose and shall fix the remuneration to be paid by the bank to such auditor.

- (5) Any approved auditor under this section who acts in contravention of or fails deliberately or negligently to comply with any of the provisions of this section is guilty of an offence and liable on conviction to pay to the bank a fine of not less than N200,000 and not exceeding N500,000.

[1997 No. 4. 1998 No. 38]

- (6) The report of the approved auditor shall be read together with the report of the board of directors at the annual general meeting of the shareholders of the bank and two copies of each report together with the auditor's analysis of bad and doubtful advances in a form specified, from time to time, by the Bank shall be sent to the Bank.
- (7) If an auditor appointed under this section, in the course of his duties as an auditor of a bank, is satisfied that:
- (a) there has been a contravention of this Act, or that an offence under any other law has been committed by the bank or any other person; or
 - (b) losses have been incurred by the bank which substantially reduce its capital funds; or
 - (c) any irregularity which jeopardizes the interest of depositors or creditors of the bank, or any other irregularity has occurred; or
 - (d) he is unable to confirm that the claims of depositors or creditors are covered by the assets of the bank, he shall immediately report the matter to the Bank.
- (8) The approved auditor shall forward to the Bank two copies of the domestic reports on the bank's activities not later than three months after the end of the bank's financial year.
- (9) Any approved auditor under this section who acts in contravention of or fail deliberately or negligently to comply with any of the provisions of this section of this Act is guilty of an offence and liable on conviction to a fine not exceeding N500,000 and where the approved auditor is a firm, the individual partner or partners shall in addition be liable on conviction to imprisonment for a term not exceeding five years and to

the fine required to be paid by the firm under this subsection.

[1998 No. 38]

- (10) The appointment of an approved auditor shall not be determined without prior approval of the Bank.

30. Relationship with specialized Banks and Finance Houses

- (1) As from the commencement of this Act, the Governor shall have power to examine, from time to time, the accounts and other books of the Nigeria Industrial Development Bank, the Nigeria Agricultural and Cooperative Bank, the Nigeria Bank for Commerce and Industry, the Urban Development Bank, all Mortgage Institutions, Community Banks and the Peoples bank and such other specialized banks.
- (2) The Bank shall also have power to examine the accounts of bureau de change, discount houses and such other financial institutions and in that regard have power to issue reports, from time to time, regarding the accounts of such financial institutions.
- (3) The periodic reports and findings of the Bank in relation to the said specialized banks and other financial institutions shall be forwarded to the Head of State through the Minister.
- (4) For the purpose of implementation of this section, the specialized banks and other financial institutions shall be treated in the same manner as other banks with respect to the requirements of section 24 of this Act.

[1997 No. 4]

31. Appointment and Power of Director of Banking Supervision and other Examiners

- (1) There shall be an officer of the Bank who shall be appointed by the Governor to be known as the Director of Banking Supervision or by such other title as the Governor may specify.
- (2) The Director of banking Supervision shall have power to carry out supervisory duties in respect of banks and other financial institutions and specialized banks and or that purpose shall:

[1998 No. 38]

- (a) under conditions of confidentiality, examine periodically the books and affairs of each bank;
 - (b) have a right of access at all times to the books, accounts and vouchers of banks;
 - (c) have power to require from directors, managers and officers of banks such information and explanation as he deems necessary to the performance of his duties under this section.
- (3) The Governor shall appoint to assist the Director of Banking Supervision such other Officers of the Bank as the Governor may, from time to time, decide.
- (4) The Officers may be designated examiners or have such other titles as the Governor may specify.
- (5) For the purpose of this section, references to examiners are references to the Director of Banking Supervision and any Officer of the Bank appointed pursuant to subsection (3) of the section.
- (6) In examining the affairs of any bank under this Act, it shall be the duty of an examiner at all times to avoid unreasonable hindrance to the daily business of the bank.
- (7) Every bank shall produce to the examiners at such times as the examiners may specify, all books, accounts, documents and information which they may require.
- (8) If any book, document or information is not produced in accordance with the requirement of an examiner under this section or what is produced or furnished to an examiner is false in any material particular, the bank is guilty of an offence and liable on conviction to pay to the Bank a fine of N100,000 and in addition, to a fine of N10,000 for each day during which the offence continues.

[1997 No. 4. 19998 No. 38]

32. Routine Examination and Report thereon

- (1) The Governor shall, in the case of routine examination, forward a copy of the report arising from the examination together with the recommendations of the Bank, to the bank concerned with instruction that it be placed before the meeting of the board of directors of the bank specially convened for the purpose of considering the report and the recommendation thereon.
- (2) The bank shall within two weeks convey to the Governor the board of director's reactions to the report and its proposal for implementing the recommendations of the Bank.
- (3) Any bank which fails to comply with the provisions of subsection (1) or (2) of this section is guilty of an offence and liable to the Bank for a fine not exceeding ₦25,000 for each day during which the offence continues and if the offence continues for more than 30 days, the Bank may in addition to the fine, withdraw any privilege or facility granted to that bank by the Bank.

33. Special Examination

- (1) The Governor shall have power to order a special examination or investigation of the books and affairs of a bank where he is satisfied that:
 - (a) it is in the public interest so to do; or
 - (b) the bank has been carrying on its business in a manner detrimental to the interest of its depositors and creditors; or
 - (c) the bank has "insufficient" assets to cover its liabilities to the public; or
 - (d) the bank has been contravening the provisions of this Act; or
 - (e) an application is made thereof by:
 - (i) a director or shareholder of the bank; or
 - (ii) a depositor or creditor of the bank:

Provided that in the case of paragraph (e) of this subsection, the Governor may not order a special examination or investigation of the books and affairs of a

bank if he is satisfied that it is not necessary to do so.

- (2) For the purpose of subsection (1) of this section, the Governor shall have power to appoint one or more qualified persons other than the Officers of the Bank to conduct special examination or investigation, under conditions of confidentiality, of the books and affairs of the bank.
- (3) Noting in this section or in any other section of this Act shall be construed as precluding the Governor from appointing one or more Officers of the Bank as examiners apart from those mentioned in section 32 of this Act and ascribing to such Officers such other designations as he deems fit, and from directing or requiring all or any of the Officers to exercise all or any of the powers of the Director of Banking Supervision under this Act.
- (4) The Governor shall have power to order that all expenses of or incidental to an examination or investigation be paid by the bank examined or investigated.

34. Power to examine books of other Financial Institutions and specialized banks

- (1) Notwithstanding the powers of the Bank specified in this Act, as amended, the Bank shall have power, from time to time, to examine the books and affairs of:
 - (a) the Nigerian Industrial Development Bank;
 - (b) the Nigerian Agricultural and Cooperative Bank;
 - (c) the Nigerian Export Import Bank;
 - (d) the Nigerian Bank for Commerce and Industry;
 - (e) the Urban Development Bank;
 - (f) the Federal Mortgage Bank of Nigeria and all primary mortgage institutions;
 - (g) Community Banks;
 - (h) Peoples Bank of Nigeria;
 - (i) Bureaux de Change;

- (j) Discount Houses, and such other financial institutions and specialized banks as may be specified, from time to time, by the Bank.
- (2) The periodic reports and findings of the Bank in relation to the other financial institutions and specialized banks together with the recommendations of the Bank shall, in specific cases, be forwarded to the appropriate Minister for necessary action.
- (3) For the purposes of implementation of this section of this Act, the other financial institutions and specialized banks shall be treated in the same manner as other banks with respect to the requirements of section 24 of this Act.

[1998 No. 38]

35. Failing Bank

- (1) Where a bank informs the Bank that:
 - (a) it is likely to become unable to meet its obligations under this Act; or
 - (b) it is about to suspend payment to any extent; or
 - (c) it is insolvent; or
 - (d) where, after an examination under section 33 of this Act or otherwise howsoever, the Bank is satisfied that the bank is in a grave situation as regards the matters referred to in section 33 (1) of this Act, the Governor may by order in writing exercise any one or more of the powers specified in subsection (2) of this section.
- (2) The Governor may by order in writing under subsection (1) of this section:
 - (a) prohibit the bank from extending any further Credit facility for such period as may be set out in the order, and make the prohibition subject to such exceptions, and impose such conditions in relation to the exceptions as may be set out in the order, and from time to time, by further order similarly made,

- extend the aforesaid period;
- (b) require the bank to take any steps or any action or to do or not to do any act or thing whatsoever, in relation to the bank or its business or its directors or officers which the Bank may consider necessary and which is set out in the order, within such times as may be stipulated therein;
 - (c) remove for reasons to be recorded in writing with effect from such date as may be set out in the order, any manager or officer of the bank, notwithstanding anything in any written law, or any limitations contained in the memorandum and articles of association of the bank;

[1999 No. 40]

- (d) in respect of a bank, notwithstanding anything in any written law or any limitations contained in the memorandum and articles of association of the bank, and in particular, notwithstanding any limitation therein as to the minimum or maximum number of directors, for reasons to be recorded in writing:
 - (i) remove from office, with effect from such date as may be set out in the order, any director of the bank; or
 - (ii) appoint any person or persons as a director or directors of the bank, and provide in the order for the person or persons so appointed to be paid by the bank such remuneration as may be set out in the order;
- (e) appoint any person to advise that bank in relation to the proper conduct of its business, and provide in the order for the persons so appointed to be paid by the bank such remuneration as may be set out in the order.

36. Control of Failing Bank

If after taking such of the steps stipulated in section 35 of this Act or such other measures as in the opinion of the Bank may be appropriate in the circumstance, the state of affairs of the bank concerned does not improve, the Bank may turn

over the control and management of such bank to the Nigeria Deposit Insurance Corporation (hereinafter in this Act referred to as "the Corporation") on such terms and conditions as the Bank may stipulate from time to time.

37. Power over significantly under-capitalized banks

Where the Corporation has assumed control over a bank as provided under section 36 of this Act and such bank is significantly under-capitalized to the extent that its risk weighted assets ratio is below five percent but above two percent, the Corporation may:

- (a) require the bank to submit a recapitalization plan acceptable to the Corporation within a stipulated period; or
- (b) prohibit the bank from extending any further credit and incurring any additional capital expenditure without the approval of the Corporation; or
- (c) notwithstanding the provisions of section 7 of this Act, require the bank to take such steps or to do or not to do any act or thing whatsoever in relation to the business of the bank or its directors or officer, which the Corporation may consider necessary within such time as the Corporation may stipulate; or
- (d) with the approval of the Bank remove, for reasons to be recorded in writing and with effect from any date as may be specified, any director, manager, officer or employee of the bank; or
- (e) appoint, with the approval of the Bank, any person or persons as a director or directors of the bank and cause their remuneration to be provided by the bank. [1998 No. 38]

38. Management of failing Bank

- (1) Where the Corporation has assumed control of the business of a bank pursuant to section 36 of this Act, the Corporation shall remain in control of and continue to carry on the business of the bank in the name and on behalf of the bank until such a time as in the opinion of the Bank, it is no longer necessary for the Corporation to remain in control of the business of the bank. [1998 No. 38]

(2) Accordingly, the cost and expenses of the Corporation or remuneration of an appointed person of the bank shall be a first charge on the assets of the bank.

39. Power of the Bank to revoke licence or apply to court

In the event that the bank over which the Corporation has assumed control cannot be rehabilitated, the Corporation may recommend to the Bank other resolution measures which may include the revocation of the bank's licence.

[1990 No. 40. 1998 No. 38]

40. Application to the Federal High Court for Winding Up

Where the licence of a bank has been revoked pursuant to section 39 of this Act, the Corporation shall apply to the Federal High Court for a winding up order of the affairs of the bank.

[1998 No. 38]

41. Legal Proceedings, etc

(1) Notwithstanding anything to the contrary contained in any law or enactment, no suit shall be instituted against a bank whose control has been assumed by the Corporation.

(2) If any such proceeding is instituted in any court or tribunal against the bank, it shall abate, cease or be discontinued without further assurance other than this Act.

[1998 No. 38]

42. Corporation to forward returns

The Corporation shall, while acting as the liquidator of a licensed bank, forward to the Bank copies of any returns which it is required to make, from time to time, by the Bank.

[1998 No. 38]

General and Supplemental

43. Restrictions on the use of certain names

- (1) Except with the written consent of the Governor:
 - (a) no bank shall as from the commencement of this Act, be registered or incorporated with a name which includes the words "Central", "Federation", "National", "Nigeria", "Reserve", "State", "Christian", "Islamic", "Moslem", "Quoranic", or "Biblical";
 - (b) no person other than a bank licensed under this Act shall or continue to use the word "bank" or any of its derivatives, either in English or in any other language in the description or title under which the person is carrying on business in Nigeria:

Provided that paragraph (b) of this subsection shall not apply to banking institutions referred to in section 53 of this Act.

- (2) Every bank shall use as part of its description or title the word "bank" or any one or more of its derivatives, either in English or in some other language.
- (3) Subsection (1) of this section shall not apply to any registered association of banks, bankers or bank employees formed for the protection of their mutual interest or in furtherance or promotion of education and training of personnel for financial institutions in Nigeria.
- (4) Any person who acts in contravention of this section is guilty of offence and liable on conviction to a fine not exceeding ₦50,000 for each day during which the offence continues.

[1997 No.4. 1998 No. 38]

44. General restriction on advertisement for deposits

- (1) No person other than a bank or any other person authorized to take deposits shall issue any advertisement inviting the public to deposit money with.
- (2) Any person who issues an advertisement in contravention of the provisions of subsection (1) of this section is guilty of an offence and

liable conviction to a fine of N500,000 or to imprisonment for a term of ten years or to both such fine and imprisonment.

[1997 No.4. 1998 No. 38]

- (3) Where any bank proposes to issue any advertisement, the bank shall deliver to the Bank the text of the proposed advertisement together with the bank's latest published accounts, and shall thereafter comply with such directives- and conditions as the Bank may prescribe and such text shall be regarded as confidential information.
- (4) Any bank which fails to comply with the provisions of subsection (3) of this section is guilty of an offence and liable to a fine of ₦50,000 and the bank shall in addition pay a fine of ₦1,000 for every day during which an advertisement issued in contravention of subsection (3) of this section continues.
- (5) In this Act, "advertisement" includes any form of advertising whether in publication or by the display of notice or by means of circular or other document or by any exhibition of photographs or cinematograph or by way of sound broadcasting or television or loudspeakers or other public address systems and reference to the issuing of an advertisement shall be construed accordingly; and for the purposes of this Act, an advertisement issued by any person by way of display or exhibition in a public place shall be treated as issued by him on every day on which he causes or permits it to be so displayed or exhibited.
- (6) An advertisement which contains information calculated to lead directly or indirectly to the deposit of money by the public shall be treated as an advertisement inviting the public to deposit money.
- (7) An advertisement issued by any person on behalf of or to the order of another person shall be treated as an advertisement issued by that other person and for the purpose of any proceedings under this Act, an advertisement inviting the public to deposit money with a person specified in the advertisement shall be presumed, unless the contrary is proved, to have been issued by the person.

45. **Power of the President to proscribe Trade Union**

- (1) If the President is satisfied that any trade union, the members of which are employed in a bank, has been engaged in acts calculated to disrupt the economy of Nigeria, he may by order published in the Gazette proscribe that union (hereafter in this section referred to as "a proscribed union") which shall, as from the date of the order, cease to exist.
- (2) A proscribed union shall, not later than fourteen days from the date of the order under subsection (1) of this section, surrender its certificate of registration to the Registrar who shall take such steps in relation to the distribution of the assets of the union as he deems necessary or in accordance with the registered rules of the union.
- (3) No person who immediately before the date of an order under this section was an officer of a proscribed union shall at any time after that date be an officer or any trade union any of the members of which are employed by a bank.
- (4) If the certificate of registration of a proscribed union is not delivered to the Registrar as required under subsection (2) of this section, every person who immediately before the proscription of the union was an officer thereof is guilty of an offence and liable on conviction to a fine of N5,000 or to imprisonment for six months or to both such fine and imprisonment.
- (5) Any person who contravenes subsection (3) of this section is guilty of an offence and liable on conviction to imprisonment for a term of five years without an option of a fine.
- (6) In this section "officer" in relation to a union, means any person holding official position in that trade union and, accordingly, includes in particular, any president, secretary or treasurer thereof and every member of the committee of management however described; "Registrar" means the Registrar of Trade Unions appointed under section 46 of the Trade Unions Act. [Cap. T14]

46. Closure of bank during a strike

- (1) No bank shall incur any liability to any of its customers by reason only of failure on the part of the bank to open for business during a strike.
- (2) If as a result of a strike, a bank fails to open for business, the bank shall, within 24 hours of the beginning of the closure, obtain the approval of the Bank for any continued closure of the bank.

47. Prohibition of the receipt of commissions, etc., by staff of banks

- (1) Any director, manager, officer or employee of a bank or any other person receiving remuneration from the bank, who asks for, receives, consents or agrees to receive any gift, commission, employment, service, gratuity, money, property or thing of value for his own personal benefit or advantage or for that of any of his relations, from any person:
 - (a) for procuring or endeavouring to procure for any person any advances, loans or credit facility from the bank;
 - (b) for the purpose or discount of any draft, note, cheque, bill of exchange or other obligation by that bank; or
 - (c) for permitting any person to overdraw any account with that bank without proper authority or compliance with rules and guidelines for that purpose, is guilty of an offence and liable on conviction to pay to the Bank a fine of N50,000 or imprisonment for a term of five years or to both such fine and imprisonment and in addition any such gift or any other commission shall be forfeited to the Federal Government.

[1998 No. 38]

- (2) The provisions of subsection (1) of this section shall not in any manner derogate from, and shall be without prejudice to any other written law relating to corruption or illegal gratification.

48. Disqualification and exclusion of certain individuals from management of banks

- (1) Every bank shall, before appointing any director or chief executive, seek and obtain the Bank's written approval for the proposed appointment.
- (2) No person shall be appointed or shall remain a director, secretary or an officer of a bank who:
 - (a) is of unsound mind or as a result of ill health is incapable of carrying out his duties; or
 - (b) is declared bankrupt or suspends payments or compounds with his creditors including his bankers; or
 - (c) is convicted of any offence involving dishonesty or fraud; or
 - (d) is guilty of serious misconduct in relation to his duties; or
 - (e) in the case of a person possessed of professional qualification, is disqualified or suspended (otherwise than of his own request) from practicing his profession in Nigeria by the order of any competent authority made in respect of him personally.
- (3) No person who has been a director of or directly concerned in the management of a bank which has been wound up by the Federal High Court shall, without the express authority of the Governor, act or continue to act as a director of, or be directly concerned in the management of any other bank.
- (4) Any person whose appointment with a bank has been terminated or who has been dismissed for reasons of fraud, dishonesty or conviction for an offence involving dishonesty or fraud shall not be employed by any bank in Nigeria.
- (5) Any bank which knowingly acts in contravention of subsection (1), (2), (3) and (4) of this section is guilty of an offence and liable on conviction to a fine of ₦100,000. [1999 No. 40]
- (6) Where an offence committed by a bank under subsection (4) of this section is proved to have been committed with the knowledge or connivance of any director, manager or any other officer or the bank, he,

as well as the bank, is guilty of an offence and the director, manager or any other officer of the bank shall on conviction be liable to imprisonment for a term of not less than five years or to a fine of ₹50,000 or to both such imprisonment and fine. [1990 No. 40]

- (7) It shall not be a defence for any director, manager or officer of a bank to claim that he is not aware of the provisions of subsection (4) of this section, except if he can prove that he had obtained prior clearance of such a person from the secretary of the Banker's Committee who maintains a register of terminated, dismissed or convicted staff of banks on the ground of fraud or dishonesty.

Miscellaneous Matters

49. Offences by companies, etc., and by servants and agents

- (1) Where any offence against any provision of this Act has been committed by a body corporate or firm, any person who was a director, manager, secretary or other similar officer of the body corporate or firm purporting to act in such capacity shall, in addition to the body corporate or firm, be deemed to be guilty of that offence unless he proves that the offence was committed without his consent or connivance and that he exercised all such diligence to prevent the commission of the offence as he ought to have exercised having regard to the nature of his functions in that capacity and to all the circumstances.
- (2) Where any person would be liable under this Act to any punishment or penalty for any act, omission, neglect or default, he shall be liable to the same punishment or penalty for every such act, omission, neglect or default of any clerk, servant or agent or the clerk or servant of such agent:

Provided that such act, omission, neglect or default was committed by the clerk or servant in the course of his employment or by the agent when acting in the course of his employment in such circumstances that had the act, omission, neglect or default been committed by the agent, his principal would have been liable under this section.

50. Offences by directors and managers of banks

Any person, being a director or manager of a bank, who fails to:

- (a) take all reasonable steps to secure compliance by the bank with the requirements of this Act; or
- b) take all reasonable steps to secure the correctness of any statement submitted under the provisions of this Act, is guilty of an offence and liable on conviction to a fine not exceeding ₦50,000 or to imprisonment for a term of three years or to both such fine and imprisonment.

[1997 No.4. 1998 No. 38]

51. Penalties for offences not otherwise provided for

Any bank which contravenes or fails to comply with any of the provisions of this Act or any regulations made thereunder for which an offence or penalty is not expressly provided is guilty of an offence and liable on conviction to a fine not exceeding ₦50,000.

[1997 No.4. 1998 No. 38]

52. Sharing of revenues from penalties

All revenues collected as a result of penalties imposed by this Act or any other penalties for which the Bank is responsible for collection shall be shared in the ratio of 20 percent to the Bank, 10 percent to the Nigeria Deposit Insurance Corporation and 70 percent to the Consolidated Revenue Fund. [1997 No.4]

Miscellaneous Matters

49. Offences by companies, etc., and by servants and agents

- (1) Where any offence against any provision of this Act has been committed by a body corporate or firm, any person who was a director, manager, secretary or other similar officer of the body corporate or firm purporting to act in such capacity shall, in addition to the body corporate or firm, be deemed to be guilty of that offence unless he proves that the offence was committed without his consent or connivance and that he exercised all such diligence to prevent the commission of the offence as he ought to have exercised having regard to the nature of his functions in that capacity and to all the circumstances.

- (2) Where any person would be liable under this Act to any punishment or penalty for any act, omission, neglect or default, he shall be liable to the same punishment or penalty for every such act, omission, neglect or default of any clerk, servant or agent or the clerk or servant of such agent:

Provided that such act, omission, neglect or default was committed by the clerk or servant in the course of his employment or by the agent when acting in the course of his employment in such circumstances that had the act, omission, neglect or default been committed by the agent, his principal would have been liable under this section.

50. Offences by directors and managers of banks

Any person, being a director or manager of a bank, who fails to:

- (a) take all reasonable steps to secure compliance by the bank with the requirements of this Act; or
- (b) take all reasonable steps to secure the correctness of any statement submitted under the provisions of this Act, is guilty of an offence and liable on conviction to a fine not exceeding ₦50,000 or to imprisonment for a term of three years or to both such fine and imprisonment.

[1997 No. 4. 1998 No. 38]

51. Penalties for offences not otherwise provided for

Any bank which contravenes or fails to comply with any of the provisions of this Act or any regulations made thereunder for which an offence or penalty is not expressly provided is guilty of an offence and liable on conviction to a fine not exceeding ₦50,000.

[1997 No.4. 1998 No. 38]

52. Sharing of revenues from penalties

All revenues collected as a result of penalties imposed by this Act or any other penalties for which the Bank is responsible for collection shall be shared in the ratio of 20 percent to the Bank, 10 percent to the Nigeria Deposit Insurance Corporation and 70 percent to the Consolidated Revenue Fund.

[1997 No.4]

53. Protection against adverse claims

- (1) Neither the Federal Government nor the Bank nor any officer of that Government or Bank, shall be subject to any action, claim or demand by or liability to any person in respect of anything done or omitted to be done in good faith in pursuance or in execution of, or in connection with the execution or intended execution of any power conferred upon that Government, the Bank or Such officer, by this Act.
- (2) For the purpose of this section, the Minister or any officer duly acting on his behalf shall be deemed to be an officer of the Federal Government and the Governor, any Deputy Governor of the Bank or other employee thereof any person holding any office therein or appointed by the Bank und subsection (2) of section 33 of this Act, shall be deemed to be an officer the Bank.

54. Priority of Local Deposit Liabilities

Where a bank is unable to meet its obligations or suspends payment, the assets of the bank in the Federation shall be available to meet all the deposit liabilities of the bank and such deposit liabilities shall have priority ever all other liabilities of the bank.

55. Application of Companies and Allied Matters Act

- (1) The provisions of this Act shall apply without prejudice to the provision of the Companies and Allied Matters Act in so far as they relate to banks and to winding up by the Federal High Court.
[Cap. 20]
- (2) Where any of the provisions of the Companies and Allied Matters Act are inconsistent with the provisions of this Act, the provisions of this Act, the provisions of this Act shall prevail.
[Cap. NI02]

56. Application of Nigeria Deposit Insurance Corporation Act

The provisions of this Act shall apply without prejudice to the provisions of the Nigeria Deposit Insurance Corporation Act and where any of the provisions of this Act are inconsistent with any provisions of that Act, the provisions of this Act shall prevail.

[Cap. NI02]

57. Power to make Regulations

- (1) The Governor may make regulations, published in the Federal Gazette, to give full effect to the objects and objectives of this Act.
- (2) Without prejudice to the provisions of subsection (1) of this section, the Governor may make rules and regulations for the operations and control of all institutions under the supervision of the Bank. [1998 No. 38]

PART II

Other Financial Institutions

58. Prohibition of unlicensed financial institutions

- (1) Without prejudice to the provisions of Part I of this Act, no person shall carry on other financial business in Nigeria other than insurance and stock broking except if it is a company duly incorporated in Nigeria and holds a valid licence granted under section 59 of this Act.
- (2) Any person or institution which, before the commencement of this Act was carrying on such other financial business as are referred to under subsection (1) of this section, shall apply in writing to the Bank for a licence within six months from the date of commencement of this Act.
- (3) Any person or institution which fails to apply as provided in subsection (2) of this section, shall cease to carry on such financial business.

59. Application for licence

- (1) Any person wishing to carry on other financial business other than insurance and stock broking in Nigeria shall apply in writing to the Bank for the grant of a licence and shall accompany the application with the following:
 - (a) a draft copy of the memorandum and articles of association of the proposed financial business;
 - (b) such other information, documents and reports as the Bank may, from time to time, specify; and
 - (c) The prescribed application fee.
- (2) After the applicant has provided all such information, documents and reports as the Bank may require under subsection (1) of this section, the Bank may grant the licence with or without condition or refuse to grant the licence.
- (3) Where an application for a licence is granted, the Bank shall give written notice of that fact to the applicant and the licence fee shall be paid.
- (4) The Bank may vary or revoke any conditions subject to which a licence was the grant was granted or may impose fresh or additional conditions

to the grant of a licence.

- (5) Where the Bank proposes to vary, revoke or impose fresh or additional conditions, the Bank shall before exercising such power, give notice of its intention to the person or institutions concerned and give such a person or institution an opportunity to make representation to the Bank thereon.
- (6) Any person who transacts business without a valid licence under section 58 of this Act or subsection (2) of this section, whether in the case of an individual or in the case of a body corporate, is guilty of an offence and liable:
 - (a) in the case of a body corporate, to a fine of N1,000,000; and
 - (b) in any other case, to a fine not exceeding N1,000,000 or imprisonment for a term not exceeding five years or to both such fine and imprisonment.

[1999 No. 40]

60. Failure to comply with conditions of licence

- (1) Any person who fails to comply with any of the conditions of its licence is guilty of an offence and liable on conviction to a fine not exceeding N5,000 for each day during which the condition is not complied with.

[1997 No.4. 1998 No. 38]

- (2) Every person or institution carrying on such financial business as a referred to in section 56 of this Act shall:
 - (a) comply with the Monetary Policy Guidelines and other directives as the Bank may, from time to time, specify;
 - (b) furnish within the stipulated time any statistical and other return as the Bank may, from time to time, require.
- (3) Any person who fails to comply with paragraph (a) or (b) of subsection (2) of this section is guilty of an offence and liable on conviction to imprisonment for a term not less than two years and not exceeding three years or to a fine of N5,000 for each day during which such failure occurs. [1997 N 4. 1998 No. 38]

- (4) Persistent failure to comply with the guidelines or other directives of the Bank or persistent refusal to supply returns in the prescribed form may be a ground for the revocation of a licence.

61. Supervisory power of the Bank

- (1) The Bank shall have power to:
- (a) supervise and regulate the activities of other financial institutions and specialized banks;
 - (b) prescribe the minimum paid-up capital requirement of other financial institutions and specialized banks.

[1998 No. 38]

- (2) The Bank may appoint examiners and any other person to carry out regular or routine examination of the books and affairs of other financial institutions.
- (3) Where the Governor is satisfied that it is in the public interest so to do he may, in addition to the routine or regular examination, order a special examination or investigation of the books and affairs of any other financial institution and for that purpose, the Governor shall have power to appoint one or more qualified persons other than the officers of the Bank to conduct special examination or investigation, under conditions of confidentiality, of the books and affairs of such other financial institution.
- (4) The cost and expenses of the Bank or the remuneration of the person so appointed, as the case may be, shall be payable from the fund and property of the financial institution.

62. Control of failing other financial institutions

- (1) If, after taking such of the steps stipulated in section 35 of this Act such other measures as in the opinion of the Bank may be appropriate in the circumstance, the state of affairs of the other financial institution concerned does not improve, the Bank may turn over the control and management of such other financial institution to an appointed person on such terms and conditions as the Bank may stipulate, from time to time.

- (2) If, after taking such steps as specified in subsection (1) of this section as in the opinion of the Governor may be appropriate in each circumstance, the state of affairs of the other financial institution concerned does not improve, the Bank shall have power to revoke the licence of such other financial institution.

[1998 No. 38]

- (3) Any other financial institution whose licence is revoked pursuant to subsection (2) of this section shall be wound up by a person appointed by the Bank.

[1998 No. 38,]

- (4) The cost and expenses of the Bank or the remuneration of the person so appointed pursuant to subsection (1) of this section shall be payable from the fund and property of the financial institution.

[1998 No. 38]

63. Application of Act to other Financial Institutions

The provisions of section 35 of this Act shall apply with such necessary modifications to other financial institutions.

[1999 No. 40]

PART III

Miscellaneous and Supplementary

64. Failure to comply with rules, etc.

- (1) Notwithstanding any of the provisions of this Act, the Governor may impose a penalty not exceeding ₹2,000,000 or suspension of any licence issue to a bank or any other financial institution for the bank's or other financial institution's failure to comply with any rules, regulations, guidelines or administrative directives made, given or issued by the Bank under this Act.

[1998 No. 38]

- (2) The Governor may suspend any licence issued or given to any bank any other financial institution which fails to comply with any rules, regulation guidelines or administrative directives made, given or issued to it by the Ban under this Act. [1997 No.4]

65. Powers as to offences and the Attorney-General's fiat

- (1) The Governor of the Bank may compound any offence punishable under this Act by accepting such sums of money as he thinks fit, not exceed in the amount of maximum fine to which that person would have been liable if had been convicted of the offence. [1998 No. 38]
- (2) Any monies paid to the Governor pursuant to subsection (1) of this section, shall be paid into the Bank's penalty account which shall be establish for that purpose. [1999 No. 40]
- (3) No prosecution in respect of any offence under this Act shall be instituted without the consent in writing of the Attorney-General of the Federation. [1998 No. 38]

66. Interpretation

In this Act unless the context otherwise requires- "associate" means a company in which another company owns not less than twenty per cent of the shares;

"bank" means a bank licensed under this Act;

"Bank" means the Central Bank of Nigeria;

"banking business" means the business of receiving deposits on current account, savings account or other similar account, paying or collecting cheques, drawn by or paid in by customers; provision of finance or such other business as the Governor may, by order published in the Federal Gazette, designate as banking business;

"chief executive" in relation to a bank means a person by whatever name called, who either individually or jointly with one or more other persons, is responsible, subject to the authority of the board of directors, for the conduct of the business and administration of the bank;

"Commercial bank" means a bank in Nigeria whose business includes the acceptance of deposits withdrawable by cheques;

"Community bank" means a bank whose business is restricted to a specified geographical area in Nigeria;

"deposit" means money lodged with any person whether or not for the purpose of any interest or dividend and whether or not such money is repayable upon demand upon a given period of notice or upon a fixed date;

"Deputy Governor" means a Deputy Governor of the Central Bank of Nigeria;

"director" includes any person by whatever name he may be referred to carrying out or empowered to carry out substantially the same functions of a director in relation to the affairs of a company incorporated under the Companies and Allied Matters Act; [Cap. C20]

"factoring" means the business of acquiring debts due to any person;

"Federation" means the Federal Republic of Nigeria;

"Governor" means the Governor or any of the Deputy Governors of the Central Bank of Nigeria;

"leasing" means the business of letting or sub-letting movable property on hire for the purpose of the use of such property by the hirer or any other person in any business whatsoever and where the lessor is the owner of the property regardless of whether the letting is with or without an option to purchase the property;

"licence" means a licence issued under this Act;

"merchant bank" means a bank whose business includes receiving deposits on deposit account, provisions of finance, consultancy and advisory services relating to corporate and investment matters, making or managing Investments on behalf of any person;

"Minister" means the Minister charged with the responsibility for finance;

"Other financial institution" means any individual, body, association or group of persons, whether corporate or unincorporated, other than the banks licensed under this Act which carries on the business of a discount house, finance company and money brokerage and whose principal objects include factoring, project financing, equipment leasing, debt administration, fund management, private ledger services, investment management, local purchases, order

financing, export finance, project consultancy, financial consultancy, pension fund management and such other business as the Bank may, from time to time, designate; [1998 No. 38]

“President” means the President of the Federal Republic of Nigeria;

“profit and loss sharing bank” means a bank which transacts investment or commercial banking business and maintains profit and loss sharing accounts;

“Relation of person” includes father, mother, child, brother, sister, uncle, aunt and cousins where applicable, and their spouses;

“shareholders funds” means the aggregate of paid-up share capital, statutory and all other reserves;

“specialized banks” includes Nigeria Industrial Development Bank, Nigerian Agricultural and Co-operative Bank, Nigerian Export Import Bank, Nigerian Bank for Commerce and Industry, the Urban Development Bank, Federal Mortgage Bank of Nigeria and all Primary Mortgage Institutions, Community Banks, Peoples Bank of Nigeria and such other banks as may be designated from time to time; [1998 No. 38]

“State” means any of the States of the Federation.

67. **Short Title**

This Act may be cited as the Banks and Other Financial Institutions Act.

CHAPTER B3
BANKS AND OTHER FINANCIAL INSTITUTIONS ACT
SUBSIDIARY LEGISLATION
No Subsidiary Legislation



Chapter Two

BANKS (MOTOR VEHICLE LOANS)

(MISCELLANEOUS PROVISIONS) ACT

ARRANGEMENT OF SECTIONS

SECTION

1. Offences and penalty for unauthorized sale of a motor vehicle on which a loan is outstanding.
2. Disclosure of certain particulars to the licensing authority.
3. Issue and effect of discharge certificate.
4. Interpretation.
5. Short Title.

An Act to prohibit the sale, disposal or parting with possession of a motor vehicle on which a bank loan is still outstanding and to require the licensing authority to enter all particulars on the loan in the register.

[1979 No. 14]

[4th April, 1979]

[Commencement]

1. **Offences and penalty for unauthorized sale of a motor vehicle on which a loan is outstanding**
 - (1) As from the commencement if this Act, it shall be an offence for any person to sell, dispose or otherwise part with the possession of a motor vehicle on which a loan obtained from a bank is still outstanding without first obtaining the consent in writing of the bank prior to the sale or disposal.
 - (2) Any person who fails to comply with the provisions of subsection (1) of this section shall be guilty of an offence and liable on conviction to a fine of N200 or six months' imprisonment or to both such fine and imprisonment.

2. Disclosure of certain particulars to the licensing authority

- (1) As from the commencement of this Act, any person who purchases a motor vehicle with a loan granted by a bank shall disclose to the licensing authority the particulars of the loan, the name and address of the bank making the loan and such other particulars as may be prescribed:

Provided that where such a person fails or refuses to disclose such particulars within thirty days from the purchase of the motor vehicle the bank may itself supply the particulars concerned to the licensing authority which shall register the latter particulars in substitution for any other entry made in the relevant register.

- (2) It shall be the duty of the licensing authority to which the particulars stipulated in subsection (1) of this section are given to cause the particulars or, as the case may require, the substituted particulars to be entered in the appropriate register relating to the motor vehicle and to endorse on the motor vehicle licence the name of the bank making the loan or such endorsement on the motor vehicle licence that clearly shows that a loan is still outstanding on the motor vehicle.
- (3) No change of ownership of the motor vehicle shall, prior to the full repayment or settlement of the loan, be registered by the licensing authority without a certificate of discharge or consent in writing issued by the bank offering the loan to purchase the motor vehicle.
- (4) Any registration made contrary to the provisions of this section shall be void and shall have no effect whatsoever on the right of ownership or the right to recover possession of the motor vehicle by the bank which had granted the loan for the purchase of such motor vehicle.

3. Issue and effect of discharge certificate

- (1) Immediately after full settlement of repayment of a loan (including any interest thereon) is made by the borrower to the bank, the bank shall issue a discharge certificate to the person who obtained the loan and shall send a copy of the discharge certificate to the licensing authority.

- (2) On the receipt of the discharge certificate, the licensing authority shall make an entry in that behalf in the register relating to the motor vehicle and thereafter the owner of the motor vehicle shall be free to dispose of the motor vehicle without having to comply with the requirements laid down in the foregoing provisions of this Act.

4. Interpretation

In this Act, unless the context otherwise requires:

“bank” has the meaning assigned thereto by section 66 of the Banks and Other Financial Institutions Act;

[Cap. B3]

“motor vehicle” means a mechanically propelled vehicle intended or adopted for use on roads;

“Prescribed” means prescribed by the Minister charged with responsibility for finance.

5. Short Title

This Act may be cited as the Banks (Motor Vehicle Loans) (Miscellaneous Provisions) Act.



SECTION SEVEN

ASSET MANAGEMENT CORPORATION OF NIGERIA (AMCON) ACT

AN ACT TO ESTABLISH THE ASSET MANAGEMENT CORPORATION OF NIGERIA
FOR THE PURPOSE OF EFFICIENTLY RESOLVING THE NON-PERFORMING LOAN
ASSETS OF BANKS IN NIGERIA; AND FOR RELATED MATTERS

ENACTED by the National Assembly of the Federal Republic of Nigeria:

ARRANGEMENT OF SECTIONS

SECTION:

PART I - ESTABLISHMENT, ETC OF THE ASSET MANAGEMENT CORPORATION OF NIGERIA

1. Establishment of the Corporation
2. Authorized capital
3. Head Office of the Corporation
4. Objects of the Corporation
5. Functions of the Corporation
6. Powers of the Corporation
7. Appointment of asset managers
8. Power of the Central Bank of Nigeria to issue guidelines and directions

PART II – ADMINISTRATION AND MANAGEMENT

9. Establishment and responsibility of the Board
10. Composition and tenure of the Board
11. Members of the Board to act in good faith
12. Remunerations of Board members
13. Disqualification and cessation of office
14. Resignation and removal of Board members
15. Filling of casual vacancy
16. Declaration of debt obligations and disclosure of interest
17. Management of the Corporation
18. Appointment of other staff

PART III – FUNDS, FINANCES, ACCOUNTS, AUDIT, ETC

19. Funds, Finances, Accounts, Audit, etc the Corporation
20. Books of Accounts
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22. Report to Central Bank of Nigeria, etc
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PART IV - ELIGIBLE BANK ASSETS ACQUISITION, MANAGEMENT, ETC

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25. Purchase of eligible bank asset by the Corporation
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28. Valuation and purchase price of eligible bank asset
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30. Corporation not bound to purchase eligible bank asset
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32. Purchase agreement, indemnity, etc
33. Notice to debtors, etc of acquisition of eligible bank assets
34. Effect of acquisition of eligible bank asset by the Corporation.
35. Corporation to have rights or creditors after acquisition of eligible bank asset
36. Restrictive Collateral to be held in trust
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38. Assistance to Corporation by eligible financial institutions in legal proceedings
39. Transfer, assignment, etc. by Corporation to override restriction on disposal
40. Power to discharge second or subsequent pledge
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43. Limitation on liability of Corporation
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PART V-SPECIAL POWERS OF THE CORPORATION

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54. Offences and penalties
55. Prosecution of offences

PART VIII - MISCELLANEOUS

56. Code of practice
 57. Power to make regulations
 58. Power of the Central Bank to supervise and regulate the Corporation
 59. Regulatory powers and functions of Governor not affected
 60. Corporation to be exempted from Capital Gains Tax
 61. Interpretation
 62. Citation
- Schedule

Part I

ESTABLISHMENT, ETC. OF THE ASSET MANAGEMENT CORPORATION OF NIGERIA

1. (1) There is established the Asset Management Corporation of Nigeria (in this Act referred to as "the Corporation").
 - (2) The Corporation:
 - (a) shall be a body corporate with a common seal, perpetual succession; and
 - (b) may sue and be sued in its corporate name.
 - (3) Subject to the limitations contained in this Act, the Corporation may acquire, hold and dispose of movable and immovable property for the purpose of its functions and objects.
 - (4) Except as otherwise provided in this Act, the Corporation shall be independent in the discharge of its functions.
2. (1) The authorized capital of the Corporation shall be 10 billion Naira, which shall be fully subscribed to by the Federal Government and held in trust by the Central Bank of Nigeria and the Ministry of Finance incorporated in equal proportion of fifty percent each.
 - (2) The authorized capital of the Corporation may be increased by such amount as the Board may, from time to time, determine, with the concurrence of the Board of the Central Bank of Nigeria and the approval of the President and shall, when so increased be subscribed to by the Federal Government and such other subscribers as may be approved by the President on the recommendation of the Central Bank of Nigeria and Ministry of Finance.
 - (3) The authorized capital of the Corporation shall be subject to registration and stamp duties.
3. The Corporation shall have its Head Office in Abuja and may open branches in any part of Nigeria and appoint agents and correspondents as may be approved by the Board.

4. The objects of the Corporation shall be to:
 - (a) assist eligible financial institutions to efficiently dispose of eligible bank assets in accordance with the provisions of this Act;
 - (b) efficiently manage and dispose of eligible bank assets acquired by the Corporation in accordance with the provisions of this Act; and
 - (c) obtain the best achievable financial returns on eligible bank assets or other assets acquired by it in pursuance of the provisions of this Act having regard to-
 - (i) the need to protect or otherwise enhance the long-term economic value of those assets;
 - (ii) the cost of acquiring and dealing with those assets;
 - (iii) the Corporation's cost of capital and other 515,
 - (iv) any guidelines or directions issued by the Central Bank of Nigeria in pursuance of the provisions of this Act; and
 - (v) any other factor which the Corporation considers relevant to the achievement of its objects.
5. The functions of the Corporation shall be to-
 - (a) acquire eligible bank assets from eligible financial institutions in accordance with the provisions of this Act;
 - (b) purchase or otherwise invest in eligible equities on such terms and conditions as the Corporation, with the approval of the Board of the Central Bank of Nigeria, may deem fit;
 - (c) hold manage realize and dispose of eligible bank assets (including the collection of interest, principal and capital due and the taking over or collateral securing such assets) in accordance with the provisions of this Act;
 - (d) pay coupons on, and redeem at maturity, bonds and debt securities issued by the Corporation as consideration for the acquisition of eligible bank assets in accordance with the provisions of this Act;
 - (e) perform such other functions, directly related to the management or the realization of eligible bank assets that [he Corporation has acquired,

- including managing and disposing assets acquired with the proceeds derived by the Corporation from managing or disposing of eligible bank assets acquired by it;
- (d) take all steps necessary or expedient to protect enhance or realize the value of the eligible bank assets that the Corporation has acquired, including:
 - (i) the disposal of eligible bank assets or portfolios of eligible bank assets in the market at the best achievable price;
 - (ii) the securitization or refinancing of portfolios of eligible bank assets; and
 - (iii) holding realizing and disposing of collateral securing eligible bank assets; and
 - (g) perform such other activities and carry out such other functions which in the opinion of the Board are necessary, incidental or conducive to the attainment of the objects of the Corporation.
6. (1) The Corporation shall have powers to:
- (a) issue bonds or other debt instruments as consideration for the acquisition of eligible bank assets;
 - (b) maintain a portfolio of diverse assets including equities, fixed income level real estate;
 - (c) provide equity capital on such terms and conditions as the Corporation may deem fit;
 - (d) borrow or raise money, with or without the guarantee of the Central Bank of Nigeria (including money in a currency other than the Naira) or secure the payment of money in any manner including issuing debentures, debenture stocks, bonds, obligations and debt securities of any kind and charge and secure any instrument so issued by trust deed or otherwise on the undertaking of the Corporation or on any particular property and rights, present or future, of the Corporation or in any other manner;

- (e) initiate or participate in any enforcement, restructuring reorganization, programme of arrangement or other compromise;
- (2) enter into contract options and other derivative financial instruments (including in currencies other than the Naira) for purposes which include:
 - (i) eliminating or reducing the risk of loss arising from changes in interest rates, currency exchange rates or other factors of similar nature;
 - (ii) eliminating or reducing the costs of raising funds or borrowing or the cost of other transactions carried out in the ordinary course of business; or
 - (iii) increasing return on investment;
- (g) guarantee, with or without security, the indebtedness and performance of obligations of other entities (provided that the Corporation receives valuable and commensurate consideration for, or direct or indirect advantage from, the giving of the guarantee);
- (h) draw, accept and negotiate negotiable instruments;
- (i) accept any security, guarantee, indemnity or surety;
- (j) enter into contracts of insurance with respect to any of its activities and property;
- (k) enforce any security, guarantee or indemnity;
- (l) compromise any claim or forgive or forebear any debt or other obligation owed to the Corporation in respect of a specified class of eligible bank assets;
- (m) open and maintain bank accounts, including accounts in currencies other than the Naira, and carry out necessary banking transactions;
- (n) form or acquire a wholly owned subsidiary or form or acquire an interest in a holding company for the purpose of performing any of its functions;

- (o) give security for any debt, obligation or liability of any company referred to in paragraph (n);
 - (p) enter into a partnership or joint venture for the purpose of performing any of its functions;
 - (q) establish a trust or participate in a trust as trustee or beneficiary;
 - (r) borrow or lend debt securities, including but not limited to, equity and debt instruments;
 - (s) invest its funds as the Board may, from time to time, determine;
 - (t) sell or dispose of the whole or any part of the property or investments of the Corporation, either together or in portions, for such consideration and on such terms as the Board may approve;
 - (u) engage on competitive basis, from time to time, such consultants and advisers and other service providers as are necessary or expedient for the performance of its functions; and
 - (v) do all such other things as the Board considers incidental to or conducive to the attainment of any of the Corporation's functions under this Act.
- (2) The Corporation may carry out any of its functions and exercise any of its powers:
- (a) within or anywhere outside Nigeria;
 - (b) alone or in conjunction with others; and
 - (c) by or through an agent, a wholly owned subsidiary of the Corporation, contractor, factor or trustee.
- (3) Except as otherwise provided in this Act, the Corporation may carry out any of its functions without the consent or approval of any other person or authority.
- (4) For the purpose of subsection (1) (g) of this section, "other entities" means subsidiaries or special purpose vehicle set up by the Corporation
- (5) The power of the Corporation to compromise any claim or forgive or forebear any debt or other obligation owed to the Corporation in respect of a specified class of eligible bank assets shall where such compromise,

forgiveness or forbearance will result in a failure to recover the price paid by the Corporation for the acquisition of the eligible bank asset, only be exercisable with the approval of the Minister of Finance acting all the recommendation of the Central Bank of Nigeria that it is in the public interest so to forbear or forgive.

7. Notwithstanding anything to the contrary contained in this Act, the Corporation may appoint, on selective competitive basis-
 - (a) asset managers to manage assets as may be specified by the Board; and
 - (b) recovery agents for the purpose of recovering debts due to the Corporation or debt arising from acquisition of eligible bank assets as may be specified by the Board.
8. The Central Bank of Nigeria, in consultation with the Federal Ministry of Finance, may issue guidelines and directions in writing to the Corporation in connection with the performance of any of the Corporation's functions under this Act.

Part II

ADMINISTRATION AND MANAGEMENT

9. (1) There is established for the Corporation the Board of Directors (in this Act referred to as "the Board") which shall be responsible for:
- (a) the attainment of the objects of the Corporation;
 - (b) the policy and general supervision of the affairs of the Corporation; and
 - (c) such other functions conferred upon it by any other provision of this Act.
- (2) The Board may delegate any part of its responsibilities under subsection (1) of this section and under any other provision of this Act as it may deem fit.
10. (1) The Board shall consist of the following members to be appointed by the President subject to the confirmation of the Senate:
- (a) a part-time Chairman who shall be a nominee of the Federal Ministry of Finance in consultation with the Minister;
 - (b) a Managing Director who shall be the Chief Executive Officer of the Corporation nominated by the Central Bank of Nigeria;
 - (c) 3 Executive Directors who shall be nominated by the Central Bank of Nigeria in consultation with the Minister; and
 - (d) 5 other non-Executive Directors, 2 to be nominated by the Federal Ministry of Finance, 2 by the Central Bank of Nigeria and one by the Nigeria Deposit Insurance Corporation.
- (2) A person shall not be appointed as a member of the Board unless such a person possesses 10 years cognate financial experience at a senior management level or such other relevant experience as may be prescribed by the Central Bank of Nigeria.
- (3) A member of the Board appointed pursuant to this section:
- (a) shall hold office for a term of five years; and

- (b) may be eligible for reappointment for another term of five years and no more.
- (4) The provisions contained in the Schedule to this Act, shall have effect with respect to the proceedings of the Board and the other matters contained therein.
- 11. In the discharge of their responsibilities, members of the Board shall act in utmost good faith, with care, skill and diligence.
- 12. Members of the Board shall be paid such remunerations and allowances as the Central Bank or Nigeria may, from time to time, determine and subject to the approval of the Minister.
- 13. A person shall not be appointed or remain a member of the Board if he is:
 - (a) adjudged bankrupt or suspends payment to, or compounds or makes an arrangement with his creditors;
 - (b) found guilty of misconduct in relation to his duties;
 - (c) convicted of an offence involving fraud or dishonesty or other offence the maximum penalty for which exceeds imprisonment for 6 months;
 - (d) a debtor to an eligible financial institution and the debt owed qualifies as an eligible bank asset;
 - (e) disqualified or suspended from practicing his profession in Nigeria by order of a competent authority made in respect of him personally; or
 - (f) disqualified or restricted from being a director of a financial institution.
- 14. (1) A member of the Board may at any time resign his office by giving at least one month's notice in writing to the President through the Governor of his intention to do so.
 - (2) The President, upon the recommendation of the Governor, may remove a member at any time from membership of the Board if:
 - (a) the member is disqualified on any of the grounds specified in section 13 of this Act;
 - (b) the member:
 - (i) has become incapable, through illness or injury, of performing his functions; or

- (ii) has contravened the provisions of this Act;
 - (c) a conflict of interest has arisen in relation to the member; or
 - (d) his removal appears to be necessary or expedient for the effective performance of the functions of the Corporation.
- 15. If a member of the Board dies, resigns, retires, becomes disqualified or is removed from office, the Federal Ministry of Finance, the Central Bank of Nigeria (CBN) or the Nigeria Deposit Insurance Corporation (NDIC), as may be applicable shall nominate a person to fill the vacancy so occasioned and the person so nominated shall be appointed by the President for the remainder of the term of office of the member whose death, resignation, retirement, qualification or removal occasioned the vacancy.
- 16. (1) All members of the Board shall before assumption of duty, declare in writing to the Board their personal debt and pecuniary obligations to eligible financial institutions as well as those of their family members or those of their close business associates known to them or any company or firm in which they own such significant shareholding as may be prescribed by the Central Bank of Nigeria.
- (2) If a member of the Board has pecuniary interest or other beneficial interest in, and material to, a matter that falls to be considered by the Board, he shall:
 - (a) disclose to the other members of the Board the nature of his interest in advance of any consideration of the matter;
 - (b) not influence nor seek to influence a decision to be made in relation to the matter;
 - (c) take no part in any consideration of the matter;
 - (d) absent himself from the meeting or that part of the meeting during which the matter is discussed; and
 - (e) not vote or otherwise act on a decision relating to the matter.
- (3) If a member declares an obligation or discloses an interest pursuant to subsection (1) or (2) of this section, the declaration or disclosure shall be

recorded in the minutes of the meeting of the Board or otherwise duly recorded.

- (4) All employees of the Corporation shall, within one month of employment, declare in writing to the Corporation their personal debt and pecuniary obligations (interests) to eligible financial institutions as well as those of their family members or close business associates known to them, any company or firm in which they own such significant shareholding as may be prescribed by the Central Bank of Nigeria.
 - (5) A member of the Board or any employee of the Corporation shall not either directly or indirectly be involved in the purchase of any asset of the Corporation.
- 17.
- (1) The Managing Director shall have responsibility for the day-to-day management of the affairs of the Corporation.
 - (2) The Managing Director shall be responsible to the Board for the performance of his functions and the implementation of the Corporation's strategic plans and objectives.
 - (3) The functions of the Managing Director shall be performed during his Management or the Corporation absence by one of the Executive Directors designated by him for that purpose.
 - (4) The terms and conditions of service of the Managing Director and the Executive Director shall be determined by the Board from time to time, subject to the approval of the Central Bank of Nigeria.
- 18.
- (1) The Board may appoint such number of persons as staff of the Corporation on such terms and conditions of service as may be determined by the Board, from time to time,
 - (2) There shall be appointed for the Corporation by the Board a Secretary who shall be a legal practitioner who has been so qualified for not less than 10 years.
 - (3) The Secretary shall-
 - (a) issue notices of meetings of the Board;
 - (b) keep records of the proceedings of the Board; and
 - (c) carry out such duties as the Managing Director or the Board may, from time to time, direct.

- (ii) has contravened the provisions of this Act;
 - (c) a conflict of interest has arisen in relation to the member; or
 - (d) his removal appears to be necessary or expedient for the effective performance of the functions of the Corporation.
- 15. If a member of the Board dies, resigns, retires, becomes disqualified or is removed from office, the Federal Ministry of Finance, the Central Bank of Nigeria (CBN) or the Nigeria Deposit Insurance Corporation (NDIC), as may be applicable shall nominate a person to fill the vacancy so occasioned and the person so nominated shall be appointed by the President for the remainder of the term of office of the member whose death, resignation, retirement, qualification or removal occasioned the vacancy.
- 16. (1) All members of the Board shall before assumption of duty, declare in writing to the Board their personal debt and pecuniary obligations to eligible financial institutions as well as those of their family members or those of their close business associates known to them or any company or firm in which they own such significant shareholding as may be prescribed by the Central Bank of Nigeria.
- (2) If a member of the Board has pecuniary interest or other beneficial interest in, and material to, a matter that falls to be considered by the Board, he shall:
 - (a) disclose to the other members of the Board the nature of his interest in advance of any consideration of the matter;
 - (b) not influence nor seek to influence a decision to be made in relation to the matter;
 - (c) take no part in any consideration of the matter;
 - (d) absent himself from the meeting or that part of the meeting during which the matter is discussed; and
 - (e) not vote or otherwise act on a decision relating to the matter.
- (3) If a member declares an obligation or discloses an interest pursuant to subsection (1) or (2) of this section, the declaration or disclosure shall be

recorded in the minutes of the meeting of the Board or otherwise duly recorded.

- (4) All employees of the Corporation shall, within one month of employment, declare in writing to the Corporation their personal debt and pecuniary obligations (interests) to eligible financial institutions as well as those of their family members or close business associates known to them, any company or firm in which they own such significant shareholding as may be prescribed by the Central Bank of Nigeria.
 - (5) A member of the Board or any employee of the Corporation shall not either directly or indirectly be involved in the purchase of any asset of the Corporation.
- 17.
- (1) The Managing Director shall have responsibility for the day-to-day management of the affairs of the Corporation.
 - (2) The Managing Director shall be responsible to the Board for the performance of his functions and the implementation of the Corporation's strategic plans and objectives.
 - (3) The functions of the Managing Director shall be performed during his Management or the Corporation absence by one of the Executive Directors designated by him for that purpose.
 - (4) The terms and conditions of service of the Managing Director and the Executive Director shall be determined by the Board from time to time, subject to the approval of the Central Bank of Nigeria.
- 18.
- (1) The Board may appoint such number of persons as staff of the Corporation on such terms and conditions of service as may be determined by the Board, from time to time,
 - (2) There shall be appointed for the Corporation by the Board a Secretary who shall be a legal practitioner who has been so qualified for not less than 10 years.
 - (3) The Secretary shall-
 - (a) issue notices of meetings of the Board;
 - (b) keep records of the proceedings of the Board; and
 - (c) carry out such duties as the Managing Director or the Board may, from time to time, direct.

Part III
FUNDS, FINANCES, ACCOUNTS, AUDIT, ETC

- 19 (1) There shall be established for the Corporation a Fund which shall consist of:
- (a) authorized capital provided by the subscribers to the capital of the Corporation;
 - (b) income from the management and disposal of eligible bank assets acquired by the corporation;
 - (c) investment income of the Corporation;
 - (d) moneys borrowed from any source in accordance with the provisions of this Act with the approval of the Board: and
 - (e) moneys from other sources as may be approved by the Board.
- (2) There shall be chargeable to the Fund.
- (a) amounts payable to the members of the Board;
 - (b) remunerations and other costs of employment of staff of the Corporation:
 - (c) all expenses incurred on behalf of the Corporation:
 - (d) interest on the payment of moneys borrowed on behalf of the Corporation;
 - (e) amounts payable for the redemption of bonds and debt securities issued by the Corporation;
 - (f) commission or fees payable to any agent or consultant engaged by the Corporation; and
 - (g) any other payment for anything incidental to or in connection with the functions of the Corporation under this Act.
- 20 (1) The Corporation shall cause to be kept proper books of accounts with respect to all the transactions of the Corporation in such form and in compliance with such accounting standard as the Central Bank of Nigeria may specify by regulations.

- (2) or the purpose or subsection (1) of this section, proper books of accounts shall be deemed to be kept with respect to all transactions if such books as are necessary to explain such transactions and give a true and fair view of the state of affairs of the Corporation are kept by the Corporation in compliance with the relevant accounting standard as may be prescribed by the Central Bank of Nigeria.
- (3) The Corporation shall keep, in the form that the Central Bank of Nigeria may direct proper and usual accounts of money received and expended by it and of all financial transactions undertaken in the performance of its functions.
- 21 (1) Not later than 3 months after the end of each financial year, beginning Annual report with the financial year ending 2010, the Corporation shall submit a report (in this Act referred to as an "annual report") to the Ministry of Finance and the Central Bank of Nigeria of its activities during the financial year concerned.
- (2) An annual report shall be in such form, and shall include such information, as may be specified by the Central Bank of Nigeria
- (3) The financial year of the Corporation shall begin on the 1st day of January and end on the 31st day of December or as may be determined by the Board with the approval of the Central Bank of Nigeria.
- 22 (1) The Ministry of Finance or the Central Bank of Nigeria may require the Corporation to report to it at any time and in any format that the Ministry of Finance or the Central Bank of Nigeria may direct on any matter, including the performance of its functions under this Act and any information or statistics relating thereto.
- (2) The Corporation shall submit within every financial year, quarterly report of its operations as at when due to the both Houses of the National Assembly through the relevant Standing Committees of the National Assembly.

- 23 (1) The Corporation shall submit its accounts for audit within 4 months after the end of each financial year to such independent firm of auditors from a list of auditors approved by the Auditor-General for the Federation.
- (2) The Corporation shall, within 6 months after the end of each financial year, publish in widely available media and present a copy of the accounts as audited to the National Assembly, the Ministry of Finance and the Central Bank of Nigeria.

Part IV
ELIGIBLE BANK ASSETS ACQUISITION, MANAGEMENT, ETC

24. The Central Bank of Nigeria may designate through guidelines any class of bank assets as eligible bank assets.
25. (1) The Corporation may, subject to the provisions of this Act, within months of the designation of any asset as eligible bank asset in pursuance of section 14, specifying a class of bank assets as an eligible class of bank assets purchase, on a voluntary basis, eligible bank assets from any eligible financial institution desirous of disposing of such eligible bank assets at a value and price to be determined in accordance with the provisions of section 28 of this Act provided that the Central Bank of Nigeria may extend the period specified in this section for a further period not exceeding 3 years.
- (2) The Central bank of Nigeria shall by regulation prescribe the maximum percentage of eligible class of bank assets which an eligible financial institution may retain in its books and any eligible bank assets above the prescribed threshold shall be offered to the Corporation for acquisition.
26. (1) The consideration to be furnished by the Corporation for an eligible bank asset shall be 7 years bonds or such other debt securities of such other tenor as the Central Bank of Nigeria may prescribe, issued by the Corporation and guaranteed by the Federal Government of Nigeria or such other form of consideration as may be approved by the Central Bank of Nigeria.
- (2) Bonds or other debt securities issued by the Corporation in pursuance of subsection (1) of this section, shall qualify:
- (a) as an instrument in which the Central Bank of Nigeria may invest under the Central Bank of Nigeria Act;
 - (b) as an instrument in which pension funds may be invested under the Pension Reform Act, 2004; and
 - (c) as an instrument for the purposes of section 28 of the Central bank of Nigeria Act.

27. Bonds or other debt securities issued by the Corporation in pursuance of sections 6 (1) and 26 of this Act shall be deemed to qualify for the grant of guarantee under section 47 of Fiscal Responsibility Act, 2007, and shall accordingly be guaranteed by the Federal Government of Nigeria.
28. The valuation of and purchase price of eligible bank assets shall be determined in accordance with guidelines issued from time to time by the Central Bank of Nigeria:
- Provided that in prescribing parameters for the valuation of, and purchase price of, eligible bank assets, the Central bank of Nigeria shall obtain and be guided by independent advice publish and make widely available the valuation basis and ensure consistent application of the valuation parameters.
29. An eligible financial institution desirous of disposing of its eligible bank assets to the Corporation shall:
- (a) apply to the Corporation in such form and manner as the Corporation may, by regulation, prescribe;
 - (b) provide the Corporation with information, warranties, representations and indemnities in such form and in such manner as may be required by the Corporation about the eligible bank assets and disclose in utmost good faith, all matters and circumstances in relation to the eligible bank asset that may materially affect either the Corporation's decision to acquire the eligible bank asset or the value that the Corporation may place on the asset; and
 - (c) produce to the Corporation for inspection the credit facility documentation books and records kept in connection with the eligible bank asset.
30. The Corporation may acquire all interest in an eligible bank asset of an eligible financial institution if the Corporation considers it necessary or desirable to do so and shall acquire any eligible bank asset if so requested by the Nigerian Deposit Insurance Corporation acting in consultation with the Central Bank of Nigeria in pursuance of section 38(2) (d) of the Nigerian Deposit Insurance Corporation Act.

31. Where the Corporation has acquired an eligible bank asset, the eligible financial institution from which the eligible bank asset was acquired shall deliver to the Corporation or its nominee all its books and records in relation to the eligible bank asset concerned and any document of title that the eligible financial institution holds in respect of any property that is subject to a security which is part of the eligible bank asset and execute all such instruments necessary to properly document the acquisition.
32. An eligible financial institution from which the Corporation has acquired an eligible bank asset shall enter into a purchase agreement with the Corporation in connection with the eligible bank asset acquired and the eligible financial institution shall, under the purchase agreement, indemnify the Corporation for any loss suffered in the event that the collateral turns out to be invalid or otherwise unenforceable.
33. (1) As soon as possible, after the acquisition of an eligible bank asset from an eligible financial institution, the eligible financial institution shall notify the relevant debtor, associated debtor and guarantor or surety of the debtor and any other person that the Corporation directs, of the acquisition of the eligible bank asset by the Corporation.
- (2) The Corporation shall not be liable for any failure or delay in notifying any person under subsection (1) of this section and such failure or delay shall not invalidate the eligible bank asset concerned.
34. (1) Subject to the provisions of the Land Use Act and section 36 of this Act, where the Corporation acquires an eligible bank asset, such eligible bank asset shall become vested in the Corporation and the Corporation shall exercise, all the rights and powers and subject to the provisions of this Act, become subject to all the obligations of the eligible financial institution from which the eligible bank asset was acquired in relation to the bank asset, the debtor concerned and any guarantor, surety or receiver, liquidator, examiner or any other person concerned and the eligible financial institution shall cease to have those rights and obligations.

- (2) Subject to the provisions of the Land Use Act and section 36 of this Act, the vesting or an eligible bank asset in the Corporation and the assignment of every relevant contract relating to an eligible bank asset in the Corporation upon the acquisition of an eligible bank asset by the Corporation as contemplated in subsection (1) of this section shall take effect and be effective notwithstanding any:
- (a) contractual restriction on the acquisition, assignment or transfer or of the bank asset or any part thereof or any contract relating thereto; or
 - (b) requirement for a consent, notification, registration, authorization or licence (by whatever name and however described),
- (3) Without prejudice to the provisions of subsections (1) and (2) of this section, the Corporation may direct all eligible financial institution to hold an eligible bank asset or relevant contract deemed vested in, or assigned to the Corporation by the provisions of subsection (1) of this section, and exercise any such right or power in relation thereto; and when so directed, the eligible financial institution shall hold the eligible bank asset and exercise such rights and powers in the relevant contract at the direction of the Corporation for the sale benefit of the Corporation and shall in relation thereto be subject to the duties, obligations and liabilities as nearly as possible corresponding to those of a trustee in relation to the eligible bank assets and any relevant contracts deemed assigned by the provisions of this subsection (1) of this section.
- (4) Any property, money or other pecuniary benefit received by an eligible financial institution in the course of holding any eligible bank asset acquired by the Corporation or any relevant contract relating thereto or in exercising an. right pursuant to subsection (3) of this section shall be held as bare trustee, in trust for, and for the sale benefit of the Corporation and turn over to the Corporation and shall not be taken to be an asset of the eligible financial institution, or accounted for as such in the books of the eligible financial institution.

- 35 (1) For the avoidance of doubt, after the Corporation has acquired an eligible bank asset and subject to any exclusion stated in the purchase agreement relating thereto, the Corporation shall be entitled to exercise all rights and powers in relation to the eligible bank asset and any security interest connected to the eligible bank asset.
- (2) The Corporation shall be entitled to the benefit of any right of set-off held by an eligible financial institution against any person whether under the credit the credit facility relating the eligible bank asset concerned or any other right of set-off and the Corporation shall be entitled to exercise such right by directing the eligible financial institution to pay an amount equal to the benefit of the right of set-off to the Corporation to meet any obligation of that other person to the Corporation, whether actual or contingent.
- (3) The eligible financial institution shall exercise the right of set-off or combination in this section in trust for and only for the benefit of the Corporation,
- (4) Without prejudice of the generality of subsections (1) and (2) of this section, the Corporation may:
- (a) take any action, including court action, that the eligible financial institution could have taken to protect, perfect or enforce any security, right, interest, obligation or liability;
 - (b) realize any security that the eligible financial institution could have realize;
 - (c) call up any guarantee that the eligible financial institution could have called up;
 - (d) participate to the same extent as the eligible financial institution could have participated in any resolution, workout programme of arrangement and restructuring, reorganization, or insolvency proceeding in relation to the eligible bank asset; and

- (e) exercise any power conferred by any document that forms part of the eligible bank asset of reviewing or amending any term or condition or any part of the eligible bank asset.
- 36 (1) Upon acquisition by the Corporation of an eligible bank asset secured in whole or in part by landed property or by collateral or security interest which restricts the alienation or contract as a matter of law (in this Act referred to as "Restrictive Collateral") the eligible financial institution from which such Restrictive Collateral is acquired shall hold such Restrictive Collateral as bare trustee, in trust for and the sole benefit of the Corporation and shall at the sole direction of the Corporation realize or otherwise deal with such Restrictive Collateral as may be directed by the Corporation and shall turn over all proceeds received from such realization or dealing to the
- (2) Where the Restrictive Collateral contains a power of attorney in favour of the eligible financial institution concerned, such eligible financial institution shall as an attorney, act, at the sole direction of the Corporation and in so acting as attorney shall, if so instructed by the Corporation appoint the Corporation as receiver or receiver-manager over the Restrictive Collateral and such appointment, whether by deed or otherwise, shall notwithstanding anything in the Restrictive Collateral or any other law be deemed to be valid and effectual.
- 37 (1) Notwithstanding anything to the contrary contained in this Act, where an eligible bank asset acquired by the Corporation falls into any of the categories of tainted eligible bank assets listed in subsection (2) of this section:
- (a) the borrower or other obligor connected with such tainted eligible asset shall not be entitled to, and shall not be granted, any forbearance, waiver, or debt forgiveness by the Corporation: and
- (b) the Corporation shall pursue, to the fullest extent possible, all lawful civil and criminal remedies against any such borrower or other obligor connected with such tainted eligible bank asset.

- (2) Any eligible bank asset which falls into any of the following categories shall be deemed to be a tainted eligible bank asset:
- (a) loans, credits or other financial accommodation obtained by insiders of, or persons related to or otherwise connected with, the eligible financial institution which granted the loan, credit or other financial accommodation where such loan, credit or financial accommodation was:
 - (i) obtained in breach of the rules and regulations of the eligible financial institution which granted the loan, credit or financial accommodation;
 - (ii) secured against the shares or other securities of the eligible financial institution which granted the loan, credit or financial accommodation; or
 - (iii) in breach of rules and regulations of the Central Bank of Nigeria.
 - (b) loans, credits or other financial accommodation obtained or applied by insider of, or persons related to, or otherwise connected with the eligible financial institution towards the purchase of the shares of the eligible financial institution accommodation; or
 - (c) loans, credits or other financial accommodation granted or obtained-
 - (i) by insider of, or person related to or otherwise connected with the eligible financial institution which granted the loan, credit or financial accommodation, in breach of the provision on financial assistance rules under the Companies and Allied Matters Act;
 - (ii) for the purpose of market manipulation and market rigging or for the acquisition of shares in breach of the Investments and Securities Act or rules or regulations made thereunder; and

(iii) in breach of any law, including but not limited to, laws relating to, banking and company.

- (3) For the purpose of this section, "insider at: or persons related to or otherwise connected with, an eligible financial institution" includes directors, officers or persons with significant shareholding in the eligible financial institution, their spouses, their children, their children's spouses, relations or proxies.
38. Where the Corporation is a party to any legal proceedings affecting an acquired eligible bank asset, the eligible financial institution from which the eligible bank asset was acquired shall, if the Corporation so requests, provide the Corporation with any assistance reasonably required by the Corporation, for the purpose of the proceedings including the:
- (a) provision of any documents or information;
 - (b) making available of any witnesses; and
 - (c) provision of any evidence by way of affidavit or otherwise.
39. The Corporation may transfer assign, sell or otherwise dispose of any acquired eligible bank asset to any person notwithstanding:
- (a) a contractual requirement or any requirement under any enactment for the consent of, notice to or document from, any person to the disposal; or
 - (b) a provision enactment prohibiting or restricting the disposal.
40. Where the Corporation has acquired an eligible bank asset that is secured by a pledge or charge, but the pledge or charge is a second or subsequent pledge or charge, the Corporation may, regardless of whether a vesting order has been made in relation to the security, redeem or discharge anyone or more of the prior pledges or charges in accordance with its terms.
- 41 (1) Any instrument under the seal of the Corporation that is expressed to convey any interest in an eligible bank asset to another person shall be taken for all purposes to validly convey the interest so expressed to be conveyed.
- (2) An instrument referred to in subsection (1) of this section shall without any further assurance operate to extinguish the interest of any other

chargee or pledgee in an eligible bank asset concerned other than a charge or pledge which has priority to the interest of the Corporation and has not been redeemed or discharged under section 39 of this Act.

42. Where in relation to an eligible bank asset acquired by the Corporation, an eligible financial institution fails to:
- (a) disclose to the Corporation any representation or obligation which the eligible financial institution made or undertook in favour of a debtor or any other person which would affect the creditors' rights in relation to the eligible bank asset; or
 - (b) record a note or memorandum specifying the consideration paid in respect of such representation or obligation that representation or obligation may be enforceable only in damages by the debtor or any other person only against the eligible financial institution and not the Corporation.
- 43 (1) Nothing in this Act shall:
- (a) render the Corporation or any person acting on its behalf or through it liable for any breach of contract, misrepresentation, breach of duty, breach of trust or other legal or equitable wrong committed by an eligible financial institution; and
 - (b) deprive any person or any remedy against an eligible financial institution in respect of a legal or equitable wrong referred to in paragraph (a) of this section.
- (2) An action shall not be brought or commenced against the Corporation until after the expiration of 30 days notice in writing to the Corporation giving details of the alleged wrong, date and remedy sought.
- (3) If, after the expiration of the 30 days notice stated in subsection (2) of this section, the Corporation has not responded, the party concerned may issue a writ or other originating process against the Corporation provided always that action shall not be commenced or maintained against the Corporation or any of its shareholders, officers and directors for anything done intended to be done or purported to be done in good

faith in the execution of duties, powers and obligation imposed on the Corporation or any of its shareholders, directors or office.

44. If the Corporation so directs, an eligible financial institution from which the Corporation has acquired all eligible bank asset shall indemnify the Corporation and its officers against any liability or loss:
- (a) arising from any error, omission or mis-statement in any information or certificate provided to the Corporation by or on behalf of the eligible financial institution; or
 - (b) in respect of any claim, award, payment or damages which the Corporation becomes liable to pay to any person where the liability arises in connection with a cause of action occurring prior to the date of transfer or as the case may be any proportion of such liability is attributable to a period prior to the date of transfer.
45. Where an eligible bank asset has been acquired by the Corporation notwithstanding anything contained in any law, the Corporation shall not be required to become registered as owner of any security that is part of the eligible bank asset acquired by it and shall nonetheless have the powers and rights of a registered owner of such security under any law for the time being in force:
- Provided that the Corporation may, at its discretion, elect to register any interest capable of registration.
46. (1) The Corporation may, from time to time, after consultation with the Minister and Governor redeem and cancel debt securities issued by the Corporation under this Act.
- (2) The Corporation shall create a sinking fund or any other fund, for the purposes of covering any shortfall that may be required to meet its obligations to redeem its debt securities, in such manner as may be jointly specified by the Federal Ministry of Finance and the Central Bank of Nigeria
47. The assets of the Corporation remaining after the redemption of all debt securities and discharged or repayment obligations shall at its eventual dissolution be transferred to the Fund of the Corporation and distributed by the Governor between the subscribers to the capital of the Corporation in proportion to their respective stake in the authorized capital of the Corporation.

Part V

SPECIAL POWERS OF THE CORPORATION

- 48 (1) The Corporation shall have power to act as, or appoint a receiver for, a debtor company whose asset have been charged, mortgaged or pledged as security for an eligible bank asset acquired by the Corporation.
- (2) A receiver under this Act shall have power to:
- (a) realize the assets of the debtor company;
 - (b) enforce the individual liability of the shareholders and directors of the debtor company; and
 - (c) manage the affairs of the debtor company.
- 49 (1) Where the Corporation has reasonable cause to believe that a debtor or debtor company is the bone fide owner of any movable or immovable property, it may apply to the Court by motion ex-parte for an order granting possession or the property to the Corporation.
- (2) The Corporation shall serve a certified true copy of the order of the Court issued pursuant to subsection (1) of this section on the debtor or debtor company.
- (3) The Corporation shall commence debt recovery action against the debtor or debtor company ill respect of whose property an order subsists pursuant to subsection (1) of this section within 14 days from the date of the order, failing which the order shall lapse.
- 50 (1) Where the Corporation has reasonable cause to believe that a debtor or debtor company has funds ill any account with any eligible financial institution, it may apply to the Court by motion ex-parte for an order freezing the debtor or debtor or Debtor Company's account.
- (2) The Corporation shall commence debt recovery action against a debtor or debtor company whose account has been frozen by a Court order issued under subsection (1) of this section within 14 days from the date of the order, failing which the order shall lapse.

- 51 (1) Where the Court gives decision against a debtor in a debt recovery action under this Act requiring the debtor to pay any sum to the debtor to pay any sum to the Corporation and such sum is not liquidated or paid over to the Corporation within 30 days from the date of the order for payment thereof, the Corporation may apply to the Court to issue a receiving order against the debtor.
- (2) Subject to subsection (1) of this section, it shall not be necessary for the debtor to commit an act of bankruptcy or for the Corporation to file a bankruptcy petition or for any of the conditions precedent for the grant of a receiving order specified under the Bankruptcy Act to be satisfied before the court grant a receiving order against the debtor.
- (3) Notwithstanding the provision of the Bankruptcy Act, where a receiving order is made against a debtor under this Act, the court may adjudge the debtor bankrupt.
- (4) Where a debtor is adjudged bankrupt under this Act, the Court may, on the application of the Corporation, appoint the official receiver or authorize the Corporation to assume the office of trustee of the property of the debtor.
- (5) A trustee appointed under this Act shall have all the powers of a trustee of an adjudged bankrupt under the Bankruptcy Act and shall perform his duties in accordance with that Act.
- (6) An act, thing, directive or permission authorized or required to be done or given by the Committee of Inspection or by the creditors under the Bankruptcy Act may be done or given by the Court on the application of the trustee.
- (7) Any person adjudged a bankrupt under this Act shall be deemed adjudged a bankrupt under the Bankruptcy Act which shall have effect with such modifications as are contained in this Act, and a trustee appointed under this Act may seek the directive of the court in respect of any act or thing to be done by anyone under the Bankruptcy Act.

- 52
- (1) Where the Court gives a decision against a body corporate in a debt recovery action under this Act, requiring the debtor company to pay any sum to the Corporation and such sum is not liquidated or paid over to the Corporation within 90 days from the date of the order for payment, the Corporation may apply to the Court to issue a winding-up order against the debtor company.
 - (2) Where a winding-up order is made, the Court may, on the application of the Corporation, appoint the official receiver or some other fit person to assume the office of a liquidator to wind-up the affairs of the debtor company.
 - (3) Any liquidator appointed pursuant to this Act shall have all the powers of a liquidator under the Companies and Allied Matters Act and shall perform his duties in accordance with that Act.
 - (4) An act, thing, directive or permission authorized or required to be done or given by the committee of inspection or by the creditors under the Companies and Allied Matters Act may be done or given by the Court on the application of the Liquidator.
 - (5) Any winding-up order made against any debtor company under this Act shall be deemed to have been made under the Companies and Allied Matters Act and the provisions of the Companies and Allied Matters Act shall have effect with such modifications as are contained in this Act.

Part VI

SPECIAL DEBT RECOVERY PROCEDURE

53. The Chief Judge of the Federal High Court may designate any Judge of the Federal High Court to hear matters for the recovery of debts owed to the Corporation or eligible financial institution and other matters arising from the provision of this Act to the exclusion of any other matter for such period as may be determined by the Chief Judge.

Part V II

OFFENCES AND PENALTIES

- 54 (1) A person who Offences and penalties.
- (a) makes any false claim in any material respect in relation to any movable or immovable property used as collateral for any loan with a view to defeating the realization of the debt commits an offence and is liable on conviction to a fine of not less than 5 million Naira or imprisonment for a term not less than 3 years or to both such fine and imprisonment;
 - (b) is charged with an offence under this Act but the evidence establishes an attempt to commit the offence may be convicted of attempt to commit that offence, although the attempt is not separately charged and punished as provided under this Act, or
 - (c) is charged with an offence under this Act but tile evidence establishes the commission of a lesser offence under this Act, the offender shall be convicted of that lesser offence and punished as provided under this Act; and
 - (d) aids abets, counsels, procures or conspires with any other person to commit any offence under tills Act, commits an offence and is liable on conviction to a fine not less than 5 million Naira or imprisonment for a term not less than 1years or to both such fine and imprisonment.
- (2) A person who. being indebted to or being a customer of an eligible financial institution or otherwise connected to the debt, negligently, willfully or recklessly makes a statement or gives any information knowing it to be false in relation to a loan, an advance, a guarantee or any other credit facility commits an offence under this Act and is liable on conviction to a fine not less than 5 million Naira or to imprisonment for a term not less than 3 years or to both such fine and imprisonment

- (3) Where a person referred to in subsection (1) or (2) of this section is a body corporate, any of its directors, managers, officers, employees or partners who is responsible or is in any way connected with the doing of any of the acts referred to in those subsections is guilty of the same offence under this Act and liable on conviction to the same punishment.
 - (4) The conviction of a body corporate for any of the offences under subsection (1) or (2) of this section shall be a ground for winding-up of the affairs of that body corporate.
 - (5) Save as otherwise specifically provided under the provisions of this Act, any person who contravenes or attempts to contravene or aids or abets the contravention of the provisions of this Act or in any way obstructs the implementation of (he provisions of this Act commits an offence and is liable on conviction to a fine not less than 3million Naira or to imprisonment for a term not less than 2years or to both such fine and imprisonment
 - (6) In this section reference to eligible financial institution includes the Corporation.
55. Prosecution of offences under this Act shall be by the Attorney-General of the Federation or his officers or any other legal practitioner with the consent of the Attorney-General of the Federation.

Part VIII MISCELLANEOUS

- 56 (1) The Corporation shall prepare codes of practice for approval by the code of practice for Central Bank of Nigeria to govern-
- (a) the conduct of officers of the Corporation;
 - (b) servicing standards for acquired eligible bank assets;
 - (c) risk management;
 - (d) Custodial services for eligible bank assets; and
 - (e) any other matter as may lit directed by the Governor
- (2) If, in the opinion of the Governor, adequate provision has not been made in a code of practice drawn up by the Corporation under subsection (1) of this section, the Governor may require modifications to be made to the code of practice.
- (3) The Corporation shall publish the code of practice, issued under this section as approved by the Central Bank of Nigeria, in the Official Gazette.
57. The Central Bank of Nigeria may make regulations to give effect to the provisions of this Act.
58. The Central Bank of Nigeria shall have power to supervise and regulate the activities and functions of the Corporation and may in this regard appoint examiners and any other person to carry out special or routine examination of the books And affairs of the Corporation.
59. Nothing in this Act shall be construed as a waiver of any regulatory or statutory power or function of the Central Bank of Nigeria and the Governor in relation to any eligible financial institution.
- 60 (1) The Corporation shall be exempted from the provisions of:
- (a) Capital Gains Tax Act or such other law of the National Assembly on capital gains;
 - (b) the Companies Incomes Tax Act; and
 - (c) the Stamp Duties Act.

Presiding Officer

5. At a meeting of the Board, if the Chairman is:
 - (a) present he shall preside over the meeting: and
 - (b) absent or the office of Chairman is vacant, the appointed members present shall choose one of them to preside over the meeting.

Voting

6. At a meeting of the Board each member present shall be entitled to one vote and any question on which a vote is required shall be determined by a majority of votes of members present and voting but in the case of an equal division of votes, the Chairman or the other member presiding over the meeting shall have a casting vote.
7. When the Board seeks the advice of any person on a particular matter the Board may invite that person to attend for such period as it deems fit, but a person who is invited by virtue of this paragraph shall not be entitled to vote at any meeting of the Board and shall not count towards the quorum.

Tele-conference Meeting

- 8 (1) In addition to meeting with all participants physically present, the Board may hold or continue a meeting by the use of any means of communication by which all the participants can hear and be heard at the same time and such a meeting is referred to in this section as a "tele-conference meeting".
 - (2) A member of the Board who participates in a tele-conference meeting shall be taken for all purposes to have been present at the meeting.
 - (3) The Board may establish procedures for tele-conference meetings (including recording the minutes of such meetings) in its minute's book.

Resolutions by circulation

- 9 (1) The Board may pass a resolution without a meeting being held if all the members entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution in the document.
 - (2) A resolution referred to in subparagraph (1) may be passed by the members or some of them signing separate copies of the document

referred to in that subparagraph if the date and time of each signature is indicated on the document concerned.

- (3) A resolution passed in accordance with this paragraph is taken to have been passed at the time on which the last member signs.
 - (4) Subject to the provisions of this Act, the Corporation may validly act notwithstanding or more vacancies among the members of the Board.
- 10 (1) The Board shall, as soon as possible after the coming into force of this Act, provide the Corporation With a seal.
- (2) The seal of the Corporation shall be authenticated by the signatures of the Managing Director and Secretary to the Board or any 2 directors.
 - (3) A document purporting to be an instrument made by and sealed with the seal of the Corporation and purporting to be authenticated in accordance with subparagraph (2) of this paragraph, shall be received in evidence and be taken to be an instrument unless the contrary is shown.
 - (4) In the case of a contract or instrument that if entered into or executed by an individual, would not be required to be under seal, the Board may delegate the authority to enter into such a contract or execute such instrument as the Board may deem fit.

I certify, in accordance with Section 2 (1) of the Acts Authentication Act, Cap. A2, Laws of the Federation of Nigeria 2004, that this is a true copy of the Bill passed by both Houses of the National Assembly.

SALISU ABUBAKAR MAIKASUWA, mni
Acting Clerk to the National Assembly
9th Day of July 2010

EXPLANATORY MEMORANDUM

This is the explanatory for the Asset Management Corporation of Nigeria for the purpose of the Act resolving the non-performing loan assets of banks in Nigeria.

SCHEDULE TO THE ASSET MANAGEMENT CORPORATION OF NIGERIA BILL, 2010

(1) Short Title of the Bill	(2) Long Title of the Bill	(3) Summary of the Contents of the Bill	(4) Date passed by the Senate	(5) Date passed by the House of Representatives
Asset Management Corporation of Nigeria Bill, 2010	A Bill for an Act to establish the Asset Management Corporation of Nigeria for the purpose of efficiently resolving the non-performing loan assets of banks in Nigeria	The Act seeks to establish the Asset Management Corporation of Nigeria for the purpose of efficiently resolving the non-performing loan assets of banks in Nigeria.	2 nd June, 2010.	3 rd Jun, 2010.

I certify that this Bill has been compared by me with the decision reached by the National assembly and found by me to be true and correct decision of the Houses and is in accordance with the provisions of the Acts Authentication Act Cap. A2, Laws of the Federation of Nigeria, 2004.

ASSENT

SALISU ABUBAKAR MAINASUWA, MN

Acting Clerk of the National Assembly

4th Day of July 2010

DR. GOODLUCK EBELE DONATHAN, GOFR

President of the Federal Republic of Nigeria

10th Day of July 2010.



SECTION EIGHT

NIGERIA SOVEREIGN INVESTMENT AUTHORITY (ESTABLISHMENT, ETC) ACT

NO. 15, 2011

AN ACT TO ESTABLISH THE NIGERIA SOVEREIGN INVESTMENT AUTHORITY TO RECEIVE, MANAGE AND INVEST IN A DIVERSIFIED PORTFOLIO OF MEDIUM AND LONG-TERM REVENUE OF THE FEDERAL GOVERNMENT, STATE GOVERNMENT, FEDERAL CAPITAL TERRITORY, LOCAL GOVERNMENT AND AREA COUNCILS TO PREPARE FOR THE EVENTUAL DEPLETION OF NIGERIA'S HYDROCARBON RESOURCES FOR THE DEVELOPMENT OF CRITICAL INFRASTRUCTURE IN NIGERIA THAT WILL ATTRACT AND SUPPORT FOREIGN INVESTMENT, ECONOMIC DIVERSIFICATION, GROWTH AND JOB CREATION IN NIGERIA; AND FOR RELATED MATTERS

[26th Day of May, 2010]

ENACTED by the National Assembly of the Federal Republic of Nigeria-

ARRANGEMENT OF SECTIONS

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PART I – ESTABLISHMENT, FUNCTIONS, POWERS, ETC OF THE SOVEREIGN INVESTMENT AUTHORITY

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4. Functions of the Authority
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7. Establishment of the Governing Council of the Authority
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9. Tenure of officer of members of Governing council
10. Removal of members of the Governing Council
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17. Qualification for appointment to Board
18. Disqualification
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21. Appointment of Managing Director of the Authority
22. Appointment etc Secretary
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51. Regulations, guidelines and procedures
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53. Limitation of suits against the Authority, etc
54. Service of documents
55. Restrictions on execution against property of the Authority
56. No waiver
57. Tax and Investment Exemptions
58. Interpretation
59. Citation

SCHEDULE

Part I
ESTABLISHMENT, FUNCTIONS, POWERS, ETC OF THE
SOVEREIGN INVESTMENT AUTHORITY

- 1 (1) There is established the Nigeria Sovereign Investment authority (in this Act referred to as "the Authority")
- (2) The Authority:
- (a) shall be a body corporate with perpetual succession and a common seal; and
 - (b) may sue and be sued in its corporate name
- (3) Subject to the limitations contained in this Act, the Authority may acquire, hold and dispose of moveable property for the purpose of its functions and objects under this Act.
- (4) Except as otherwise provided in this Act, the Authority shall be independent in the discharge of its functions and shall not be subject to the direction or control of any other person or authority.
2. The Authority shall have its Head Office in the Federal Capital Territory.
3. The objects of the Authority are to:
- (a) build a savings base for the Nigerian people;
 - (b) enhance the development of Nigerian Infrastructure;
 - (c) provide stabilization support in times of economic stress; and
 - (d) carry out such other matters as may be related to the above objects.
- 4 (1) The Authority shall establish a ring-fenced:
- (a) diversified portfolio of appropriate growth investments for the benefit of future generations of Nigerian citizens (the "Future Generations Fund") as further set out in part IV of this Act and the investment policies and guidelines developed by the Authority;
 - (b) portfolio of investments specifically related to and with the object of assisting the development of critical infrastructure in Nigeria that will attract and support foreign investment, economic diversification and growth (the "Nigeria Infrastructure Fund") as

- further set out in part V of this Act and the investment policies and guidelines developed by the Authority; and
- (c) portfolio of investments to provide supplemental stabilization funding based upon specified criteria and at such time as other funds available to the federal for stabilization need supplemented (the "stabilization fund") as further set out in part IV of this Act and the investment policies and guidelines developed by the Authority.
- (2) In furtherance of the Funds established under sub-section (1) of this section and for the carrying out of its other functions, the Authority shall:
- (a) receive, manage and invest the initial and future contributions on of behalf all Nigerians in each of the Future Generations Fund, the Nigeria Infrastructure Fund and the stabilization Fund pursuant to the allocations of contributions of the Federal Government, State Government, Federal Capital Territory, Local Governments and Area Council made in accordance with section 31 of the Act;
- (b) reinvest the profits and proceeds of its investments to generate further risk-adjusted returns service of the Federation except as provided in this Act;
- (c) develop and foster skills in asset management, investment, operations, risk management and other related areas in addition to the developing expertise in infrastructure project management and auditing capabilities in qualified Nigeria personnel in a manner consistent with the overall financial objectives of the Authority;
- (d) implements best practices with respect to management independence and accountability, corporate governance, transparency and reporting on performance as provided in this Act, including with due regard as appropriate for the Santiago

- principles or other similar principles or conventions as may be adopted by the Governing Council as representing international best practice;
- (e) attract co-investment from other investors, including strategic investors, sovereign and internationally recognized investment funds and private companies, to enhance the Authority's capital and maximize risk adjusted returns; and
 - (f) obtain the best achievable financial returns on all capital and assets of the Authority having regard to:
 - (i) the need to protect and enhance the long-term economic value of that capital and those assets;
 - (ii) internationally recognized asset allocation and risk management principles and practices;
 - (iii) the cost of acquiring, dealing with, safe-keeping, transferring and monitoring of assets;
 - (iv) opportunities in the international equity, debt, private equity, real estate, infrastructure, fixed-income securities and all other asset classes generally utilized by best-in-class investment fund managers;
 - (v) opportunities and challenges in the international investment market;
 - (vi) the advantages of maintaining the sovereign nature of the Authority and, whenever possible and appropriate in making investments, benefit from any available sovereign immunity from imports, taxes, charges or other impediments to the Authority's financial returns;
 - (vii) the Authority's cost of capital and other cost;
 - (viii) any regulation, guideline or direction developed by the Authority in pursuance of the provisions of this Act;
 - (ix) the benefits of maintaining adequate liquidity to pursue its investment objectives; and

- (x) any other reflective of best practices in investment and asset management which the Authority considers relevant to the achievement of its objects, including such more detailed factors as may be included in the investment policies and guidelines developed by the Authority from time to time and reported upon pursuant to this Act.

- 5 (1) The Authority shall have powers to:
- (a) open branches in Nigeria or abroad, create such affiliate or subsidiary companies in such jurisdictions as it may determine from time to time, and appoint such agents and correspondents as may be deemed desirable, in each case in the interests of achieving the Authority's objects suits;
 - (b) invest in, purchase, maintain, divest from, sell or otherwise realize asset and investment of any kind;
 - (c) cause its partially-owned subsidiaries and affiliates to issue bonds or other debt instruments, borrow or raise money (including money in a currency other than the Naira), issue bonds or other debt instruments and secure the payment of money in any manner that does not have recourse to the Authority or its wholly-owned subsidiaries and affiliates provided that the Authority and its wholly owned subsidiaries and affiliates shall have the power to incur any form of indebtedness, including but not limited to such indebtedness as concessionary funding, that may be uniquely available to the Authority in furtherance of the objects of the Authority, with the prior Written approval of the Minister;
 - (d) guarantee, with or without security, the indebtedness and performance of obligations of wholly-owned affiliates or subsidiaries of the Authority (provided that the Authority receives valuable and commensurate consideration for, or direct or indirect advantage from, the giving of the guarantee);

- (e) pay for the Authority's reasonable operational expenses, which shall be detailed in each annual budget and operating plan (and annual reports made by the Authority as set out in this Act) and which shall be at all times in line with international best practice for efficiency and the creation of value for the beneficiaries of the Authority's activities, out of the proceeds of investments (without the necessity of declaring a dividend);
 - (f) engage on a competitive basis, from time to time, such consultants and advisers and other service providers as are necessary or expedient for the performance of its functions; and
 - (g) undertake, do or agree to do any activity, incur such expenditures and carry out such functions which in the opinion of the Board are necessary, incidental or conducive to the attainment of the object and functions of the Authority.
- (2) The Authority may carry out any of its functions and exercise any of its powers:
- (a) within or anywhere outside Nigeria;
 - (b) alone or in conjunction with others; and
 - (c) by or through an agent, a subsidiary or affiliate of the Authority, joint venture, contractor, factor or trustee.
- 6 (1) The Authority may at any time appoint asset managers outside the Authority to manage its assets as may be specified by the Board.
- (2) Asset managers shall be selected on the basis of comprehensive assessment criteria, policies and procedures developed from time to time the Authority, including but not limited to the Authority's portfolio scope, prudence, diversification, cost and regular reporting consistent with the Authority's needs.
- (3) No asset manager appointed by the Authority shall act as custodian in respect of the Authority's assets that it has responsibility for managing.
- (4) The Board shall, in consultation with the minister, ensure that custodianship of the Federation's assets is appropriately diversified, and appoint one or more custodians in respect of the Authority's assets and the Minister shall consult with the National Economic Council in this regard.

Part II
GOVERNMENT COUNCIL, BOARD OF DIRECTORS AND
EXECUTIVE MANAGEMENT

- 7 (1) There shall be for the Authority the Governing Council (in this Act referred to as the "Governing Council").
- (2) Except as otherwise provided under this Act, the Council shall provide advice and counsel generally to the Board having regard to the objects of the authority under this Act.
- (3) The Council shall, in the discharge of its duties, observe the independence of the Board and officers of the Authority.
- (4) Unless otherwise stated in this Act, any resolution of the council shall be passed by simple majority vote of the members of the council.
- 8 (1) The Council shall consist of:
- (a) the President of the Federal Republic of Nigeria (who may be represented by the Vice-president of the Federal Republic of Nigeria) who shall be the Chairman;
 - (b) each of the State Governors;
 - (c) the Attorney-General of the Federation;
 - (d) the Minister;
 - (e) the Minister in charge of the National Planning Commission;
 - (f) the Governor of the Central Bank of Nigeria;
 - (g) the Chief Economic Adviser to the President;
 - (h) the Chairman of the Revenue Mobilization, allocation and Fiscal Commission;
 - (i) 4 reputable individuals representing the private sector with cognate experience in finance, economics, investments, or other related areas of expertise;
 - (j) 2 representatives of Civil Society such as members of non-governmental organization and professional organization focused on Civil Rights;
 - (k) 2 representative of Nigerian Youth; and

- (1) 4 eminent academics
 - (2) In nominating the Council, due regard shall be given to equitable gender representation.
 - (3) With the exception of the members listed in subsection (4)(a), (b), (c), (d), (e), (f), (g) and (h) of this section, the members of the Council shall be appointed by the President on the recommendation of the Minister, who shall consult with the National Economic Council on an informal basis.
 - (4) The appointment in subsection (i), (j), (k), (l) shall be subject to confirmation by the Senate.
- 9
- (1) The President (or, as the case may be, the Vice President) and the members of the Council referred to in section 8(1) (b), (c), (d), (e), (f), (g) and (h) of this Act shall serve on the council during such time as they are in office.
 - (2) Members of the Council referred to in section 8(1) (h), (i), (j), (k) and (l) of this Act shall serve for one term of 4 years only.
10. A member of the Council, referred to in section 8(4) of this Act, may be moved from by the President if the member:
- (a) has been convicted of a criminal offence;
 - (b) has been declared bankrupt;
 - (c) is suffering from prolonged ill health; or
 - (d) has been found wanting in the discharge of his her duties on grounds of misconduct.
- 11
- (1) Members of the Council shall not be paid for the performance of their duties on the council.
 - (2) Members of the Council are however entitled to reasonable sitting allowances, their individual travel expenses, and such other appropriate entitlements as the Board may determine from time to time consistent with best practice and the mission of the Authority to grow the Federation's resources.
12. The Authority shall provide to the Council every 12 months a report, in writing, on the assets, liabilities, redemptions, realizations, sales, general

performance by asset class and significant trends affecting the Authority's investment objectives.

13 (1) The Council shall hold one annual meeting on a date that is not less than 4 and not more than 6 weeks following the issuance by the Authority of the report referred to in section 12 of this Act.

(2) The meeting of the Council shall be convened by the Secretary or at the request of the Chairman of the Board by notice in writing specifying the date, time and location of the meeting.

(3) At the annual meeting of the Council, the Board shall make a presentation of the information provided in accordance with section 12 of this Act and members of the Council SUO" have the opportunity to raise questions of, and give counsel the Board.

14 (1) The Council may constitute a sub-committee comprising members of the Council with demonstrated experience in the international investment industry to assist in the discharge of its functions under this Act.

(2) Any such committee constituted pursuant to subsection (1) of this section shall be entitled to meet with the Board twice a year to raise questions.

15. There shall be for the Authority the Board of Directors (in this Act referred to as "the Board") which shall be responsible for the attainment of the objects of the Authority, the making of the policy and general supervision of the management and affairs of the Authority and such other functions conferred upon it by any other provision of this Act.

16 (1) The Board shall consist of:

(a) a non-executive Chairman;

(b) the Managing Director of the Authority;

(c) 2 other Executive Directors of the Authority;

(d) one non-Executive Director who is a distinguished legal practitioner with at least ten years post qualification experience; and

(e) 4 other non-Executive Directors.

- (2) All appointments of individuals set out in sub-section (1) of this section shall be made by the President on the recommendation of the Minister, who shall consult with National Economic Council and such recommendation shall be made pursuant to subsection (3) of this section.
- (3) For the purpose of making the recommendations for the appointments of individuals set out in sub-section (1) of this section, the minister shall constitute an independent committee (the "Executive Nomination Committee") of 5 Persons, including the Minister to act as liaison for consultations With the National Economic Council and recommendations to the President, with proven qualifications and tested market experience to identify highly-qualified candidates for such Positions.
17. Except for the non-Executive Director to be appointed Pursuant to section 16 (1) (d) of this Act, a person shall not be appointed to the Board unless such a person is a holder of university degree or its equivalent in economics, finances or a related subject and possesses at least to years relevant financial or related business experience at a senior management level.
18. A person shall not be appointed to the Board if he or she is:
- (a) adjudged bankrupt, or suspends payment to, or composes or makes an arrangement with his or her creditors; or
 - (b) imprisoned or convicted of an offence involving fraud or dishonesty, or of any offence not involving fraud or dishonesty the maximum penalty for which exceeds imprisonment for six months; or
 - (c) disqualified or suspended from practicing his or her profession in Nigeria or in any other country by order of a competent authority made in respect of him or her personally; or
 - (d) disqualified or restricted from being a director of any corporate institution by any law or regulatory body.
- 19 (1) A member of the Board may at any time resign his or her appointment by giving at least one month's prior notice in writing to the Authority through the Managing Director of his or her intention to do so.

- (2) The Managing Director may at any time resign his or her appointment by giving at least one month's prior notice in writing to the President of his or her intention to do so.
 - (3) If any of the circumstances set out in section 18 of this Act applies at any time to a member of the Board or if he or she is determined by the Board to be in material breach of his or her duties to the Authority, the member of the Board in question may be removed from office by the President on the recommendation of the Minister upon the passage of a resolution of the Board finding such circumstances and recommending the removal of such members of the Board (whose individual vote shall, under no circumstances, be required for such resolution of the Board).
- 20
 - (1) The members of the Board appointed pursuant to section 16(1) (b) and (c) of this Act shall serve for as long as they occupy their executive management office.
 - (2) The members of the Board appointed pursuant to section 16(1) (a) (d) and (e) of this Act shall serve for an initial term of 4 years.
 - (3) The member of the Board appointed pursuant to paragraph (a) of subsection (1) section (1) of section 16 of this Act shall serve for initial term of four years.
 - (4) Upon the expiration of the initial term of any of the members of the Board appointed such member may be eligible for reappointment for another term of four years and no more.
21. There shall be for the Authority, a Managing Director appointed by the President in accordance with the provisions of this Act, who shall-
 - (a) be appointed on such terms and conditions and, subject to section 27 (1) of this Act, paid such emoluments and allowances as may be specified in his or her letter of appointment; and
 - (b) be the Chief Executive Officer responsible for the execution of the policies formulated by the Board and the day-to-day administration of the Authority.
- 22 (1) The Board shall appoint for the Authority a Secretary on such terms,

conditions, and remuneration as may be specified in his or her letter of appointment.

- (2) The Secretary shall be responsible for:
 - (a) issuing notices of meetings of the Board and the Governing Council;
 - (b) keeping records of the proceedings of the Boards and the Governing Council; and

Carrying out other duties as the Managing Director or the Board may, from time to time, direct.

- 23 (1) The Authority may appoint such other staff, who shall be pensionable, for the proper and efficient performance of the functions of the Authority under this Act.
 - (2) The Authority shall pay its staff such remuneration, allowances and other benefits as may be fixed by the Board consistent with best practice and the mission of the Authority to grow the Federations' resources and, as required, approved by the President.
 - (3) The Authority may, subject to the approval of the Board, make rules relating generally to the conditions of service of staff of the Authority, and without prejudice to the generality of the foregoing, the rules may provide for:
 - (a) the appointment and disciplinary control of all employees of the Authority; and
 - (b) appeals by the staff against dismissal or other disciplinary measures.
 - (4) Rules made under sub-section (3) of this section need not be published in the Gazette but the Authority shall cause the rules to be brought to the notice of all affected Persons in such manners as it may, from time to time.
- 24 (1) The Board may delegate any parts of its functions, in each cases on such terms and conditions, in relation to such matters and such extent as they deem fit, to committees of the Board or, unless reserved to the Board by this Act, to

the management of the Authority.

- (2) The Board of the Authority shall at a minimum constitute a compensation committee, risk management committee and an audit committee, each of which shall be comprised of non-Executive Directors of the Board.
- 25 (1) The Board shall be independent in the exercise of its responsibilities under this Act.
 - (2) Without prejudice to the provision of sub-section (1) of this section and except as expressly provided in this Act, the Council may not, by resolution or otherwise, require the directors to take, or to refrain from taking, any specified action.
- 26 (1) In the discharge of their responsibilities, members of the Board shall act in utmost good faith, with care, skill and diligence.
 - (2) Members of the Board have fiduciary obligations to the Authority, and shall not act in any circumstance where their personal interest conflict with the interests of the Authority.
 - (3) Members of the Board shall adhere to all the duties and obligations specified for directors under the Companies and Allied Matters Act.
 - (4) Members of the Board shall submit a written statement of disclosure of interest and statement of absence of conflicts with the Authority's investments and annual investment plan annually to the Board.
- 27 (1) Members of the Board shall be paid such reasonable remuneration and cost allowances for service as Directors and attendance at meetings or the Board or its committees, as the compensations committee may from time to time determine consistent with best practice and the mission of the Authority to grow the Federation's resources.
 - (2) All remuneration and cost allowances of the Board shall be reported in the annual report of the Authority.
28. The supplementary provision set out in the schedule to this Act shall have effect with respect to the proceedings of the Board.

Part III
FINANCIAL PROVISION: FUNDING, DISTRIBUTION,
ACCOUNT, AUDIT AND REPORTING

29. (1) The initial funds provided by the Federal, State, Federal Capital Territory, Local Governments and Area Council of the Federation pursuant to decision of the National Economic Council to be managed by the Authority shall be the Naira equivalent of the sum of USD 1 billion.
- (2) Each of the Federal Government, State Government, Federal Capital Territory, Local Government and Area Councils shall contribute a percentage of such initial funding equal to each such Government's share of Federation revenue in accordance with the formulae stated in the allocation of revenue (Federation Account, etc) Act.
- 30 (1) Subsequent funding shall be derived from Residual Funds from the Federation Account transferred to the Authority in the manner specified in this Act provided that the derivation portion of the revenue allocation formula shall not be included as part of this funding.
- (2) Promptly upon revenues being received into the Federation Account each month, the Authority shall be funded from all amounts of Residual Funds above the Budgetary Smoothing Amount.
31. The initial and subsequent funding of the Authority shall be allocated to each of Future Generations Fund, the Nigeria Infrastructure Fund and the Stabilization Fund by resolution of the Board, provided that a minimum of 20% of such funding shall be allocated to be:
- (a) Future Generation Fund until the amount of funds in the Future Generations fund reach a ceiling percentage of gross domestic product, with such percentage to be determined every 2 years through an actuarial assessment by recognized professional and academics chosen through a process of public or selective tendering implemented by the Board of the components of future demand of the proceeds of the Future Generation Funds, including but not limited to demographic and growth trends;

- (b) Nigeria Infrastructure Fund until the amount of funds in the Nigeria Infrastructure Fund reach a ceiling percentage of gross domestic product with such percentage to be determined every 2 years through a professional assessment by recognized professionals and academics chosen through a process of public or selective tendering implemented by the Board of components of infrastructure demand and capacity requirements in view of relevant factors that will require the proceeds of the Nigeria Infrastructure Fund; and
 - (c) Stabilization Fund.
32. (1) All ownership interest in the Authority shall be held by the Federal Government, State Government, Federal Capital Territory and Local Government and Area Councils of the Federation on behalf of the people of Nigeria.
- (2) The Authority shall issue documentary evidence to the Federal Government, State Government, Federal Capital Territory and Local Government and Area Councils of the amount their respective contributions.
- (3) The Federal Government, State Government, Federal Capital Territory and Local Government and Area Councils of the Federation shall not transfer, redeem, assign, dispose of, sell, mortgage, pledge or otherwise encumber any interest of any kind in the Authority.
33. The Board may, upon unanimous vote, declare a distribution out of un-invested and uncommitted available funds of the Authority provided that such distribution:
- (a) is paid out of the realized profit of the Authority at such times as the Authority shall have:
 - (i) realized a net profit in each of the Funds for at least five in the year following enactment of this Act; and
 - (ii) made a net profit in each of the Funds in the year in which such dividend is to be paid;

- (b) any such distribution shall be declared and paid only after the Authority has set aside sufficient funds to meet the Authority's anticipated operational needs as set out in its business and investment plans; and
- (c) such a distribution shall not be equal to more than 60% of the profits of the Authority at the time of the distribution.
- 35 (1) The payment of distributions declared by the Board shall be approved by resolution of the Council before they are paid.
- (2) Distribution by the Authority shall be paid into the Federation Account, but shall not form part of revenues received into the Federation Account for the purpose of section 30(2) of this Act, as amended from time to time, and shall be distributed to the Federal Government, State Government, Federal Capital Territory and Local Government and Area Councils in proportion to their respective contributions to the Authority.
36. The Authority shall cause to be kept proper books of accounts with respect to all the transactions and business of the Authority in conformity with International Financial Reporting Standards or such other internationally recognized financial reporting as applied in the Federal Republic of Nigeria and Nigerian generally accepted principles of accounting.
- 37 (1) Not later than 3 months after the end of each financial year of the Authority, which shall be determined by the Board, the Authority shall submit a report (the "Annual Report") to the President, the Minister, the Central bank of Nigeria, the National Economic Council, the National Assembly and each State House of Assembly of its activities during the financial year concerned.
- (2) The Authority shall make the Annual Report, together with quarterly financial reports and key policy documents prepared by the Authority, accessible to the public.
- (3) The Annual Report will be summarized and such summary printed at the Authority's expense in the 2 most widely-circulated newspaper in Nigeria.

- 38 (1) The Authority shall carry out an annual internal audit of its operations and financial statements in accordance with International Financial Reporting Standards, as applied in the Federal Republic of Nigeria and Nigerian generally accepted principles of accounting.
- (2) The Authority's operations and financial statements shall be audited annually in accordance with International financial Reporting Standards, as applied in the Federal Republic of Nigeria and Nigerian generally accepted principle of accounting by an internationally recognized accounting firm, through such firm's local Nigeria branch approved by the auditor General for the Federation.

Part IV

FUTURE GENERATIONS FUND

- 39 (1) The Authority shall each year develop a rolling five-years investment plan for the Future Generations Fund pursuant to such strategies, regulations, policies and guidelines as it may determine from time to time to be most effective to achieve the objective of providing future generations of Nigerians with a solid savings base for such time as the hydrocarbon reserves of Nigeria are exhausted, with due regard to macroeconomic factors.
- (2) To preserve the effectiveness of the Authority's ability to make investments, the investment plan may be subject to strict short-term, tailored confidentiality restrictions and its distribution temporarily limited until such investments are made as may be considered appropriate by the Authority and the Authority shall however, publish its investment plans, policies and procedures, in the manner prescribed by the Future Generations Fund.
40. The Authority shall, subject to the provision of this Act with respect to distributions and with respect to the reasonable costs and expenses of the Authority, reinvest all realized proceeds and dividends from and interest on portfolio investment of the Future Generations Fund into new or existing assets of the Future Generations Fund.

Part V

NIGERIA INFRASTRUCTURE FUND

- 41 (1) The Authority shall each year develop a rolling five-years investment plan for the Nigeria Infrastructure Fund pursuant to such strategies, regulations, policies and guidelines as it may determine from time to time to be most effective to achieve the objective of supporting, through investment predicted upon financial returns to the Authority, the development in Nigeria of basic, essential and efficient infrastructure such as power generation, distribution and transmission, agriculture, dams, water and sewage treatment and delivery, roads, port, rail, airport facilities and similar assets in order to stimulate the growth and diversification of the Nigeria economic, attract enhanced foreign investment and create jobs for Nigerians.
- (2) The Authority may make financial investments with funds of the Nigeria Infrastructure Fund pending investments in infrastructure.
- (3) To preserve the effectiveness of the Authority's ability to make strategic co-investments with companies in the infrastructure sector, or to acquire strategic stakes in international companies active in the sector. implement various commodity hedging others strategies, and avoid potential inappropriate trading and commercial activities in connection with such investments, the business plan may be subject to strict confidentiality restrictions by the Board and its distributions limited until such investments are made as may be considered appropriate by the Authority prior to making such investments, after which disclosure of such investments shall be made pursuant to this Act.
- (4) The Authority shall review and analyze against criteria of financial return all written proposals of the Federal Government, State Government, Federal Capital Territory, L coal Government, and Area Councils submitted to the Authority and the Authority shall issue appropriately detailed parameters and procedures for the submission of such proposals.

- (5) The Authority may invest up to a maximum of 10% of the funds in the Nigeria infrastructure Fund available for investment in any fiscal year in social infrastructure projects which promote economic development in underserved sectors of regions in Nigeria that may present less favorable economic return potential (the "Development Projects").
- (6) The Authority may, itself, make investments in Development Projects in accordance with the process and procedures outlined in sub-section (7) of this section or it may appoint an asset or fund manager with appropriate experience in projects of this kind to source, evaluate and invest in such Development Projects on behalf of the Authority.
- (7) The Authority shall:
 - (a) make such rule procedures and regulations as it deems necessary in respect of the submission and evaluation parameters for such Development Project; and
 - (b) evaluate the economic returns and summarize the non-financial social welfare enhancing attributes of each Development Project and deliver such evaluation and summary to a committee set up for this purpose by the National Economic Council who shall decide whether the Authority may invest in such Development Project or not.
- (8) The Authority shall utilize any sector and engineering advisors or professionals as it may deem advisable to ensure the economic and service delivery viability to ensure the economic and service delivery viability of each potential infrastructure investment:

PROVIDED that the Authority shall seek to develop appropriate in-house capabilities in this regard over time.

- 42 (1) The Authority shall ensure that the Nigeria Infrastructure Fund is invested in a manner which is coordinated to the extent feasible with, and is technically consistent with infrastructure priorities and plans developed by the appropriate ministers and agencies with responsibility over the particular infrastructure asset sector.

- (2) Potential investments shall be evaluated at least as strictly as international investments, and the broad risk-weighted potential benefits to the Federation as a whole shall prevail over more focused local or regional priorities.
43. The Authority may apply a lower target internal rate of return to investments made by the Nigeria Infrastructure Fund than to other investments made by the Authority as long as such economic but comparatively sub optional returns are realized in projects that are determined by the authority, any technical advisor and consultant as it may deem desirable, and the ministry or agency with subject-matter competence for the infrastructure sector in question, to be highly likely to serve, the economic development and diversification of Nigeria.
44. The Authority shall, subject to the provisions of this Act with respect to dividends and with respect to the reasonable costs and expenses of the Authority, invest all realized proceeds and dividends from and interest on portfolio investments of the Nigeria Infrastructure Fund in new or existing assets of the Nigeria Infrastructure Fund.
45. The authority shall not provide any guarantee or surety, whether of payment or of performance, to or on behalf of the interest, right or obligations of any person, company or entity involved or participating in or related to an infrastructure project, other than a wholly-owned subsidiary or affiliate of the Authority.
46. (1) The Authority may co-invest with companies in the development of infrastructure projects in Nigeria.
- (2) The Authority, in making such co-investments as referred to in subsection (1) of this section, shall exercise any voting right its equity share may entitle it to in a financially prudent and economically focused manner.

Part VI

STABILIZATION FUND

- 47 (1) The Authority shall ensure that the Stabilization Fund is invested prudently and in a way that support the objectives of the Fund to be available to stabilize federation revenues and consistent with section 5 of this Act and may invest in or sell all such assets, and use such derivative instruments for the purpose of hedging or efficient asset management, as the Authority determines may serve such objective.
- (2) At the direction of the Minister, upon a proper demonstration of urgency and satisfaction of the criteria set out in section 28 of this Act, the Authority shall have the right to utilize capital and assets in the Stabilization Fund to supplement resources available to stabilize the national economy.
- 48 The Minister may, at the end of any financial quarter, request, and the Authority shall upon such request pay from the Stabilization Fund, an amount equal to the difference, if negative, between the actual quarterly Federation Account revenues generated through the sale of Benchmark Hydrocarbons and the Projected Federation 'Hydrocarbon Revenues for such quarter, provided that such amount will only be drawn after the depletion of the Budgetary Smoothing amount.

Part VII

COMMUNICATIONS POLICY AND PROCEDURES

- 49 (1) The Authority shall develop policies and procedures for communicating its investment objectives in a manner generally consistent with the guiding objectives underpinning the Santiago Principles.
- (2) The Authority's communications shall have due regard to the Authority's potential influence on financial and other markets.

Part VIII

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNITIES

- 50 (1) The Authority shall obtain Directors' and Officers' liability insurance policies in line with international standards for the benefit of the Directors and Officers of the Authority.
- (2) The Authority shall indemnify each Director and Officer of the Authority out of the Authority's assets or insurance for and against all losses, charges, claims, expenses and liabilities incurred by such director or officer in the actual or purported execution or discharge of his or her duties, or in relation to him or her defending any criminal or civil proceedings in which judgement is which judgment is given in his or her favour or in which judgment in which judgment is given in his or her favour or in which he or she is otherwise acquitted or the proceeding are otherwise disposed of without any finding or admission of any material breach of duty on his her part of in which the court grants him or her in such capacity as a relevant Director of Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Authority's or any affiliated company's affairs.

Part IX

MISCELLANEOUS

- 51 (1) The Authority shall develop, adopt and, as appropriate from time to time, amend revoke or supplement appropriate regulations, codes, internal guidelines and Authority's objects and in connection with the performance of any of the Authority's functions under this Act, including without limitation a manual of policies and procedures.
- (2) Such regulations, codes, internal guidelines and procedures referred to in sub-section (1) of this section shall govern the following matters:
- (a) the conduct of the business and operations of the Authority in a manner that fosters accountability and good corporate governance, is transparent and consistent with the highest ethical standards and further ensures the maintenance of best practice;
 - (b) an environment, health and safety policy that is designed to ensure compliance with all applicable legislation and industry standards in order to minimize the impact on the environment of its activities;
 - (c) monitoring standards for investments; and
 - (d) risk management;
 - (e) treasury and cash management; and
 - (f) any other matter relevant to the operations of the Authority as a best in-class investment fund as may be directed by the Managing Directors of the Board.
- (3) The Authority's initial regulations, internal guidelines, and procedures, and any subsequent material change or supplement thereto shall be adopted only after consultations with the Minister.
- 52 All investments made by the Authority shall be documented and the Authority's rights protected by appropriate contractual provisions approved by the legal and risk management personnel and advisors of the Authority.

- 53 (1) Subject to the provisions of this Act, the provisions of the Public Officers Protection Act shall apply in relation to any suit instituted against any officer or employee of the Authority or any affiliate or subsidiary thereof.
- (2) No suit shall lie against the Authority, its directors, the Board, the Managing Director, or any other officer or employee of the Authority or any of its affiliates or subsidiaries for any act done in pursuance of this Act or any other law or enactment, or of any public duty or authority or in Act or such law or enactment, duty or authority, or be instituted in any court unless:
- (a) it is commenced within 3 months next after the act, neglect or default complained of; or
- (b) in the case of a continuation of damage or injury, within 3 months next after the ceasing of the act, neglect or default complained of.
54. A notice, summons or any other document required or authorized to be served upon the Authority under the provisions of this Act to be served upon the Authority under the provisions delivering it to the Managing Director or by sending it by registered post and addressed to the Managing Director at the principal office of the Authority.
- 55 (1) In any action or suit against the authority, no execution or attachment of process shall be issued against the authority.
- (2) Any sum of money which may be the judgment of any court awarded against the Authority shall, subject to any judgement has been given, be paid from the general reserve fund of Nigeria or the Ministry of Finance.
- 56 Nothing in this Act shall be construed as a waiver of any regulatory or statutory power or function of the Central Bank of Nigeria or the Ministry of Finance.
- 57 (1) The Authority and its wholly-owned subsidiaries and wholly affiliates shall be exempt from the provisions of any and all taxes, fees, imports or fiscal laws or regulations of the Federal Government, State Government, Federal Capital Territory, Local Government and Area Councils of the Federal Republic of Nigeria, including without limitation, the Companies Income Tax Act Cap. C21 LFN 2004, the Stamp Duties Act Cap S8 LFN 2004, the Value

Added Tax Act Cap. VI LFN 2004 or other imposts, taxes on interest and dividends or any similar law or regulation.

- (2) The Authority and any financial instruments established by it shall be exempt from the provisions of the investments and securities Act No. 29 of 2007 and the Banks and Other Financial Institution Act Cap. B3 LFN 2004; as may be amended from time to time.
- (3) If any other enactment or law relating to the Authority or its operations is inconsistent with this Act, this Act shall prevail.
- (4) Notwithstanding the provisions of section 57, nothing in this Act shall be construed as exempting employees of the Authority of its wholly owned subsidiaries and affiliates from payment of personal income tax in so far as such employment is not affected by an international treaty obligation of Nigeria.

58 In this Act:

“Annual Report” has the meaning set out in section 37 (1) of this Act;

“Authority” has the meaning set out in section 1 (1) of this Act;

“Benchmark Hydrocarbons” means the Federation hydrocarbon included in the determination of the projected Federation Hydrocarbon Revenue.

“Board” has the meaning set out in section 15 (1) of this Act;

“Budgetary Smoothing amount” means an amount equal to ten percent of Monthly Residual Funding up to a cumulative maximum amount at anyone time of 2.5 percent of the projected Federation Hydrocarbon Revenue for the year of such funding;

“Development Projects” has the meaning set out in section 41 (5) of this Act;

“Executive Nomination Committee” has the meaning set out in section 16 (3) of this Act;

“Funds” means collectively all of the Future Generations Fund, the Nigeria Infrastructure Fund and Stabilization Fund and any further funding vehicles established hereunder and, individually, each of such funds;

“Future Generation Fund” has the meaning set out in section 4 (1) (a) of this Act;

“International reporting Financial Standard” means the principles based Standards, Interpretation and the Framework (1989) adopted by the International accounting Standards Board;

“Managing Director” means the Managing Director and Chief Executive Officer of the authority appointed in accordance with this Act; -

“Minister” means the Minister of Finance of the Federal Republic of Nigeria;

“Nigeria Infrastructure Fund” has the meaning set out in section 4 (1) (b) of this Act;

“Oil Price Benchmark Rule” means the projected price for Benchmark Hydrocarbons utilized in the determination of projected Federation Hydrocarbon Revenue;

“Projected Federation Hydrocarbon Revenue” means the projected revenue determined through the budgetary process attributable to the Federal Government, State Government, Federal Capital Territory, Local Government and Area Councils and calculated by applying the Oil Price Benchmark Rule to the Benchmark Hydrocarbon output in each case approved by the National Assembly;

“Residual funds” means revenue received into the Federation Account other than the Projected Federation Hydrocarbon Revenue for the relevant period;

“Ring-fenced” means, in the context of each of the Funds, the use of a structure that maintains a separation of the asset and liabilities of one Fund from the assets and liabilities of the other Funds;

“Santiago Principles” means the generally accepted principles and practices of Sovereign Wealth Funds made by the International Working Group of Sovereign Wealth Funds;

“Secretary” has the meaning set out in section 22 (1) of this Act; and

“Stabilization Fund” has the meaning set out in section 4(1) (c) of this Act.

59. This Act may be cited as the Nigeria Sovereign Investment Authority (Establishment, etc) Act, 2011.

SCHEDULE

SUPPLEMENTARY PROVISIONS RELATING TO THE BOARD

Proceedings of the Board

1. The Board may make rules as it deems appropriate regulating its proceedings.

Meetings of the Board

2. (1) Any two Directors or a Director and the Secretary may call a Board meeting by giving 14 days notice of the meeting to each of the Directors or by authorizing the secretary to give such notice.
- (2) Directors may waive their entitlement to such notice prior to or up to seven days after any meeting and at a minimum, the Board shall meet once each quarter.
- (3) The Chairman of the Board (being the non-Executive Director approved by the President on the recommendation of the Minister in the Board, unless he or she is absent, in which case attending Directors shall appoint a chair for such meeting.
- (4) The Chairman of the Board shall have a deciding vote in the event the numbers of votes for and against a proposal at a meeting of the Board are equal.
- (5) Unless a quorum of Directors is participating, no decision other than to call another meeting of the Directors may be made and the quorum for the transaction of business shall be not less than 7 Directors.
- (6) Where the Board seeks advise of any person on a particular matter, the Board may invite that person to attend fro such period as it deem fit, but a person who is invited by virtue of this paragraph shall not be entitled to vote at any meeting of the Board and shall not court towards the quorum.
- (7) In addition to meeting with all participants physically present, the Board may hold or continue a meeting by the use of any means of communication by which all the participants can hear and be heard at the same time and a member of the Board who participates in a

teleconference meeting shall be taken for all purposes to have been present at the meeting and the Board may establish procedures for teleconference meeting (including recording the minutes of such meetings) in its minute book.

- (8) The Board may pass a resolution without a meeting being held if all its members entitled to vote on the resolution sign and date on one or more copies a document containing a statement that they are in favour of the resolution in the document and may such resolution shall be deemed passed on the date of the last signature to be applied.
 - (9) The Secretary shall ensure that the Authority keeps a record, in writing, or every decision of the Board.
- 3 (1) If a member of the Board has pecuniary interest or other beneficial interest in and material to, a matter that fails to be considered by the Board, he or she shall:
- (a) disclose to the other Directors of the Board the nature of his or her interest in advance of any consideration of the matter;
 - (b) not influence nor seek to influence a decision to be made in relation to the matter;
 - (c) take no part in any consideration of the matter; and
 - (d) absent himself or herself from the meeting or that part of the meeting during which the matter is discussed.
- (2) If a member of the Board declares an obligation or discloses an interest pursuant to paragraph 3(1) (a), the declaration of disclosure shall be recorded in the minutes of the board.
- (3) No member of the Board or any employee of the Authority shall, in a personal capacity, either directly or indirectly be involved in the purchase of any assets of or being acquired by the Authority.

Seal of the authority

- 4
- (1) The fixing of the seal of the Authority shall be authenticated by the signature of the Chairman or any person specifically authorized to act for that purpose by the Board.
 - (2) Any contract or instrument which, if made or executed by person not being a body corporate, would not be required to be under seal may be made by the chairman or any person specifically authorized to act for that purpose by the Board.
 - (3) Any document purporting to be a document duly executed under the seal of the Authority shall received in evidence and shall, unless and until the contrary is proved, be presumed to be so executed.

I certify, in accordance with Section 2 (1) of this Acts Authentication Act Cap. A2, Laws of the Federation of Nigeria 2004, that this is a true copy of the Bill passed by both Houses of the National Assembly.

SALISU ABUBAKAR MAIKASUWA, min

Clerk to the National Assembly

25th Day of May, 2011

EXPLANATORY MEMORANDUM

This Act establishes the Nigeria Sovereign Investment Authority to receive, manage and invest in a diversified portfolio of medium and long term revenue of the Federal Government, State Government, Federal Capital Territory, Local Government and Area Councils to prepare for the eventual depletion of Nigeria's hydrocarbon resources, in conjunction with other investors for the development of critical infrastructure in Nigeria that will attract and support foreign investment, economic diversification, growth and job creation and in exceptional circumstances set out in the Act, utilize certain liquid assets in the Stabilization Fund of the Authority to supplement other available fiscal stabilization funds to temporarily sustain duly budgeted public expenditure in the interest of macro-economic stability in Nigeria as a whole.

**SCHEDULE TO NIGERIA SOVEREIGN INVESTMENT AUTHORITY
(ESTABLISHMENT, ETC) BILL, 2011**

(1) Short Title of the Bill	(2) Long Title of the Bill	(3) Summary of the Contents of the Bill	(4) Date Passed by the Senate	(5) Date Passed by the House of Representatives
Nigeria Sovereign Investment Authority (Establishment, etc) Bill, 2011	An Act to establish the Nigeria Sovereign Investment Authority to receive, manage and invest in a diversified portfolio of medium and long-term revenue of the Federal Government, State Government, Federal Capita Territory, Local Government and Area Councils to prepare for the eventual depletion of Nigeria's hydrocarbon resources for the development of critical infrastructure in Nigeria that will attract and support foreign investment, economic diversification, growth and job creation and in exceptional circumstances set out in the Act, utilize certain liquid assets in the Stabilization Fund of the Authority to supplement other available fiscal stabilization funds to temporarily sustain duly budgeted public expenditure in the interests of macro-economic stability in Nigeria as a whole.	This Bill seeks to establish the Nigeria Sovereign Investment Authority to receive, manage and invest in a diversified portfolio of medium and long-term revenue of the Federal Government, State Government, Federal Capita Territory, Local Government and Area Councils to prepare for the eventual depletion of Nigeria's hydrocarbon resources for the development of critical infrastructure in Nigeria that will attract and support foreign investment, economic diversification, growth and job creation and in exceptional circumstances set out in the Act, utilize certain liquid assets in the Stabilization Fund of the Authority to supplement other available fiscal stabilization funds to temporarily sustain duly budgeted public expenditure in the interests of macro-economic stability in Nigeria as a whole.	11 th May, 2011	19 th May, 2011

I certify that this Bill has been carefully compared by me with the decision reached by the National assembly and found by me to be true and correct decision of the Houses and is in accordance with the provisions of the Acts Authentication Act cap. A2. Laws of the Federation of Nigeria, 2004.

I ASSENT.

SALISU ABUBAKAR MAIKASUWA, min
Clerk to the National Assembly
25th Day of May, 2011

DR. GOODLUCK EBELE JONATHAN, GCFR
President of the Federal Republic of Nigeria
26th Day of May, 2011.

Bilateral Chambers of Commerce

<p>African-American Institute AAI's Representative Office in Nigeria 5, Ola Ayeni Street, Off Medical road, Ikeja Lagos. Tel: 664300</p>	<p>Nigeria-Canada Business Association 4 Idowu Taylor Street, Victoria Island, P.O. Box 54506, Ikoyi, Lagos, Tel: 2622512-6</p>
<p>ECOWAS-Brazil Chamber Integrated Nigerian Chapter C/O Room 402, Investment House (4th Floor) 21-25, Broad Street, Lagos. Tel: 2661598</p>	<p>Nigerian-Chinese Chambers of Commerce & Industry 79, Adeniran Ogunsanya Street, P.O. Box 6112, Surulere</p>
<p>Franco-Nigeria Chamber of Commerce & Industry Total House, (1st Floor) PC 24, Afribank Street, P.O. Box 70001, Victoria Island, Lagos. Tel: 2621423, 2622442</p>	<p>Nigerian-Danish Chamber of Commerce Industry & Agriculture RT Briscoe Nigerian Plc Complex 61/18 Fatai Atere Way, Matori-Oshodi P.O. Box 2104, Lagos. Tel: 4524175, 452588, 4524560, 4524564 Fax: 4524519</p>
<p>Nigerian-American Chamber of Commerce & Industry Marble House, (8th Floor) 1 Kingsway road, Ikoyi, G.P.O Box 8508, Falomo, Lagos Tel: 2692008, 2693041 Fax: 686300, Telex: 21619, NACC.NG e-mail: nacc@alpha.linkserve.com</p>	<p>Nigeria-German Business Council Plot PC 10 Engineering Close, Off Idowu Taylor Street, Victoria Island, Lagos. Tel: 2619751, Fax: 2619752</p>
<p>Nigerian-Ascan Chamber of Commerce & Industry Block B, Suite #9, Falomo Shopping Centre, P.O. Box 51693, Ikoyi, Lagos, Tel: 2690428</p>	<p>Nigerian-Hungarian Chambers of Commerce & Industry 192; Ikorodu Road, Onipanu, P.O. Box 30 Somolu, Lagos Tel: 823835, Fax: 4936758</p>
<p>Nigerian-Iran Trade Association 1A&B, Alexander Avenue, Ikoyi, Lagos</p>	<p>Nigerian-Indian Institute Relations C/o NACCIMA15A, Ikorodu</p>

	Road, Maryland, PMB. 12816, Lagos
Nigerian-Belgian Chamber of Commerce & Industry 12, Adeleke Adedoyin Street, Victoria Island Tel: 613135, 619230	Nigerian-Brazilian Chamber of Commerce & Industry Western House (1st Floor) 8/10 Broad Street Street, Lagos, Tel: 2631328
Nigeria-Israeli Relations C/O NACCIMA15A, Ikorodu Road, Maryland PMB. 12816 Lagos.	Nigeria-Israeli Chamber of Commerce & Industry C/o Embassy of Israel, Cowries House Plot 636 Adeyemo Alakija Street, Tel: 2690909 Victoria Island, Lagos
Nigerian-British Chambers of Commerce & Industry Ebani House (1st Floor) 149/153 Broad Street, Lagos. P.O. Box 109 Lagos.	Nigerian-Nordic Chamber of Commerce & Industry Suite 13, McIver House 61, Marina, Lagos Tel: 2662021, 2640024, 2641194 Fax: 2641195 e-mail: cem@infoweb.ahs.nel
Nigerian-Polish Chamber of Commerce & Industry 93, Ojuelegba Road, Surulere, Lagos Tel: 833005 Fax: 691832, 524651	Nigeria-Philippines Chamber of Commerce & Industry C/o Slok Nigeria Limited Randle Road, Apapa, Lagos Tel: 5870240, 5875311
Nigerian-Ivorian Chamber of Commerce & Industry C/o Fidelity Intra-Africa Office, Suite 2A, (2nd Floor), Prince's Court, PC 37, Ahmed Onibudo Street, P.O. Box 73924, Victoria Island, Lagos. Fax: 2622854	Nigerian-Jamaican Chamber of Commerce & Industry 1B, Shiro Street, Off Ikorodu Road,, Fadeyi, Lagos.. Tel: 863684
Nigerian-Japan Chamber of Commerce & Industry 270, Ozumba Mbadiwe Street, Victoria Island, P.O. Box 56425, Falomo, Ikoyi, Lagos Tel: 611267, 610085, Fax: 610086 Tel: 2621423, 2622442	Nigerian-Portuguese Chamber of Chamber & Industry Ebani House, 149/153 Broad Street, Lagos.
Nigerian-Russian Chamber of Commerce & Industry	Nigerian-Romanian Chamber of Commerce

<p>Adebowale House 150 Ikorodu Road, G.P.O Box 1495, Lagos. Tel: 821919</p>	<p>228.B Muri Okunola Street, Victoria Island Lagos. Tel: 2622314</p>
<p>Nigerian-Kenyan Chamber of Commerce & Industry C/o NACCIMA 15A, Ikorodu Road, Maryland, PMB 12816, Lagos Tel: 4964727, Fax: 4964737</p>	<p>Nigerian-South African Chamber of Commerce & Industry P.O. Box 158, Ijeshatedo, Surulere Lagos</p>
<p>Nigerian-Korean Friendship Association 33 Hawley Street (2nd Floor) Nigerian-Liberia Chamber of Commerce & Industry C/o Liberian Embassy 3, Idejo Street, Off Adeola Odeku</p>	<p>Nigerian-South African Chamber of Commerce & Industry Commerce House, (1st Floor) 80, Allen Avenue, Ikeja, Lagos. PMB 389, Somolu Lagos. Tel: 965009, 965499, 965827</p>
<p>Nigerian-Netherlands Chamber of Commerce Plot 1615, Ahmed Onibudo Street, Victoria Island, P.O. Box 55042, Falomo, Ikoyi Lagos. Tel: 2614619</p>	<p>Nigerian-Soviet Trade Council 60, Old Yaha Road, PMB 11, 1965, Apapa Tel: 880527</p>
<p>Nigerian-US Business Council C/o NACCIMA 15A, Ikorodu Road, Maryland PMB 12816, Lagos Tel: 4964727, Fax: 4964737</p>	<p>Nigerian-Tanzanian Chamber of Commerce & Industry P.O. Box 50799, Lagos.</p>
	<p>Nigerian-Zimbabwe Chamber of Commerce & Industry 87 Bangbose Street, (3rd Floor), Opposite Campos Square, Lagos. Tel: 633033, 5216106, 090- 403047 Fax: 234001, 520106, 523704, 844462</p>



SECTION NINE

NIGERIA UNIFORM BANK ACCOUNT NUMBER

CENTRAL BANK OF NIGERIA

August 2010

CENTRAL BANK OF NIGERIA PROPOSALS ON THE IMPLEMENTATION OF NUBAN SCHEME (Version 0.4)

1. INTRODUCTION

The CBN released the Guidelines on Nigeria Uniform Bank Account Number (NUBAN) scheme in August, 2010, to achieve uniform customer bank account numbering structure among all Deposit Money Banks in Nigeria, within 9 months. NUBAN has great potentials to resolve the observed problems with electronic payments in Nigeria, as many of them are related to specification of wrong beneficiary account numbers. However, a number of operational modalities need to be released to the market by the CBN, to facilitate smooth and successful implementation of the scheme. Accordingly, the Cheques and ACH Working Group (CAWG) met and deliberated on these issues and hereby recommend the foregoing.

2. IMPLEMENTATION MODALITY

a. CHECK DIGIT ALGORITHM

The approved NUBAN format ABC-DEFGHIJKL-M where ABC is the 3-digit bank code assigned by the CBN DEFGHIJKL is the NUBAN Account serial number M is the NUBAN Check Digit, required for account number validation.

We hereby recommend the following as the Check Digit Algorithm

Step 1. Calculate $A*3+B*7+C*3+D*3+E*7+F*3+G*3+H*7+I*3+J*3+K*7+L*3$

Step 2. Calculate Modulo 10 of your result i.e. the remainder after dividing by 10

Step 3. Subtract your result from 10 to get the Check Digit

Step 4. If your result is 10, then use 0 as your check digit

The Table below shows the 3-digit codes of all banks.

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Example 1:

The NUBAN code of a typical customer bank account in First Bank of Nigeria Plc would be derived as follows:

- The 3-digit code assigned to First Bank in the Bankers Clearing System is 011
- Assume a NUBAN serial number of 000001457
- The check digit would be computed as follows:

Step 1. $0*3+1*7+1*3+0*3+0*7+0*3+0*3+0*7+1*3+4*3+5*7+7*3 = 81$

Step 2. Module 10 of 81 is 1 i.e. 1 is the remainder when you divide 81 by 10

Step 3. Subtract 1 from 10 to get Check Digit 9

Therefore the NUBAN code for this example account is 0000014579

Example 2:

- Assume a NUBAN serial number of 000000022 in First Bank
- The check digit would be computed as follows:

Step 1. $0*3+1*7+1*3+0*3+0*7+0*3+0*3+0*7+0*3+0*3+2*7+2*3, 10=30$

Step 2. Module 10 of 30 is 0 i.e. 0 is the remainder when you divide 30 by 10

Step 3. Subtract 0 from 10 to get 0

Step 4. So the check digit is 0

Therefore, the NUBAN code for this example account is 0000000220 All Deposit Money Banks are advised to adopt this uniform algorithm to obtain the check digit component of the NUBAN codes of their customer account numbers.

b. TRANSITION

The mode of transition from the present situation to the NUBAN scheme has to be handled carefully to ensure the success of the scheme. The NUBAN codes should be communicated to existing customers as soon as the codes become available. Also, the owners of all new bank accounts opened from January 01, 2011, should be provided with NUBAN codes at the onset.

The NUBAN scheme requires that the account number field in the cheque MICR code line should feature only NUBAN numbers. Accordingly, all new cheques issued to customers should carry NUBAN codes. With this transition method, the present account numbers and NUBAN codes would co-exist in the electronic payment and cheque clearing systems from January 2011 to June 2011. This implies that banks have to build in the required intelligence in their respective in-clearing systems to distinguish NUBAN codes from old account numbers while processing inward cheque items and electronic payment instruments, during this transition period.

The deadline for full NUBAN compliance is June 2011. Therefore only instruments (paper and electronic) that carry NUBAN codes and pass the NUBAN validation test (that is, instruments with correct check digit) would be allowed in the automated clearing system as from this date.



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FOREWORD

With the end of the oil boom in the 1980s, Nigeria found itself in a quagmire of economic problems which adversely affected not only domestic investment but also the inflow of foreign investment. It is certain that without a significant injection of investible funds, particularly private investment, a meaningful resurgence in output growth and development would remain elusive.

The present democratic experiment has brought about a more caring government, which is aware that the ideals of democracy will only flourish on the bedrock of a strong and virile economy. It is also common knowledge, that political stability depends largely on the extent to which the nation's economic aspirations are met. That is why the president has set for himself the agenda of turning around the Nigerian economy for the better. One of the measures adopted by the government to attain this objective was the package of incentives put in place to encourage Nigerians and foreigners to invest in Nigeria. It is these incentives that the Nigerian Investment Promotion Commission (NIPC) has put together in form of a booklet.

As government is determined to improve the investment environment and upgrade Nigeria's competitiveness, I earnestly hope that Nigeria and foreign investors alike will join hands with the government in order to achieve the supreme objective of the country. I also hope that potential investors can make the best use of this booklet for the purpose of investing in Nigeria.

I congratulate the Chairman, NTPC, for the initiative in commissioning a truly investment incentive brochure for the first time. It is informative and makes interesting reading. It is therefore my pleasure to recommend it to you.

Alhaji Atiku Abubakar (GCON)

Vice President

Federal Republic of Nigeria

PREFACE

The Nigerian Investment Promotion Commission (NIPC) established under the NTPC Act of 1995 is responsible for the encouragement and promotion of investment in Nigeria. Its operations cover the whole economy.

Government has put in place an array of incentives and a liberal tariff regime in order to sustain and stimulate private investments from within and outside Nigeria. As some existing and most potential investors are not aware of these incentives, it therefore, behooves on the Commission to put together information on these incentives in a booklet form that is handy.

The "Investment Incentives in Nigeria" brochure contains information on general and sectoral incentives in Nigeria. There is also a chapter on applicable customs import Duty. It contains items, which are either allowed, or in duty free or under concessionary duty rates and apply to all investment activities.

The investment incentives contained in this publication are administered by the NIPC and other relevant bodies like the Nigerian Customs Service and Federal Inland Revenue Services.

I will like to extend my appreciation and thanks to those Ministries, Parastatals and Agencies from which the Commission has greatly benefited in compiling this brochure.

All prospective investors are most welcome to take advantage of the generous incentives offered by Government and invest in Nigeria.

Felix Ohiwerei

Chairman,

Nigerian Investment Promotion Commission (NIPC)

GENERAL INCENTIVES

The Nigerian Government has put in place a number of investment incentives for the stimulation of private sector investment from within and outside the country. While some of these incentives cover all sectors, other are limited to some specific sectors. The nature and application of these incentives have been considerably simplified. The incentives include:

i. COMPANIES INCOME TAX

The Companies Income Tax Act has been amended in order to encourage potential and existing investors and entrepreneurs. The current rate in all sectors, except for petroleum, is 30 percent.

ii. PIONEER STATUS

The grant of Pioneer Status to an industry is aimed at enabling the industry concerned to make a reasonable level of profit within its formative years. The profit so made is expected to be ploughed back into the business. Pioneer status is a of five-years tax holiday granted to qualified or (eligible) industries anywhere in the Federation and seven-year tax holiday in respect of industries located in economically disadvantaged local government areas of the Federation. At the moment, there is a list of 69 approved industries declared Pioneer industries, which can benefit from tax holiday.

To qualify, a joint venture company or a wholly foreign-owned company must have incurred a capital expenditure of not less than five million Naira whilst that of qualified indigenous company should not be less than ₦150,000.00. In addition, an application in respect of Pioneer Status must be submitted within one year the applicant company starts commercial production otherwise the application will be time-barred.

LIST OF PIONEER INDUSTRIES/PRODUCTS

S/NO	INDUSTRIES	PRODUCTS
1.	Cultivation, Processing and Preservation of food crops and fruits.	Preserved canned foodstuff and fruits, tea, coffee, refined sugar, tomato puree/juice etc.
2.	Integrated dairy production	Butter, cheese, fluid milk and powder, ice cream (by products, livestock, minor edible products).
3.	a) Deep sea trawling and processing. b) Coastal fishing and shrimping	Preserved sea foods, fish and shrimps, fishmeal
4.	Mining lead, zinc, iron, and steel from iron ore	Iron and steel products
5.	Manufacture of iron and steel from Iron ore	Iron and steel products
6.	The smelting and refining of non-ferrous base metal and the manufacture of their alloys	Refined non-ferrous base metal and their alloys
7.	Mining and processing of barytes, bentonites and associated minerals	Barytes, bentonites and associated minerals
8.	Manufacture of oil well drilling materials containing a predominant proportion of Nigerian raw materials	Barytes, bentonites and associated minerals
9.	The manufacture of cement	Cement, clinker
10.	Manufacture of glass and glassware	Sheet glass, pharmaceuticals and laboratory glasswares
11.	Manufacture of lime from local limestone	Lime
12.	Quarrying and processing of marbles	Marbles and processed marbles
13.	Manufacture of ceramic products	Refractory and heat insulating constructional products laboratory ware
14.	Manufacture of basic and intermediate Industrial chemicals from predominantly Nigerian raw materials	i) Basic and intermediate. organic chemical; ii) Basic and intermediate inorganic chemicals; iii) Fertilizers; iv) Petrochemical; v) Caustic soda and chloride; vi) Pesticide and insecticide

15.	Formulation and manufacture of pharmaceuticals	Pharmaceuticals, health vitamins
16.	Manufacture of yeast, alcohol and related products	Yeast, industrial alcohol and related products
17.	Paper	Paper pulp
18.	Manufacture of yarn and man- made fibres	Yarn and synthetic fibres
19.	Manufacture of machinery involving the local manufacture of substantial proportion of components thereof	Office and industrial machinery, equipment and apparatus (whether or not electrical)
20.	Manufacture of products made wholly or mainly of metal	Pipes and tubes structure met and products
21.	Manufacture of nets from local raw materials	Fishing nets, mosquito nets and related products
22.	Manufacture of gas cylinders	Gas cylinders
23.	The processing of local wheat flour materials	Flour and Offal
24.	Rubber plantation and processing	Rubber
25.	Gum/Arabic plantation and processing	Gum Arabic
26.	Manufacture of fertilizers Ammonia, Urea	Super phosphate and nitrogenous fertilizers
27.	Vehicle Manufacture	Motor Vehicles and Motor-cycles, Tri-cycles and Automotive components
28.	Oil palm plantation and processing	Palm Oil, palm kernel and Offals
29.	Manufacturing of automotive and other components	Automotive and other components
30.	Book printing	Books
31.	Large Scale Mechanized Farming	Wheat, Maize, Rice and Sorghum
32.	Cattle ranching and piggery of not less than 500 herds	Cattle and pigs of not less than 500 herds
33.	Manufacture of Gypsum	Gypsum
34.	Re-refining or re-cycling of waste oil	Low power oil
35.	Manufacture of electrical	Generators, transformers, meter,

	appliances equipment/components and parts	control, pressing irons switch gears, test equipment ballets/starters/lighters, discreet components, resistor/capacitors/coil/semiconductors/ conductors.
36.	Ship building, repairs and maintenance of ocean going vessels	Ships, boats and barges.
37.	Manufacture of computer and computer chips	Computer hard and soft ware chips
38.	Manufacture of cameras, photographic equipment and other materials	Cameras photographic equipment or nay component thereof
39.	Diving and underwater engineers	Underwater engineering services
40.	Local fabrications of machinery, equipment	Machinery
41.	Local fabrications of machinery, equipment	Machines and hand tools
42.	Installation of facilities for aircraft	Aircraft maintenance and manufacture
43.	Installation of scientific instrument and communication equipment	Scientific instruments, radio, audio playback/recorders loudspeaker units, amplifying systems, microphones, video playbacks/ recorders, PBX, telephone handset, tele-printers, trans- receivers, autophnones/aerials.
44.	Manufacture of gas and distribution	Gas and gas distribution
45.	Manufacture of Solar energy powered equipment and gadgets	Solar panels, refrigerators, water pumps, calculators, etc
46.	Large scale inland fishing farms	Fish and shrimps
47.	Bitumen mining and processing	Bitumen
48.	Salt production	Salt
49.	Manufacture of lire fighting Fire fighting equipments and detection systems	
50.	Manufacture of cables	Electrical, telephone and other cables

51.	Manufacture of medical equipment	X-ray, oxygen equipment, etc
52.	Mineral oil prospecting and production	Petroleum
53.	Manufacture of lubricants	Grease, hydraulic/engine oil, gear oil, etc
54.	Manufacture of flat sheets	Flat sheets
55.	Manufacture of oven, cookers, cold rooms, refrigerators, fridges, freezers, air conditioner	Oven, cookers, cold rooms, refrigerators, fridges, freezers, air conditioners
56.	Manufacture of agricultural machinery and equipment	Ploughs, harvesters, threshers, planters etc
57.	Manufacture of materials handling and equipment	Cranes, forklifts etc
58.	Establishment of foundries	Moulds, casting, etc
59.	Manufacture of alum	Alum
60.	Manufacture of enzymes	Enzymes
61.	Manufacture of concentrates	Food/fruits concentrates
62.	Manufacture of welding electrodes	Welding electrodes
63.	Manufacture of nails	Nails, related items
64.	Manufacture of iron rods	Rods from billets
65.	Manufacture of hops	Brewing hops
66.	Information and communication technology (ICT)	Manufacture/production of ICT equipment, hardware and software
67.	Tourism	Development of holiday resorts, hotels, sporting and recreational facilities
68.	Real Estate Development	Rental income from residential and commercial premises; Capital gains from any real estate disposed of within a specified period
69.	Utility services	Independent power generation utilizing gas, coal and renewable energy sources; -All aspects of transportation such as rail, road and waterways - Indigenous telecommunications companies other than GSM operations

iii. TAX RELIEF FOR RESEARCH AND DEVELOPMENT

Industrial establishments are expected to engage in Research and Development (R&D) for the improvement of their processes and products. Up to 120 percent of expenses on (R&D) are tax deductible, provided that such R&D activities are carried out in Nigeria and are connected with the business from which income or profits is derived. Also, for the purpose of R&D on Local raw materials, 140 percent of expenses are allowed. Where the research is long-term, it will be regarded as a capital expenditure and will be written off against profit. The result of such research could be patented and protected in accordance with internationally accepted industrial Property Rights.

The current rates applicable in respect of capital allowances are as follows

S/N	Qualifying Expenditure in Respect of: -	Initial Allowance (%)	Annual Allowances (%)
i.	Building Expenditure	5	10 per Annum
ii.	Industrial Building Expenditure	15	10
iii.	Mining	20	0
iv.	Plant excluding furniture and fittings	20	10
v.	Furniture and Fittings	15	10
vi.	Motor Vehicle Expenditure	25	20
vii.	Plantation equipment expenditure	20	33
viii.	Housing Estate Expenditure	20	10
ix.	Ranching and Plantation Expenditure	25	15
x.	Research and Development Expenditure	25	12
xi.	Public Transportation Motor Vehicle	30	-

The amount of capital allowance to be enjoyed in any year of assessment is restricted in Nigeria to 75% of assessable profit in case of manufacturing companies and 66% in case of others, except such companies in agro-allied industries that are not affected by this restriction. If leased assets are used in agro-allied ventures, the full (100%) capital allowance claimed will be granted.

Moreover, where the leased assets are agricultural plants and equipment, there will be an additional investment allowance of 10% on such expenditure.

iv. **IN-PLANT TRAINING**

This is applicable to industrial establishments that have set up in-plant training facilities. Such industries enjoy a two percent tax concession for a period of five Years.

v. **INVESTMENT IN INFRASTRUCTURE**

This is a form of incentive granted to industries that provide facilities that ordinarily, should have been provided by government. Such facilities include access roads, pipe borne water and electricity. Twenty percent (20%) of the cost of providing these infrastructural facilities, where they do not exist, is tax Deductible.

vi. **(vii) INVESTMENT IN ECONOMICALLY DISADVANTAGED AREAS**

Without prejudice to the provision of the pioneer status enabling law, a pioneer industry sited in economically disadvantaged Local Government Area is entitled to 100% tax holiday for seven years and an additional 5% capital depreciation allowance over and above the initial capital depreciation Allowance.

vii. **LABOUR INTENSIVE MODE OF PRODUCTION**

Industries with high labour/capital ratio are entitled to tax concessions. These are industries with plants, equipment and machineries, which essentially are operated with minimal automation. Where there is automation, such automation should not be more than one process in the course of production. The rate is graduated in such a way that an industry employing 1,000 persons or more will enjoy 15 percent tax concession, while an industry employing 200 will enjoy 7 percent and those employing 100 will enjoy 6 percent and so on.

viii. **LOCAL VALUE ADDED**

10% tax concession for five (5) years. This applies essentially to engineering industries, where some finished imported products serve as inputs. The concession is aimed at encouraging local fabrications rather than the mere assembly of completely knocked down parts.

ix. RE-INVESTMENT ALLOWANCE

This incentive is granted to companies engaged in manufacturing which incur qualifying capital expenditure for the purposes of approved expansion, etc. the incentive is in the form of a generalized allowance of capital expenditure incurred by companies for the following:

- Expansion of production capacity
- Modernization of production facilities
- Diversification into related products

x. MINIMUM LOCAL RAW MATERIALS UTILIZATION

A tax credit of 20% is granted for five years to industries that attain the minimum level of local raw material sourcing and utilization. The minimum levels of local raw materials sourcing and utilization by sectors are: -

- Agro-allied - 70%
- Engineering - 60%
- Chemicals - 60%
- Petrochemicals - 70%

SECTORAL INCENTIVES

i. INDUSTRY

- a. Companies with turnover of less than ₦1 million are taxed at a low rate of 20% for the first five years of operation if they are in the manufacturing business.
- b. Dividend from companies in manufacturing sector with turnover of less than ₦1 million is tax-free for the first five years of their operation.
- c. Dividends derived from manufacturing companies in petrol chemical and liquefied natural gas sub-sector are exempted from tax.

ii. AGRICULTURE

- a. Companies in the agro-allied business do not have their capital allowance restricted. It is granted in full i.e. 100%.
- b. The payments of minimum tax by companies that make small or no profits at all do not apply to agro-allied business;
- c. Agro-allied plant and equipment enjoy enhanced capital allowances of up to 50%.
- d. Processing of agricultural produce is a pioneer industry; consequently, there is 100% tax-free period for 5 years or projects into processing of agricultural produce.
- e. **Agricultural and Agro allied Machinery:** All agricultural and agro industrial machines and equipment to enjoy 1% duty.
- f. **Agricultural Credit Guarantee Scheme Fund (ACGSF)** administered by the Central Bank of Nigeria: Up to 75% guarantee for all loans granted by commercial banks for agricultural production and processing.
- g. **Interest Drawback Program Fund:** 60% repayment of interest paid by those who borrow from banks under the ACGS, for the purpose of agricultural production and processing provided such borrowers repay their loans on schedule.

iii. SOLID MINERALS

The following incentives are available in the solid minerals sector:

- a. 3 to 5 years tax holiday;
- b. low income tax of between 20% and 30%;
- c. Deferred royalty payments depending on the magnitude of the investment and the strategic nature of the project;
- d. Possible capitalization of expenditure on exploration and surveys;
- e. Extension of infrastructure such as roads and electricity to mining sites;
- f. The holder of a mining lease shall, where qualified, be entitled to:
 - i. Depreciation or capital allowance of 75% of the certified true capital expenditure incurred in the year of investment and 50% in subsequent years
 - ii. Investment allowance of 5%
 - iii. Exemption from payment of customs & import duties
 - iv. Expatriate quota & resident permit for approved expatriate Personnel
- g. In addition to roll-over relief under the capital gains tax (CGT), companies replacing their plants and machinery are to enjoy a once-and-for-all 95% capital allowance in the first year with 5% retention value until the assets is disposed, 15% will be granted for replacement of an asset.

iv. PETROLEUM

The incentives in this sector are granted to companies that are into joint ventures with the Nigerian National Petroleum Corporation and have signed Memorandum of Understanding. The incentives are:

- Guaranteed minimum margin of US\$2.50 bl;
- Accelerated capital allowances which provides that the capital allowances can be carried forward indefinitely;
- Graduate royalty rates approved for oil companies.

Onshore production in territorial waters and continental shelf areas beyond 100 meters.

Investment tax allowances (ITA) is granted to a company in respect of any asset for the accounting period. The ITA is graduated as follows:

Onshore:	5%
Offshore in depth of up to 1 0m:	10%
Offshore in depth of between 1 00-200m:	15%
Offshore in depth of over 200m:	20%

v. TAX INCENTIVES TO GAS INDUSTRY

In view of the enormous potentials in this sector, Government has approved the following fiscal incentives:

GAS PRODUCTION PHASE

- Applicable tax rate is the same as the company income tax which is currently at 30%
- Capital allowance at the rate of 20% per annum in the first four years, 19% in the fifth year and the remaining 1 % in the books
- Investment tax credit at the current rate of 5%
- Royalty at the rate of 7% on shore and 5% offshore

GAS TRANSMISSION AND DISTRIBUTION

- Capital allowance as in production phase above
- Tax rate as in production phase
- Tax holiday under pioneer status

LNG PROJECTS

- Applicable tax rate under PPT is 45%
- Capital allowance is 33% per year on-straight line basis in the first three years with 1 % remaining in the books
- Investment tax credit of 10%
- Royalty 7% on-shore 5% offshore, tax deductible

GAS EXPLOITATION (UPSTREAM OPERATION)

Fiscal arrangements are reviewed as follows:

- All investments necessary to separate oil from gas from reserves into suitable product is considered part of the oil field development.

- Capital investment facilities to deliver associated gas in usable form at utilization or transfer points will be treated for fiscal purposes as part of the capital investment for oil development. -
- Capital allowances, operating expenses and basis for assessment Will be subjected to the provisions of the PPT Act and the revised Memorandum of Understanding (MOU).

GAS UTILIZATION (DOWN STREAM OPERATION)

- Companies engaged in gas utilization are to be subjected to the provisions of the Companies Income Tax Act (CITA)
- An initial tax-free period of three years renewable for an additional two Years
- Accelerated capital allowances after the tax-free period in the form of 90% with 10% retention in the books
- 15% investment capital allowance, which shall not reduce the value of the asset.

In 1998, the government approved additional incentives to support the gas industry in the following areas:

- All gas developmental projects, including those engaged in power generation, liquid plants, fertilizer plants, gas distribution transmission pipelines are taxed under the provisions of Companies Income Tax (CITA) and not the Petroleum Profit Tax; (PPT)
- All fiscal incentives under the gas utilization downstream operations since 1997 are to be extended to industrial projects that use gas i.e. Power plants, gas to liquids plants, fertilizer plants, gas Distribution! transmission plants;
- The initial tax holiday is to be extended from three years to five years;
- Gas is transferred at 0% PPT and 0% Royalty;
- Investment capital allowance is increased from 5% to 15%;
- Interest on loan on gas project is to be tax deductible provided that prior approval was obtained from the Federal Ministry of Finance before taking the loan; and

- All dividends distributed during the tax holiday shall not be taxed.

vi. TELECOMMUNICATIONS

Government provides non-fiscal incentives to private investors in addition to a tariff structure that ensures that investors recover their investment over a reasonable period of time, bearing in mind the need for differential tariffs between urban and rural areas. The tariff structure as approved by the regulatory authority, Nigerian Communication Commission, also provides adequate cross-subsidy between the profitable trunk and local calls of the urban and non-profitable operation of the rural areas.

Other Incentives in place are:

- a. Manufacture/installation of telecommunications related equipment is considered as pioneer activity. As a result, they enjoy 5 to 7 years tax holiday depending on location.
- b. Taxes and duties do not exceed those charged on essential electrical Goods.

vii. ENERGY (Electricity)

Among the incentives put in place by Government to encourage investors in the sector are:

- a. Tax holiday of 5-7 years is granted to companies that manufacture:
- b. Transformers, meters, control panels, switch gears, cable and other electrical related equipment, which are considered pioneer Products/industries:
- c. Power plants using gas are assessed under the company income Tax act at a reduced rate of 30%.

viii. TOURISM

The following incentives have been put in place to encourage domestic and foreign investors' participation in the tourism industry in Nigeria:

- a. The tourism sector was accorded preferred sector status in 1999. This makes the sector qualify for incentives (available to similar sectors of the economy) such as tax holiday, longer years of moratorium and import duty exemption on tourism related equipment

- b. Provision of basic infrastructure that is, road, water, electricity, communications etc to centre of attraction. Some states have specific areas as tourism development zones thereby making acquisition of land easier.
- c. Provision of land for tourism development at concessional rates.
- d. Availability of soft loans with long period of moratorium.

ix. TRANSPORT

The following incentives are in place to encourage investment in the sector:

- a. Shipbuilding, repairs and maintenance of vessels, boat, barges, diving and underwater engineering services, aircraft maintenance and manufacturing are considered pioneer products. As a result, they enjoy 5-7 year tax holiday depending on location.

EXPORT INCENTIVES

Export incentives are aimed at encouraging and assisting exporters to increase and diversify the total value and volume of on-oil exports from Nigeria. These incentives are designed to address the major problems of supply, demand and price competitiveness of Niagara's export. Some of the incentives now take the form of Negotiable Duty Credit Certificate (N-DCC) and are as indicated below:

3.1 Manufacture-In-Bond Scheme

The Manufacture - in - Bond Scheme is designed to encourage manufacturers to import raw material inputs and other intermediate products duty-free for the production of exportable goods, backed by a bond issued by any recognized financial institution. The bond will be discharged after evidence of exportation and repatriation of foreign exchange has been produced.

a. Guidelines:

- i. The manufacturer-in-bound scheme (MSBS) shall be applicable to export manufacturers only.
- ii. Interested manufacturers should apply to the Federal Ministry of Finance using the prescribed forms.
- iii. For a manufacturer to enjoy the scheme, the factory premises must be approved for that purpose by the Nigerian Customs service.
- iv. Approval including the import Requirement Certificate(IRS) should be obtained within a period of two months and transmitted to the Nigerian Customs service for implementation.
- v. The Nigerian Customs Service will determine acceptability guarantee Bond issued by Commercial or Merchant Bank or NEXIM or Insurance Companies covering not less than 110 percent customs duty payable on each consignment.
- vi. Under this scheme, manufacturers of export commodities will be entitled to import duty-free raw material inputs, CKDS and

intermediate inputs whether prohibited or not for the manufacture of export commodities.

- vii. The Manufacturer-in-Bond Scheme shall operate on an annual (12 calendar months) importation basis as the exporter wishes. For prohibited items however, the scheme shall operate Import by import basis.
- viii. The Bond, which shall be effective from the date of its issuance by the Bank shall be discharged when the condition stipulated therein have been fulfilled.
- ix. The Nigerian Customs Service will periodically monitor the utilization of raw materials imported under this scheme until the Bond is fully executed.
- x. In the event of inability of any manufacturer to fulfill the conditions stipulated in the Bond, the manufacturer to fulfill the conditions stipulated in the Bond, the manufacturer shall apply to the Nigerian Customs Service through its approved dealer Bank, for an extension of the Bond particularly when the life of the Bond has expired. The extension of the Bond shall not exceed three months.
- xi. Repatriation of the foreign exchange realized from the transaction shall be confirmed by the Central Bank of Nigeria before the Bond is discharged.
- xii. Bill of Entry marked "Manufacturer-in-Bond Scheme" shall be used for clearance of goods under the scheme.
- xiii. A Committee comprising the Ministry of Finance, representatives of the Nigerian Customs Service, Nigerian export Promotion Council, Standard organization of Nigeria and the Central bank of Nigeria shall monitor the scheme. The monitoring body shall render a quarterly Report to the NMIBS Committee.

- xiv. In the event of default by the manufacturer, the Nigerian Customs Service shall redeem the Bond by calling on the guarantor to pay up the appropriate customs duties and other associated charges,
- xv. A manufacturer participating in the Manufacturer-in Bond Scheme is expected to designate a warehouse or store in his factory premises for the storage of inputs and finished goods; and
- xvi. Import Duty report (IDR), clean Report of Findings (CRF), Form 'M' and other relevant documents for this scheme shall be clearly marked "MIB Scheme".

b. Duty Drawback Scheme:

Duty Drawback scheme provides for refunds of duties/surcharges on raw materials including packing and packaging materials used for the manufacture of products upon effective exportation of the final products. The new Duty Drawback scheme shall give automatic refunds (60%) on initial screening by the Duty Drawback Committee and upon the presentation of bond from a recognized Bank, Insurance Company or other financial institution. The Bond will cover 60% of the refund to be made to the exporter and will only be discharged after final processing of the application has been made. At the end of the processing of exporters claims, the Duty Drawback Committee shall grant any balance where applicable or request for refunds for any over payment made.

c. Duty Drawback Facilities:

The scheme provides for fixed drawback and individual drawback facilities. The fixed Drawback facility is for those Exporters/Producers whose export products are listed in the Fixed drawback schedule to be issued from time to time by the Committee. When the import content of the export produce is more or less constant, and import prizes (including exchange rate), tariff rates and technology used are relatively stable or "fixed", it is possible to calculate a standard Impute-Output Co-efficient Schedule (ICS) for these category of products on the basis of which a

fixed drawback rate can be computed to be rebated per unit of export product.

Whereas the individual drawback is for producers/exporters who do not qualify under the fixed drawback facilities. It is therefore a straight forward traditional drawback mechanism under which duty is paid on all import Inputs. The duties are subsequently, rebated on inputs used for export production. As general case the final export/producer can apply for the Scheme.

d. Eligibility:

A trading Company which collects industrial products from one or more manufacturers as well as a trading Company which imports raw material inputs including packaging and packaging materials used for the production of goods exported by him could also apply for the scheme. Such a trading company must have entered into a contract with final producer of the product in such a way that Duty drawback Committee can obtain necessary information and documents to enable the Committee act appropriately. Applications must be companies incorporated in Nigeria.

e. Time Limit:

Duty Drawback application must be filled within a maximum of two years from the date of exportation. In order to qualify for the drawback payment (both individual and fixed drawback) exportation of the product which was produced with imported inputs must be completed within 18 months after the importation of the inputs.

f. Application Procedure

Application for either Fixed or individual Drawback Facilities should file the following documents to the Duty Drawback Committee.

- i. completed new application form for Duty Drawback Rate/Refund obtained from the Duty Drawback Rate/Refund obtained from Duty Drawback Secretariat and all Zonal Offices of the Nigerian Export Promotion Council.

- ii. Attach clear photocopies of the following documents in triplicates:
Import bill of entry for Home use (Customs and Excise Form C 188) for the respective raw material inputs used for the export production. Import bill of lading for the raw material inputs used for the export production. Letter of contract agreement between the Trading Company and producer in cases where the Trading Company is applying for the facility Current registration certificate with NEPC
- iii. In addition to the above documents, all applications for refunds should be filed with the following in triplets: Export Bill of Entry for Non-Domestic Goods (Customs and Excise Form sale 98) Form NXP
- iv. Bank Bond to be issued by a recognized Bank or Insurance Company to the tune of 60 percent upfront payment approved by the Committee as duty drawback refund and to guarantee the refund of any overpayment made to the exporter.

g. Rules of Duty Drawback Application and Processing:

The following rules have to be observed to simplify the processing procedures:

- i. For the same export product defined in an export entry documents, all inputs used to produce a given export article should be treated as part of a single application and therefore cannot be divided into separate duty drawback Applications. If imported inputs, registered in a single import entry document are subdivided and used for production of more than one export consignment, the import entry document should include information on the production of inputs and the balance remaining to be used.

3.2 Export Expansion Grant (EEG) Scheme

a. Incentive Rates:

The scheme will operate the 'Weighted Eligibility Criteria' in assessing application for EEG. The baseline data as supplied by individual

applicant company would be used in its assessment. Thus the method of assessment is company specific. A company's EEG assessment would be conducted once yearly and the determined rate will apply throughout the year.

The weighted eligibility criteria has four bands: 30%, 20%, 10%, and 5%. The Following template will be used in assessing the incentive rate for every EEG Applicant.

DETERMINATION OF EXPORT PERFORMANCE - ELIGIBILITY CRITERIA

S/N	Eligibility Criteria	Company Data	Threshold	Weight	Company Score
1.	Local value added			25%	
2.	Local content			20%	
3.	Employment (Nigerians)			20%	
4.	Priority Sector			10%	
5.	Export Growth			20%	
6.	Capital Investment			5%	
Total Weight				100%	

A new entrant into the EEG scheme shall provide prior period financial statement or where applicable an investment plan for its assessment.

b. Eligibility:

- i. Export must be registered with the Nigerian Export Promotion Council (NEPC).
- ii. Eligible exporter shall be a manufacturer producer or merchant of products of Nigeria origin for the export market (i.e. the products must be made in Nigeria).
- iii. An exporter must have a minimum annual export turnover of ₦5 million and evidence of repatriation of proceeds of exports.
- iv. Exporter-company shall submit its baseline data which includes Audited Financial statement and information on operational capacity to NEPC.

c. **Validity for EEC Application**

Qualifying export transaction must have the proceeds fully repatriated within 180 days, calculated from the date of export.

3.3 Export Development Fund Scheme

The Scheme provides financial assistance to private sector exporting companies to cover part of their initial expenses in respect of the following export promotion activities:

- a. Participation in training courses, symposia, seminars and workshops in all aspects of export promotion
- b. Advertising and publicity campaigns in foreign markets
- c. Export market research and studies.
- d. Production design and consultancy
- e. Participation in trade missions, buyer-oriented activities, overseas trade fairs, exhibitions and sales promotion
- f. Cost of collecting trade information, and
- g. Backing up the development of export oriented industries.

3.4 Trade Liberalization Scheme (TLS) of Economic Community of West African States (ECO WAS)

This is an export Liberalization incentive that focuses on the ECOWAS subregion. The Scheme is an incentive primarily geared towards export activities within the ECOWAS sub-region. The objective is to significantly expand the volume of intra-community trade in the sub-region via the removal of both tariff and non-tariff barriers to trade in good originating from ECO WAS countries. This affords preferential access to the ECOWAS market from Nigeria.

3.5 OIL AND GAS FREE ZONE

The Oil and Gas Export Free Zone Act No. 8 of 1996 established an Oil and Gas Free Zone Authority to manage, control and co-ordinate all the activities within the zone. This zone encompasses three oil and gas service centres around the ports of Onne (near Port Harcourt), Calabar and Warri. All three ports have enhanced stacking and warehousing facilities awaiting subscribers. Incentives and fiscal measures approved by government that favour and encourage large investments in the region include:

- No personal income tax
- 100% repatriation of capital and profit
- No pre-shipment inspection for goods imported into the free zone.

3.6 NIGERIA EXPORT PROCESSING ZONES

The Federal Government of Nigeria has passed an aggressive Free Zone Law which has created a business friendly environment benefiting from the following incentives:

- Complete tax holiday for all Federal, State and Local Government taxes, rates, custom duties and levies.
- One-stop approval for all permits, operating licences and incorporation papers.
- Duty-free, tax-free import of raw materials for goods destined for re-export.
- Duty-free introduction of capital goods, consumer goods, components, machinery, equipment and furniture.
- Permission to sell 100% of manufactured, assembled or imported goods into the domestic Nigerian Market.
- When selling into the domestic market, the amount of import of import duty on goods manufactured in the free zones is calculated on the basis of the value of the raw materials or components used in assembly not the finished product.
- 100% foreign ownership of investments.
- 100% repatriation of capital, profits and dividends.
- Waiver of all import and export licenses.
- Waiver on all expatriate quotas for companies operating in the zones.
- Prohibition of strikes and lockouts.
- Rent-free land during the first 6 months of construction

TAX INCENTIVES FOR OTHER LINES OF TRADE

- i. Exemption from tax of companies profits in respect of goods exported from Nigeria provided the proceeds are repatriated to Nigeria and used exclusively for purchase of raw materials, plants equipment and spare parts
- ii. Exclusion from taxes the profits of companies whose supplies are exclusively from input to the manufacturing of products for exports.
- iii. All new industrial undertakings including foreign companies and individual operating in an Export Processing Zone (EPZ) are allowed full tax holidays for three consecutive years.
- iv. As a means of encouraging industrial technology, companies and other organizations that engage in research and development activities for commercialization enjoy 20% investment tax credit on their qualifying expenditure.
- v. Dividends distributed by Unit in Nigeria are free of tax and no withholding tax is deducted there from since such incomes have already suffered tax in the first instance.
- vi. All companies engaged wholly in fabrication of tools, spare parts and simple machinery for local consumption and export are to enjoy 25% investment tax credit on their qualifying capital expenditure while any tax payer who purchases locally manufactured plants and machinery are similarly entitled to 15% investment tax credit on such fixed assets bought for use.

i. INCENTIVES FOR SPECIAL INVESTMENT

For the purpose of promoting identified strategic or major investment, the Commission shall, in consultation with appropriate Government agencies, negotiate specific incentive packages for the promotion of investment as the Commission may specify.

ii. DOUBLE TAXATION AGREEMENTS

In the last few years, double taxation agreements have been entered into by Nigeria with a number of countries. These agreements are entered into with a view to affording relief from double taxation in relation to taxes imposed on profit taxable in Nigeria and any taxes of similar character imposed by the law of the country concerned. The method of relief from double taxation under Nigeria's tax treaties is by way of a "tax credit". The mechanism of the tax credit is such that the tax payable in Nigeria on profits of a Nigeria Company being remitted into the country is reduced by the amount of "foreign tax" paid abroad. The converse is equally true where an overseas company receives profits from abroad. Nigeria has DTA with the following countries:

- UK;
- France;
- Netherlands;
- Belgium;
- Pakistan;
- Canada;
- Czech Republic;
- Philippines; and
- Romania.

Negotiations are in progress at various stages with other countries like Turkey, Russia, India and Korea. Other countries have indicated their interest to commence negotiation of tax treaties with Nigeria. As a concession to Nigeria's treaty partners, government has approved a lower treaty rate of 7.5 on dividends, interest, rent and royalties when paid to a bonafide beneficial owner of a treaty country.

iii. INVESTMENT PROMOTION AND PROTECTION AGREEMENT (IPPA)

As part of additional effort to foster foreign investors' confidence in the Nigeria economy, Government continues to enter into bilateral investment promotion and protection agreements (IPPAs) with countries that do business with Nigeria. The IPPA helps to guarantee the safety of the investment of the contracting parties in the event of war, revolution, expropriation or nationalization. It also guarantees investors the transfer of interests, dividends, profits and other incomes as well as compensation for dispossession or loss. To this end, Nigeria has concluded and signed IPPAs with:

- France;
- United Kingdom;
- Netherlands;
- Romania;
- Switzerland;
- Spain;•
- South Africa; etc.

Negotiations with the United States of America, Belgium, Sweden and the Russian Federation are at various stages.

iv. LIBERALIZATION OF OWNERSHIP STRUCTURE

The government in repealing the Nigerian Enterprises Promotion Act of 1972 (Amended in 1977 and in 1989) and promulgating the Nigerian Investment promotion Commission Act of 1995 has liberalized the ownerships structure of business in Nigeria. The implication of this is that foreigners can now own 100% shares in any company as opposed to the earlier arrangement of 60%-40% in favour of Nigerians.

v. REPATRIATION OF PROFIT

Under the provisions of the Foreign Exchange (Monitoring & Miscellaneous Provision Act No. 17 of 1995), foreign investors are free to repatriate their profits and dividends net of taxes through an authorized dealer in freely convertible currency.

vi. GUARANTEES AGAINST EXPROPRIATION

The Nigerian Investment Promotion Commission Act guarantees that no enterprise shall be nationalized or expropriated by any government in Nigeria

Chapter Six

TAX

The under-listed items attract customs duty rates as specified below:

AGRICULTURAL SECTOR

S/N	HS CODE	TARIFF DESCRIPTION	RATE OF DUTY
1.	0105, 9200-9900	Day Old Chicks	10%
2.	0407, 0000	Eggs (Hatchable and Table)	80%
3.	0511, 9100	Products of Fish, Crustaceans, or other Aquatic invertebrates	5%
4.	0808, 1000-2000	Apples, Pear and Quinces	75%
5.	1006, 1000-4000	Rice	75%
6.	1101, 0000	Durum Wheat	30%
7.	1201:0000	.	10%
8.	1511.1000-9000	Soya Beans	45%
9.	1512.1100-1900	Palm Oil & its Fraction refined or not, but chemically modified	60%
10.	151 3.1100-1900	Sunflower Seed, Cotton Seed and Fractions	60%
11.	1514.1000-900	Coconut, Palm Kernel and Babassu oil and Fractions	60%
12.	1514.1100-9000	Rape, Coza or Mustard Oil and Fractions	60%
13.	1515.1000-2000	Vegetables, Other Fixed Vegetable Fats and Oils	60%
14.	1516.1000-2000	Animals or vegetable fats their Fractions	.
15.	1904-2000	Cornflakes	50%
16.	2009,1100-9000	Fruits Juice	65%
17.	2301-2000	Fish Meal	10%
18.	1208.1000	Of Soya Beans	60%

CHEMICAL SECTOR

S/N	HS CODE	TARIFF DESCRIPTION	RATE OF DUTY
19.	2508.110-7000	Other Clays (not including expanded clays of Healing No. 68.06.) Dalusite, Kyanite, Silimanite, mullite, chaomote or dinas earths	10%
20.	2520-1 000	Gypsum	65%
21.	2530.1000-9000	Mineral Substances not elsewhere specified of included	5%
22.	2712.2000	Paraffin Wax	20%
23.	2804.7000	Petroleum Bitumen	15%
24.	2808.2000	Phosphorus	10%
26.	2815.1100-3000	Nitric Acid and Sulphonitric Acid	10%
27.	2821.1000	Sodium hydroxide Caustic soda); potassium Hydroxide (caustic potash); peroxides of Sodium or Potassium	5%
28.	2833.3000	Iron Oxides and hydroxides	5%
29.	2835.1000-3900	Alums	10%
29.	2835.1000-3900	Phosphinates, Phosphonates. phosphates and polyphosphates	10%
30.	2836.200	(Soda Ash), Disodium Carbonate	5%
31.	28361000-9000	Carbonates, peroxocarbonates, Commercial Ammonium carbonate containing ammonium carbonate	5%
32.	2839.1100-9000	Silicates: Commercial alkalimeta-silicates	25%
33.	2839.1100-2000	Potassium Silicate	25%
34.	2902.1100-2900	Acyclic hydrocarbons	10%
35.	2902.1100-9000	Cyclic hydrocarbon	5%
36.	2904.1000-2900	Sulphonated, nitrated, nitrosated derivatives of hydrocarbons	10%
37.	2905.1100-5000	Other acyclic alcohol and their halogenated, sulphonated ,nitrated or nitrosated derives	5%
38.	2915.3200	Vinyl acetate	5%
39.	291 5.3300	Butyl acetate	5%
40.	29151100-9000	Saturated acyclic mono-carboxylic adds and their anhydrides	5%
41.	29161100-3900	Unsaturated acyclic mono-carboxylic acids	10%
42.	2917.1100-3900	Poly carboxylic acids	10%
43.	2918.1100-9000	Carboxylic acids with additional oxygen function	10%
44.	29221100-5000	Oxygen- function amino- compounds	10%

45.	2936.1000-9000	Provitamins and vitamins	
46.	3204 1000-9000	Synthetic Organic Coloring matter (Dyestuff)	10%
47.	3207.1000-4000	Prepared pigments, pacifiers and colours	20%
46.	3208.1000-9000	Paints and vanishes	5%
49.	3211.0000	Prepared driers	30%
50.	3402.1100	Anionic	30%
51.	3503.0000	Gelatin and gelatin derivatives (excluding casein glues of Heading)	25%
52.	3507,9000	Other Enzymes	15%
53.	3808.1000	Rosin and Resin Acids	10%
54.	3610.1000	Finishing Agents of a kind used in the textile industries	5%
55.	3824.9000	Picking preparations for metal surfaces	10%
56.	3824.9000	industrial monocarboxylic fatty acids (stearic acids)	10%
57.	3901.1000-2000	Polyethylene	
58.	3901-3000	Ethylene Vinyl acetate copolymers	
59.	3902.1000	Polypropylene	5%
60.	3902.2000	Polyisobutylene	5%
61.	3903.1900	Polymers of styrene in primary forms	5%
62.	39042100	Polymers of vinyl chloride or of other halogenated olefins in primary forms	5%
63.	39042100	Vinyl acetate copolymers	10%
64.	3907.1000	Polyacetates	5%
65.	3907.6000	Polyethylene terephthate	5%
66.	3507.99109	Polyster Chips with polyethetate base	5%
67.	3909.3000	Other amino resins	10%
68.	3910.0000	Silicones in primary forms	10%
69.	3912.1100.9000	Cellulose and its chemical derivatives in primary form	10%
70.	391 3.100	Alginic acids, its salts and esthers	5%
71.	3912. 3100	Carboxy methylcellulose	10%
72.	3917.1000-9000	Mon filaments	15%
73.	3917.2300-2900 ND 4000	Tubes, pipes, hoses and fittings thereof	25%
74.	3919.1000	Self Adhesive plates etc. in rolls of a width not exceeding 20cm	20%
75.	3920.100	Of polymers of Ethylene	5%
76.	3920.2100	Baxially-Oriented polypropylene	10%
77.	3920.3000	Polymers of styrene	15%
78.	3920.4100	Polymer of vinyl Chloride	15%
79.	3920.4200	of polymers of propylene(Flexible)	10%

ARTICLES OF STONE, GLASS AND PRECIOUS METAL

S/N	HS CODE	TARIFF DESCRIPTION	RATE OF DUTY
100.	6802, 9900	Other stone	
101.	6903, 1000-2000	Other Refractory ceramic goods	40%
102.	6804, 1000	Millstones and Grindstones	10%
103.	6804, 2200	of other Agglomerated abrasives or of ceramics	10%
104.	6804, 3000	Hand sharpening or polishing stones	10% ^o

BASE METAL:

S/N	HS CODE	TARIFF DESCRIPTION	RATE OF DUTY
105.	7207.1000-9000	Iron and non alloy steel ingots or other primary forms	5%
106.	7207.1000-2000	Semi finished products of iron or non alloy steel	5%
107.	7208.1000-9000	Flat rolled products of iron in coils not further worked	5%
108.	7209.1500-2700	Flat rolled products of Iron of non alloy steel, not clad, plated or coated in coated in coils not further worked than cold rolled	5%
109.	7212.1000-6000	Flat rolled products of iron or non-alloy steel of width less than 600m	10%
110.	7213.1000-9000, 7214.1000-9000, and 7215.1000-9090	Iron rods	65%
111.	7217.1000-9000	Wire of iron or non-alloy steel	10%
112.	7219.1000-9000	Wire of other alloy steel	10%
113.	7315.1100	Roller Chain	10%
114.	7312.1000-9000	Stranded wire, ropes and cables	10%
115.	7326.1100-9000	Other articles of iron steel	10%
116.	7408.1100-2900	Copper wire	10%
117.	7410.1200, 7403.2100, 7209. 9000	Brass/Copper foils strips, parts made of Steel, Zinc base alloys (for bonafide assemblers of radiators)	5%
118.	7601.1000	Ingots	5%
119.	7601.2000	Billets	5%
120.	7605.1100-2900	Aluminum wire	15%
121.	7606.1200-9200	Aluminum plates, sheets and strips, of a thickness exceeding 0.2mm	10%
122.	7607.1100	Aluminum foils	10%

123.	8211.1000-9500	Knives with cutting blades serrated or not	30%
124	8309.1000	Crown corks	35%

MACHINERY AND ELECTRICAL EQUIPMENT

S/N	HS CODE	TARIFF DESCRIPTION	RATE OF DUTY
125.	8401.3000	Fuel elements (cartridges)non irradiated	5%
126.	8419.3000	Driers for Agricultural products	5%
127.	4819.5000	Heat Exchange Units	5%
128.	84199000	Parts	5%
129.	9421.2100	Centrifuges for filtering or purifying water	5%
130.	8430.5000	Other machinery, self propelled	5%
131.	8440.0000	Machine for Extruding, drawing, texturing or cutting man-made textile materials	5%
132.	8443.9000	Part	5%
133.	8445.1100-9000	Machines for preparing textile fibres	5%
134.	8446.1000-3000	Weaving Machines Looms	5%
135.	8445.1100-9000	Knitting Machinery	5%
136.	8448,1199-5100	Auxiliary Machinery	5%
137.	8448.3300	Spindles, Spindle flyers, spinning rings and ring travelers	5%
138.	84483900	Other	5%
139.	8440.0000	Machinery for Manufacture or finishing of felt	5%
140.	8451.1000-9000	Machines for cleaning, washing (other than Machines of Heading No. 8450)	5%
141.	8451.9000	Parts of Machinery for bleaching ,dyeing, dressing finishing, coating or impregnating textile yarns, fabrics etc	5%
142.	8471.4100	Digital automatic processing machines, comprising in the same housing at least a central processing unit and an input- input unit	5%
143.	8471.6000	Input-output Units whether or not containing shortage units in the same housing	5%
144.	84.717000	Automatic data processing machines and Units thereof	5%
145.	8479.1000-9000	Machines and Mechanical Appliances	5%
146.	8520.3900	Other magnetic tape records incorporating sound producing apparatus	10%
147.	8539.9000	Parts of electric filament or discharge lamps	10%
148.	8542.1200	Cards incorporating electronic integrated circuits	10%

VEHICLES, AIRCRAFT, VESSEL AND ASSOCIATED TRANSPORT EQUIPMENT

S/N	IIS CODE	TARIFF DESCRIPTION	RATE OF DUTY
149.	8701.1000	Pedestrian controlled tractors	5%
150.	8701.2000	Road tractors for semi-trailers	5%
151	8701.1900 and 9900	Luxurious Buses	15%
152.	8706.0000	Chassis fitted with engine	5%

MISCELLANEOUS MANUFACTURED ARTICLES

S/N	IIS CODE	TARIFF DESCRIPTION	RATE OF DUTY
153.	9201.1000-9208.9000	Musical Instruments	20%
154.	9209.1000-9000	parts and accessories for musical instruments	15%
155.	9203.2100-9000	toothbrushes and other brushes	40%
156.	9608.9100	Pen nibs and nib point	10%

REVISED IMPORT PROHIBITION LIST (TRADE) AND OTHER FISCAL POLICY MEASURES

The revised import prohibition list (Trade) and other Fiscal Policy Measures are as Follows:

1. Live or Dead Birds including Frozen Poultry -H.S. Codes 0105.1100-0105.9900, 0106.0000,0207.1000 -0207.3900, and 0210.9000.
2. Pork and Pork Products, beef and beef products, mutton, lamb and Goat Meat H.S. Codes 0201,0203,0204,0206,0210,0504,0511,1601 and 1602.
3. Bird's eggs -H.S. Code 0407.0000
4. Flowers (Plastic and Fresh) -H.S. Codes 0603.1000 -0003.9000,6702.1000-6702.9000.
5. Cassava/Cassava products -H.S Codes 0714.1000, 1106.2000, 1108.1400 and 1903.9000.
6. Fresh and dried fruits -H.S. Codes 0801.1100-0814.0000.
7. Maize -H.S. Code 1005.1000 -1005.9000, Sorghum -H.S. Code 1007.0000, Millet-H.S. Code 1008.2000.

8. Wheat Flour-H.S. Code 1101.0000.
9. Vegetable Oils and Fats-11.S. Code 1507.1000 to 15 16.2000 (but excluding linseed and castor oils and Hydrogenated vegetable fats used as Industrial raw materials)H.S. Code 1515.1100-1515.1900,1515.3000 and 151.9000 and 1516.2000)
10. Sugar Confectionaries (other than Chocolate) H.S. Code 1704.1000-1704.9000
Chocolates are excluded because they are not locally produced.
11. Cocoa butter, powder and cakes -H.S. Codes 1802-1803.2000, 1805.0000,1806.1000-1806.2000 and 1804.0000.
12. Spaghetti/Noodles -H.S. Codes 1902.1100 -1902.3000 (but excluding Lasagne, Gnocchi, Ravioli and Cannelioni.)
13. Biscuits -H.S. codes 1905.3000 - 1905.9000.
14. Fruit Juice in retail packs-H.S. Code 2009. 1100-2009.9000
15. Waters, including mineral waters and aerated Waters, containing added sugar or sweetening matter or flavoured, and other non-alcoholic beverages, -U.S. Code 2202.1000-2202.9000.
16. Waters, including mineral waters and aerated waters, not containing added sugar or sweetening matter or flavoured, ice-snow -H. S. Code 2201.1000- 30 2201.9000
17. Beer (Bottled, Canned or otherwise packed) -H.S. Code 2203.0000 Sand 2206.0000.
18. Bentonites and Barytes -H.S. Codes 2508.1100 -2508.1900 and 2511.1100- 2511.1900.
19. Bagged cement -H.S. Code 2523.2990 (excluding white cement).
20. Medicaments falling under Headings 3003 & 3004 as indicated below:
 - a. Paracetamol tablets and Syrups
 - b. Cotrimxazole tablets and Syrups
 - c. Metronidazole tablets and Syrups
 - d. Choloroquine tablets and Syrups
 - e. Haematinic formulations.
 - i. Ferrous sulphate and ferrous gluconate tablets

- ii. Folic acid tablets
 - iii. Vitamin B Complex tablets (except modified release Formulations I)
- f. Multivitamin tablets, capsules and syrups (except special Formulations)
 - g. Aspirin tablets (except modified release formulations and soluble Aspirin)
 - h. Magnesium trisilicate tablets and suspensions
 - i. Piperazine tablets and syrups
 - j. Levamisole tablets and syrups
 - k. Clotrimazole cream
 - l. Ampicillin/Cloxacillin combination capsules
 - m. Ointments- penicillin/gentamycin
 - n. PyranteI parnoate tablets and syrups
 - o. Intravenous Fluids (Dextrose, Normal Saline etc)
21. Pharmaceutical drugs/Regulated products-H.S. Codes 3001.1000- 3000.6000 imported through all land borders and some air and sea ports Except:
- i. Apapa Area 1 Port, Lagos
 - ii. Calabar Port
 - iii. Port Harcourt 1 Port
 - iv. Murtala Mohammed International Airport, Lagos
 - v. Mallam Aminu Kano International Airport, Kano
 - vi. Port Harcourt Airport, Port Harcourt
 - vii. Nnamdi Azikiwe Airport, Abuja
22. Toothpastes of all kinds-H.S. Code 3306.1000
23. Finished Soaps and Detergents -H.S. Code 3401.1100 -3402.9000 (but excluding all raw materials which shall also attract 20% duty rate).
24. Mosquito Repellant Coils H.S. Code 3808.1100; Disinfectant and Germicides H.S. Code 3808.4000 -3808.9000.
25. Sanitary Wares of plastics -H.S. Code 3922.1000 -3922.9000 and Domestic articles and wares of plastics -H. S. Code 3924.1000-3924.9000.
26. Tooth Picks -H.S. Codes 3926.9000 and 4421.9000.

27. Rethreaded and used Pneumatic tyres -H.S. Codes 4012.1000-4012.9000.
28. Corrugated Paper and Paper Boards -H.S. Code 4808.1000, all forms of paper-
cartons, boxes and cases-H.S. Code 4819. 1000-4819.2000.
29. Envelopes -H.S. Code 481 7.1000, Diaries -H.S. Code 4820.1000, Greeting
Cards -H.S. Code 4909.0000 and Calendars -1-1.S. Code 4910.0000.
30. Toilet paper, cleansing or facial tissues, towel and similar sanitary articles -
H.S. Code 4818. 1000-481 8.9000&5601.1000-5601.3000.
31. Exercise Books -H.S. Codes 4820.2000.
32. Textile Fabrics of all types and articles thereof and yarn chapters 50-63 but
excluding:
 - a. Nylon tyre cord -H.S. Code 5902.1000-5902.9000
 - b. Multifilament Nylon Chafer fabrics and tracing cloth -H.S. Code
5111.2000; 5112.2000 and 5901 .9000.
 - c. Textile fabrics, coated, impregnated, laminated or covered with plastics
for Industrial use -Ii . S. Code 5903.1000-5903.9000
 - d. Narrow fabrics -H. S. Code 5806.1000-5806.4000
 - e. Trimmings -H.S. Code 5808.1000-5808.900,6002.1000-6002.9900 and
Linings -H.S. Code 5909.0000, 6117.9000&6217.9000
 - f. Made-up Fishing Nets -H. S. Code 5608.11000 (For one year only)
 - g. Mosquito Nets -H.S. Code 5608.1900 and 6304.9100 - 6304.9900;
Textile Netting fabrics H.S. Code 5804.1 000(For one year only).
 - h. Gloves for industrial use H.S. Code 6116.1000 -6116.9900.
 - i. Canvas Fabrics for Manufacture of fan Belts -H.S. Code 5907.0000.
 - j. Moulding cups Lycra-H.S. Code 6212.9000.
 - k. Elastic Bands-H.S. Code 5604.1000-5604.9000.
 - l. Motifs-H.S. Code 58 10.1000-5810.9900.
 - m. Textile products and articles for technical use including linoleum-H.S.
Code 5904.1000,5911.1000-5911.9000
 - n. Transmission or Conveyor Belt or belting of textile materials H.S. Code
5910.0000-

- o. Polypropylene primary and secondary carpet backing materials H.S. Code 5407.2000 and 5803.9000 (For one year only).
 - p. Fibre rope, Slings, cables, etc-H.S. Code 5607.1000 - 5607.9000
 - q. Mutilated rags-H.S. Code 6310. I 100
 - r. Jute Bags-H.S. Code 6305.1000
 - s. Fibre/Non Woven -H.S. Codes 5001.0000 -5003.9000, 5101.1100-5105.4000,5201.0000-5203.0000,5301.1000 5305.9000,5501.1000-5507.0000& 5602.1000-5603.9400.
 - t. Acetate tow-H.S. Code 5403 .3300 and 5403 .4200
 - u. Laces and Embroideries manufacturers are granted special concession to import their raw materials of specialized yarn and Base Fabric (Base cloth) of cotton, synthetic and staple fibres falling under the following H.S. Codes for a period not exceeding 2 years:
 - i. Yarn -H.S. Codes 5401.2000,5402.3300,5402.6200,
 - ii. Base fabrics -H.S. Codes: 5208.1100,5208.2100, 5208.3100,5512.1100-5512.1900
 - v. Specialized Carpet Yam for the Manufacture of Carpets to be imported for a period of one year, after which Carpet Manufacturers are expected to source their yarn requirement locally.
 - i. Jute Yarn-H.S. Code 5307.1000-2000
 - ii. Acrylic Yarn-H. S. Code 5509.3100-3200
 - iii. Polypropylene yarn and High Tenacity yarn of Nylon -H.S. Code 5402.1000, 5402.3 100, 5402.3200, 5402.3900, 5402.4 100, 5402.4900, 5402.5 100, 5402.5900, 5402.6100 and 5402.6900
 - iv. Metallic Yarn- H.S. H.S Code -5605.0000
 - v. Viscose Yarn (Rayon and filament) H.S Code 5403.3 100, 5403.3200 and 5403 .4100.
33. All types of Footwears and Bags including suitcases of leather and plastics - H.S. Codes 6401.1000 -6406.9900 and 4202.1100-4202.9900 (but excluding safety shoes used in oil Industries and Sports shoes).

34. Cutlasses, Axes, Pick axes, spades, shovels and similar tools -H.S. Codes 8201.1000-8201.9000.
35. Used Compressors -H.S. Code 84 14.3000, Used Air Conditioners -H.S. Code 8415.1000 -8415.9000 and Used Fridges/Freezers -H.S. Code 8418.1000-8418.6900.
36. Used Motor Vehicles above eight (8) years from the year of manufacture - H.S. Code 8703.1000-8703.9000.
37. Fully built and CKD Bicycles, Frames, Forks, Rims and Mudguards, H.S. Codes 8712.0000, 8714.9100, 8714.9200 and 8714.9900. Bonafide Assemblers are to import other parts not banned and source their Rims, Frames, forks and Mudguards locally.
38. Wheel Barrows-H.S. Code 87 16.8000
39. Furniture -H.S. Code 9401.1000 -9401.9000 and 9403.1000 -9404.9000, But excluding Stadium Chairs and all fittings & accessories used in furniture making, falling in other chapters of the nomenclature e.g. Chap. 83. 40. Electric generating sound proof casings -H.S. Code 9406.0000 but excluding other prefabricated buildings.
40. Gaming Machines -M.S. Code 9504.3000. 42. Ball Point Pens -H.S. Code 9608.1000.
41. Hollow Glass Bottles of a capacity exceeding 150mls (0.15 litres) of a kind used for packaging of beverages by breweries and other beverage and drink companies-H.S. Code 7010.9100 -7010.9300.

OTHER FISCAL POLICY MEASURES

A. PHARMACEUTICAL SUB-SECTOR

- i. Pharmaceutical Raw Materials imported by Bonafide Pharmaceutical Manufacturers shall attract 2.5% duty rate, and shall be VAT free.
- ii. All finished pharmaceutical products under chapter 30 that are produced locally” but have inadequate capacity to meet national demand shall attract 20% duty rate.

- iii. All Pharmaceutical Products under chapter 30 that are not produced locally shall attract 5% duty rate in line with the 5% recommended as part of the palliative measures to cushion the effects of prices of petroleum products.
- iv. Pharmaceutical Grade Starch shall attract the following duty rates: (a) 5% for Bonafide Pharmaceutical Manufacturers only. (b) 50% for others.
- v. The following pharmaceutical packaging materials shall attract a maximum of 5% duty rate, for Bonafide Pharmaceutical Manufacturers only, while other importers shall pay extant duty rates.
 - a. Glass bottles-H.S. Code 7010.9100-7010.9400.
 - b. Ampoules- H.S. Code 7010.1000.
 - c. Aluminum Foil- H.S. Code 7607.1 100 -7607.2000.
 - d. PVC/PVDC-H.S.-Code 3920.4100-3920.4200 and 3921.1200.
 - e. Ropp Caps -H.S. Code 3923.5000,7010.2000 and 8309.1000 - 9000.
 - f. Collapsible tubes -H.S. Code 7612.1000.
- vi. In view of government's new policy on malaria treatment, Artemisinin, Lumefantirine and Amodiaquine (actives) shall attract zero (0%) in addition to 0% imposed on anti -retroviral drugs for HIV/AIDS.

B. MANUFACTURE IN-BOND SCHEME (MIBS)

The suspension on the importation of banned items under the MIBS scheme has been lifted. However, the Comptroller of Customs should ensure strict supervision and monitoring to guard against diversion.

C. DUTY INCREASE ON FINISHED ROPES & CABLES

Finished ropes, cables etc of H.S. Code 7312.1000 -73 12.9000 and twine, cordage, ropes, cables etc of H.S. Code 5607.1000-5607.9000 shall attract a duty rate of 40% to protect local manufacturers.

D. DUTY REDUCTION OF STEEL WIRE ROPES & FIBRE ROPES

The following Raw Materials for the manufacturing of steel wire ropes & fibre ropes imported by bonafide manufacturers only, shall attract 5% duty rate.

- i. Steel Wire (0.26 -4.75 mm diameters) H.S. Code 7217.1000-7217.9000 and 7229.1000-7229.9000
- ii. Manila Yarn - H. S. Code 5305.2900
- iii. Nylon Yarn - H. S. Code 5402.1000
- iv. Textile Slings - H. S. Code 5609.0000
- v. Fittings for Slings:
 - a. Shackles - H. S. Code 73 15.1900
 - b. Kooks - H S. Code 7326.1900
 - c. Master Links - H, S. Code 7315.8200
 - d. Steel Sleeves - H. S. Code 7308.2900
 - e. Aluminum Sleeves - H. S. Code 7609.0000
 - f. Thimbles - H. S. Code 7326.1900 and 9000

E. PALLIATIVE MEASURES ON VEHICLES

Fully Built-up Passengers Vehicles (Buses) H.S. Code 8702.1000- 8702.9000 shall attract 10% duty rate in 2005.

F. INDUSTRIAL MACHINERY AND SPARE PARTS

All industrial Machinery and Parts thereof (other than domestic) of Chapters 84,85 and 90 shall enjoy 2.5% duty rate and shall be VAT free.

G. DUTY ON DONATED ITEMS

All donations from International donor Agencies/Countries e.g. Red Cross, Red Crescent etc. shall, with the approval of the Honourable Minister, attract 0.5% duty rate.

A grace period of 90 days for the newly introduced banned items is allowed to enable all importers who have opened form 'M' and must have entered into irrevocable trade agreement before the release of this ban order, process and clear their goods at the prevailing duty rates. However, any new import transaction entered into within the grace period or goods that arrived or not cleared from Customs control after 30th June, 2005 shall be seized and forfeited to the Federal Government. The grace period expires on 30th June, 2005. The newly introduced banned items are attached herewith.

LIST A

LIST OF NEWLY INTRODUCED BANNED ITEMS THAT ARE AFFECTED BY THE 90 DAYS

The following under listed items which have been pieced under the import prohibition list are hereby given 90 days grace period for clearance out of Customs Control All the under listed items that arrived into the country, or not cleared out of Customs control after the 90 days grace period are liable to seizure and forfeited to the Government. The 90 days grace period expires on the 30th of June, 2005.

- | | |
|---|--|
| 1. Bird's eggs - | HS. Code 0407.0000 |
| 2. Maize - | HS. Code 1005.1000 |
| 3. Cocoa butter, powder and cakes - | HS. Code 1803.1000-
1803.2000
1804.000,1805.0000 |
| 4. Medicaments of headings | HS. Code 3003 and 3004 |
| 5. Disinfectants and Germicides | HS. Code 3808 .40000-
9000 |
| 6. Sanitary wares of Plastics | HS. Code 3922, 1100-
9000 |
| 7. Diaries | HS. Code 48.20.1000 |
| 8. Greeting Cards | H.S. Code 4090.0000 |
| 9. Calendars | HS. Code 4910.0000 |
| 10. Cleansing of Facial Tissues, Towels and sanitary articles | H.S. Code 4818.20000-
9000 and 5601.10000-
5601.3000 |
| 11. Ladies foot wears and bags Leather and plastic | H.S. Code 4202.1100-
4202.9900 and
6401.1000-6406.9900 |
| 12. CKD bicycles, frames, forks, Rims and mudguards | H.S. Code 87
12.0000,8714. H.S.
9100,8714.9200 |

- | | |
|---|------------------------------|
| 13. Electric generating sound Proof casings | H.S. Code 9406.0000 |
| 14. Hollow glass bottles of a Capacity exceeding 150mis | HS. Code 7010.9100-7010.9300 |

LIST B

IMPORT PROHIBITION LIST

1. Linseed, Castor Oils and Hydrogenated Fats used as industrial raw materials
HS. Code 1515.1100-1515.1900,1515.3000,1515.9000 and 1516.2000
2. Chocolates HS. Code 1704.1000-9900
3. Lasagna, Gnocchi, Ravioli and Canelloni -HS. Code 1902.1100 -3000
4. White Cement -HS -Code 2 523.2900
5. All Raw Materials for the Manufacturer of Soap and Detergents and shall attract 20% duty HS. Code 3401.1100-9000
 - a. Nylon tyre cord -H.S. Code 5902.1000-5902.9000
 - b. Multifilament Nylon Chaferfabrics and tracing cloth H.S. Code 111.2000,5112.2000 and 5901.9000
 - c. Textile fabrics, coated, impregnated, laminated or covered with plastics for Industrial use -H. S. Code 5903. 1000-5903.9000
 - d. Narrow fabrics -H.S. Code 5 806.1000-5806.4000
 - e. Trimmings-H.S. Code 5 808.1000-5808.9000,6002.0000 and Linings - H.S. Code 5909.0000,6117.9000 and 6217.9000
 - f. Made-up Fishing Nets-H.S-Code 5608.1100 (For one year only)
 - g. Mosquito Nets -H.S. Code 5608.1900 and 6304.9100 -6304.9900; Textile Nettings fabrics H.S. Code 5804.1000 (For one year only)
 - h. Gloves for industrial use H.S. Code 6116.1000-6116.9900.
 - i. Canvas Fabrics for Manufacture of Fan Belts -M.S. Code 5907.0000
 - j. Moulding cups Lycra- H.S. Code 6212.9000
 - k. Elastic Bands -H.S. Code 5604.1000 -5604.9000 (I) Motifs -H.S. Code 5810.1000-5810.9900
 - l. Textile products and articles for technical use including linoleum - H.S. Code 5904.1000, 5911.1000 -5911.9000
 - m.

- n. Transmission or Conveyor Belt or belting of textile materials - H.S. Code 5910.0000
- o. Polypropylene primary and secondary carpets backing materials - H.S. Code 5407.2000 and 5803.9000 (For one year only)
- p. Fibre rope, Slings, cables etc. -H.S. Code 5607.1000-5607.9000
- q. Mutilated rags -H.S. Code 6310.1000
- r. Jute Bags-H.S. Code 6305.1000
- s. Fibre/Non Woven-H.S. Codes 5001.0000-5003.9000,5101.1100 - 5105.4000,5201.0000-5203.0000,5301.1000-5305.9000, 5501.1000- 5507.0000 and 5602.1000-5603.9400
- t. Acetate tow-H.S. Code 5403.3300 and 5403.4200
- v. Lace and Embroidery manufacturers are granted special concession to import their raw materials of specialized yarn and Base Fabrics (Base Cloth) of cotton, synthetic and staple fibres falling under the following H.S. Codes for a period not exceeding 2 years:
- i. Yarn -H.S. Codes 5401.2000, 5402.3300, 5402.6200, 5403.3 100 -5403.3200,5403.4100
 - ii. Base Fabrics -i-LS. Codes 5208.1100, 5208.2100, 5208.3 100, 5512.1100-5512.1900
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He is the principle author of Obansanjo; The First 100- the Editor-in-Chief of the management hand book.

He is a writer, researcher and management consultant. He is the Director General/Chief of the Centre For Policy Research and Development (CENPO).



"Fellow citizens, I ask you all to march with me into the age of restoration. Let us work together to restore time-honoured values of honesty, decency, generosity, modesty, selflessness, transparency, and accountability. These fundamental values determine societies that succeed or fail, we must choose to succeed ..."

"... We have the talent. We have the intelligence. We have the ability. The challenge is great. The goal is clear. The time is now I thank you. And God bless you ..."

"... I offer myself as a servant leader. I will be a listener, doer and serve with humility I will set a worthy personal example as your president ..."

- President

Umar Musa Yar'adua GCRS

"... It is well acknowledged that one of the failings of public policy in Nigeria has not been the dearth of policies but actually the nonimplementation of such policies ..."

- Former President

Olusegun Obasanjo GCFR

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Encyclopedia of
Policies
of the Federal Republic of
Nigeria



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E56



Encyclopaedia of
Policies
of the Federal Republic of
Nigeria



Editor-in-Chief **Dr. Robinson E. Nnebe**, FNISS, FAS, FRCGS

VOLUME I

have we as a nation had such a dismal
of effective policy formulation and
implementation?

can policies serve the purpose for which
are intended?

many decades, we have expended
tremendous effort in various development
strategies and yet our development challenges
remain as daunting. The very ills, distortions
and impediments they seek to redress not only
persist but prove ever more intractable.

challenges that have taken place in our
country in the past nine years have been
exceptionally profound. These changes have
altered the forties of development and have
changed our traditional ways of doing things.
It is therefore imperative that we evolve
appropriate responses to these issues. For
instance, not too long ago, when discussing
health issues we concentrated on such diseases
as malaria, tuberculosis, safe mother hood etc,
AIDS was not on the agenda. Today, it is
one of the most critical health issues of our

country. The diseases, which we have battled for
centuries like malaria and poverty among
others, require new more robust policy
responses. Many sub-sectors in the economy
have been transformed in recent times. These
include others include the banking sector,
finance, telecommunication, food and
administration, privatization etc.

The administration has clearly been able to
formulate more policies than any other
administration since independence. These seven
years have seen, first and foremost to provoke a
growing concern about policy failure in our
country and secondly to help raise our
country's capacity to bridge the gap between policy
formulation and execution.

CENTRE FOR POLICY RESEARCH ON DEVELOPMENT (CENPORED)

The organization devoted to the monitoring
and development of policies. It is our
firm belief that policy is at the root of
sustainable development and good
governance.

At the policy level, the wrong foot forward
distortion, mediocrity and
unfulfilled programmed objectives.
Policy formulation must also provide
adequately for effective implementation.
It justifies all the effort expended in
formulating the policies in the first place.



Encyclopedia of policies republic of Nigeria v.

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How can policies serve the
are intended?

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Encyclopaedia of
Policies
of the Federal Republic of
Nigeria



Editor-in-Chief Dr. Hobson E. Nnebe, F.NIM, FIMC, MIOD



NATIONAL ANTHEM

Arise O compatriots
 Nigeria's call obey,
 To serve our fatherland,
 With love and strength and faith,
 The labour of our heroes past,
 Shall never be in vain,
 To serve with heart and might,
 One nation bound in freedom,
 Peace and unity.

Oh God of creation,
 Direct our noble cause,
 Guide thou our leaders right,
 Help our youth the truth to know,
 In love and honesty to grow,
 And living just and true,
 Great lofty heights attain,
 To build nation where,
 Peace and justice shall reign.

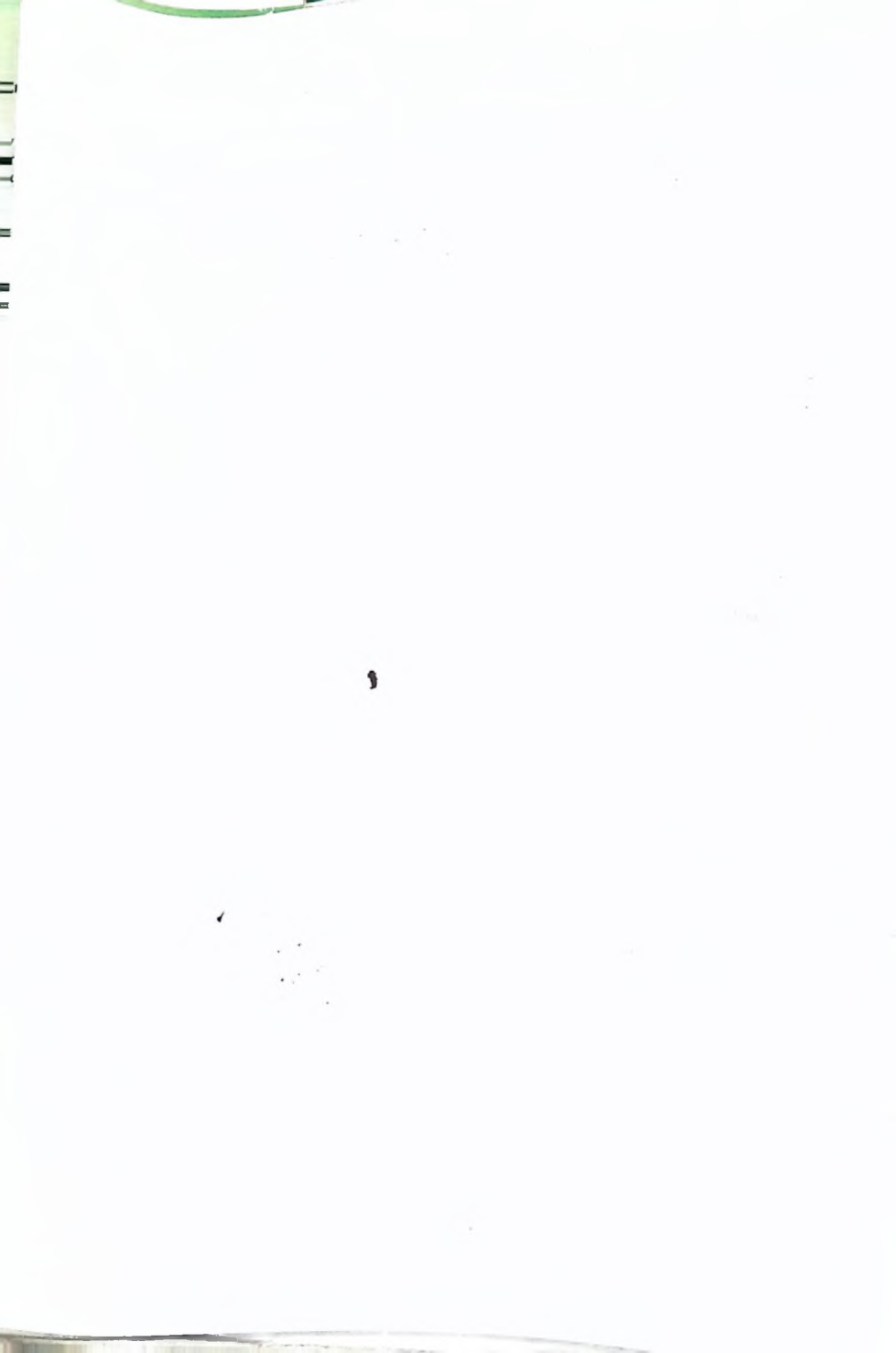
NATIONAL PLEDGE

I pledge to Nigeria my country,
 To be faithful, loyal and honest,
 To serve Nigeria with all my strength,
 To defend her unity,
 And uphold her honour and glory,
 So help me God.

THE SIX GEOPOLITICAL ZONES OF NIGERIA: THE STATES AND CAPITALS



NORTH EAST	NORTH WEST	NORTH CENTRAL	SOUTH EAST	SOUTH WEST	SOUTH SOUTH
ADAMAWA Yola	JIGAWA Dutse	BENUE Makurdi	ABIA Umuahia	EKITI Ado Ekiti	AKWA IBOM Uyo
BAUCHI Bauchi	KADUNA Kaduna	NIGER Minna	ANAMBRA Akwa	LAGOS Ikeja	BAYELSA Yenagoa
BORNO Maiduguri	KANO Kano	KATSINA Katsina	EBONYI Abakiliki	OGUN Abeokuta	CROSS-RIVER Calabar
GOMBE Gombe	KEBBI Birnin Kebbi	KOGI Lokoja	ENUGU Enugu	ONDO Akure	DELTA Asaba
TARABA Jalingo	SOKOTO Sokoto	KWARA Ilorin	IMO Owerri	OSUN Oshogbo	EDO Benin City
YOBE Damaturu	ZAMFARA Gusau	NASARAWA Lafia		OYO Ibadan	RIVERS Port-Harcourt
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ENCYCLOPEDIA OF NIGERIA

POLICIES OF THE FEDERAL REPUBLIC OF NIGERIA

VOLUME ONE

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DEDICATION

We dedicate these volumes first and foremost to God, our senior and silent co-worker, who dropped the idea of this project in our hearts, ten years ago, and to the people of Nigeria for whom these policies are made.

FOREWORD

We have long recognized the critical value of policies in our quest for good governance and sustainable democracy. In our search for a strong democratic foundation, we have found the policy making process not only challenging but also highly participatory indeed.

Our prime forte as a nation lies in our diversity. The policy making process can therefore be quite daunting because we will always consider the expectations, aspirations and needs of a vast assortment of our people who are vibrant, aware and articulate.

Our most critical challenge as policy makers is to try as much as possible to seed the diverse and often conflicting persuasions, expectations and needs of our people into a coherent road map for addressing their yearnings and the various challenges facing us. The policies that have been evolved in the past nine years have tried to do just that. These policies have been evolved in response to the profound changes taking place both in our immediate environment and globally.

The changes have stretched the frontiers of development and have challenged our traditional ways of doing things. It is therefore imperative that we evolve adequate responses to these issues. For instance, not too long ago, when discussing health issues, we concentrated on such diseases as malaria, tuberculosis, safe motherhood etc. HIV/AIDS was not on the agenda. Today, HIV/AIDS is the most central health focus of our time. Even the diseases that we have battled for over a century like malaria and poverty among others require new and robust responses now.

Our vast geographical landscape has been constricted due to the emergence of the Mobile Phones. It has certainly changed the way we live and do business, forever. The computer has done the same thing. The story is the same in the banking sub-sector, entertainment industry, Privatization, Food and drug administration among others. All these benefits have come about as a result of sound policies.

It is necessary to wonder why as a nation we have had such a dismal record for policy formulation and implementation. Where for instance is the interface between policy-making and its actualization that we have neglected for years? Responses to this and similar questions are what we hope these volumes seek to provoke.

These three volumes are therefore aimed not just at showcasing *our* policies but also in provoking a wide range of discussion analyses and feedback.

Prof (Mrs.) Nkechi Mbanefo
UNN, 2009.

PREFACE

Tracking the policy making process by the Federal Government for the past ten years have been very daunting but enriching experience indeed. Never before in the history of the country have we had such a large number of policies as we have had in the past ten years.

These volumes are meant to provide researchers, investors, the diplomatic community, senior public servants and their counterparts in the private sector with a handy reference on the policies of the Federal Government. In these volumes, they can observe and compare the scope, Structure, sequence, pattern, approach and even weaknesses in the policy making process. As a result, they can identify gaps, consistency and the most critical ingredients and considerations in our policies as a nation. Building on these observations and patterns and the feedback they would provide, our policies can be made richer, relevant and more easily amendable to actualization.

The *Centre for Policy Research and Development (CENPORED)*, have spearheaded the initiative to assemble, document and analyze the policies of the Federal Government in the wake of the bold democratic experiment, sweeping our polity.

The main aim is not just to compile the policies and leave them on our shelves, but to use them as basis for comparison, research and ultimately as instruments that can propel more articulate programme formulation, implementation and sustainable development generally.

For many decades, we have expended enormous efforts in various development projects and yet our development challenges remain as daunting. Consultations, dialogue, research, debate and huge resources have gone into the policy-making process and yet the very ills, distortions and impediments they seek to redress not only remain but prove ever more intractable.

How can policies serve the purpose of which they are intended? These volumes seek, first and foremost to provoke a general concern about policy failure in our polity and secondly to help raise our determination to bridge the gap between policymaking and execution.

Dr Hobson E. Nnebe, FNIM, FIMC, FCBA
Director General, *Centre for Policy Research and Development (CENPORED)*

ACKNOWLEDGEMENTS

For over nine years, we have traversed the fabric of the civil service, following the policy-making process and assembling copies of the approved policies. It was hectic but deeply enriching indeed. Many officials of the various ministries and parastatals cooperated immensely with us.

The staff of the government printer along Malu road Lagos apologized profusely for not having any policies of the Federal Government, but gave us words of encouragement for even thinking of the idea of compiling and presenting the policies in volume for easy reference for researchers and policy makers. We were very grateful indeed for their encouragement.

We would also express our gratitude to **Ven. (Dr) Adeboye Joseph** for his support and words of encouragement, especially at the early stages. In fact, the whole idea of embarking on this project started after my discussion with him as the then Commissioner at the National Planning Commission. His encouragement in the very early stages kept me going till this stage of the project. I owe him immense gratitude for his support and inspiration.

My sincere thanks are also due to Pastor Sunday Anyebe, AU Managing Director of SONNEX Graphics Plus and his team of staff for their patience, dedication and handwork. I will like to profoundly thank my wife Chinwe, Gozie, Kenechukwu, Daniel and Onyi my wonderful family team for their immense love and understanding. Edwin Ephraim deserves special thanks for his consistent leg work in helping to search out the policies from various ministries over the years. My gratitude is also due to Mr. Chima Anunobi for his assistance in printing and proofreading of the materials.

Alh. Olapade, Alhaji Tatari Ali and Bro. Ifeanyi Anago and Dorothy Eboh saw the potentials of this project and supported it. I am immensely grateful indeed.

There are others too many to mention. We express our appreciation to these silent co-workers.

Dr. Hobson E. Nnebe, *Chief Executive Officer, F.P.P.*

INTRODUCTION

“It is well acknowledged that one of the failings of public policy in Nigeria has not been the dearth of policies but actually the non-implementation of such policies - Former President Olusegun Obasanjo GCFR

The above statement by no less than the former President himself sums up the dilemma of public policy making and its effectiveness in Nigeria. Simply put, a large gap often exists between creeds and deeds. This holds true in every human endeavor. The adherents of any cause are often hard put to it to win converts if the tenets they profess are not translated into visible concrete actions. Concrete outcomes and results help to build confidence. They also help to breed assurance and credibility for any project.

In the area of public policy formulation, the same situation holds true. Policies are about people, and are formulated to address specific human needs. A policy document on water and sanitation for instance or on poverty alleviation, provides major position statements by the Federal Government on the two issues. These statements are usually borne out of extensive dialogue, discussions and brainstorming sessions with stakeholders. The final policy documents invariably reveal government’s intentions, plans, provisions and counsel and provide the overall frame work for carrying out the activities on the particular area in focus, geared ultimately in bringing about change and development.

Due to many stakeholders involved in the policy moulding process, a diverse range of opinions, aspirations and even frustrations are captured during the process. Most often, the policy in a particular area is a highly informative document in that area. The formulators often begin by synthesizing the wide and varied shade of contributions and opinions the stakeholders make in the process of consultations, debates and dialogue. These discussions and debates from a firm basis upon which the policies are eventually formulated.

These policies when finalized and issued as official documents are intended to serve as a basis for addressing particular human development needs. Each policy has a niche it seeks to intervene in. Change is sought in that niche by addressing specific issues, concerns and problems through the policies. The policies, by their nature are made by the government who is the ultimate arbiter, facilitator and catalyst and change agent. All other sectors of the economy or polity take their bearing from the stand or orientation of government on the policies.

The Organized Private Sector (OPS) for instance constantly watches the laws and pronouncements by the government to get their bearings right. For instance, the re-capitalization of banks came as a government order. No debate or contrary opinion was tolerated, only clarifications and compliance. This phenomenon in the banking industry was once thought to be unimaginable. Today, the dark clouds that once surrounded that instruction from government have disappeared. Those who have fully complied have survived and those who could not meet the conditions have clinically seized to exist.

In all areas of the economy, Health, Education, Oil & Gas, Information and Communication Technology (ICT), Energy, Investment etc, the situation is the same. Stakeholders in those areas must first and foremost abide by the laws of government concerning their endeavor. A breach of the law attracts definite sanctions. In the case of policies, most of it is not always enforceable; they are not laws. They however provide, in broad strokes, the stand, orientation and concern of government in certain areas. Sometime though, they are so precise and particular that when key stakeholders act in breach they can also be sanctioned.

As a country, we certainly cannot point to the dearth of ideas or people to fashion our policies. The process is usually well thought-out. Stakeholders are invited to sessions where all shades of opinions are heard, synthesized and moulded into policies. Then comes the approval process. The policy document goes to the highest authorities in the land and their approval is obtained, in this case, the Federal Executive Council (FEC). The document is then presented to the public and given enormous press coverage. Most of the time, it ends there. Implementation hardly takes place and when it does, it is carried out in an uncoordinated manner, as a result, the many months of consultation meetings and workshops with a wide spectrum of stakeholders in fashioning out the policies amount to nothing; it becomes a wasted effort.

Effective implementation or actualization of the policies justifies all the efforts that have gone into the process of fashioning them in the first place.

We, at the Centre for Policy Research and Development (CENPORED) are committed to promoting policy analyses, research and development in all its ramifications. Policies are supposed to inform, educate, inspire, encourage and most importantly, to help to form a broad framework on which key stakeholders are to operate. If therefore, at the end of a policy document there is no well laid out guide or basis for actions, then something about the policy is deficient. This is because the very essence of evolving a policy is to

intervene in a given area of human need to bring about change and improve about human condition. That is why at the end of many policy documents, implementation or actualization strategies should be outlined to help drive the implementation process.

Further, even when the path to taking of actions has been well laid out, everything must also be done to ensure that indeed actions are taken. Again, it doesn't just stop in taking action. The following simple questions must guide the actions being taken:

- i. Are the actions being taken appropriate and targeted towards addressing the gap, need or inadequacies which necessitated the intervention in the first place?
- ii. Is any group keeping watch and tracking the actions being taken to ensure they are focused, appropriate and on time?
- iii. Matched against the realities on the ground, are the improvements noticeable in the given circumstances, which provoked the intervention in the first place?
- iv. Are the higher authorities receiving adequate feedback on the progress being made, the difficulties and challenges being encountered?
- v. Are the intervention and strategies working, if not, what corrective action is necessary to get the process back on course?

All relevant stakeholders should also meet from time to time to continue to drive the process of policy implementation. This should be on basis of field surveys and feedback from monitoring and review.

Another issue of profound importance is the issue of proper dissemination. As we stated earlier, policies are made in order to provoke action in a given area. Each area has a cohort of stakeholders. The stakeholders in that area must therefore be aware and sufficiently knowledgeable about government's position from which they can take their cue. They will in turn test the principles and ideas contained in the document in real life situations and by so doing accumulate sufficient experience to be able to provide government with the much-needed feedback. This feedback is then studied, refined and then ploughed back into the policy development process to make it relevant and effective.

Without proper dissemination, the core stakeholders' cannot be reached and if they are not reached, no feedback is obtained and if no feedback is received the effectiveness of the policy is affected, because the purpose of evolving will not be fully met.

These gaps seemed to have remained over the years and ultimately explain why there have general policy failures. Based on the foregoing, the following critical areas in the moulding and actualization of policies in Nigeria call for

urgent attention and action.

- i. Involvement of all stakeholders in the sensitization and information gathering phase.
- ii. The general drafting of the policies should reflect the needs and aspirations of the stakeholders who have made their inputs. Drafts and redrafts should be made where necessary.
- iii. Approval is obtained from the Federal Executive Council (FEC).
- iv. Dissemination of the finished policy documents targeted specifically at the relevant stakeholders, not just the press.
- v. Establishment of effective policy implementation/actualization mechanisms.
- vi. A strong feedback process.
- vii. Use of information provided by the feedback so obtained to strengthen and enrich the process, on a continuing basis.
- viii. Constant review and evaluation.

The problem as reflected by the statement of the former president at the beginning of this introduction is squarely that of non-implementation. The implementation process should therefore be taken as seriously as the moulding the policies in the first place. The implementation should also be ongoing. This process as we have seen involves monitoring, reviewing evaluation, and the provision of feedback.

Because of the ongoing nature and the increasing number of policies, the implementation process should be institutionalized. A government agency should be created and charged with the responsibility of constantly monitoring and evaluating the implementation process. This way, the policy does not die after it has been fashioned and issued. The agency could be called *Policy Implementation Monitoring Agency (PIMA)*.

Finally, a collective effort is required to ensure that *our* policies are relevant and effective. This can only be achieved when stakeholders in both the public and private sectors collaborate on a continuous basis.

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SECTION ONE

NATIONAL POLICY ON AGRICULTURE

AGRICULTURE IN NIGERIA: THE NEW POLICY THRUST

1.0 PREAMBLE

Agriculture in the context of the economy is tied with the various sectors and is essential for generating broad based growth necessary for development. Agriculture is fundamental to the sustenance of life and is the bedrock of economic development especially in the provision of adequate and nutritious food so vital for human development and industrial raw materials for industry. Sustainable agricultural development is propelled by agricultural policy. The first National Policy on Agriculture was adopted in 1988 and was expected to remain valid for about fifteen years, that is, up to 2000.

2.0 THE AGRICULTURAL POLICY

Nigeria's agricultural policy is the synthesis of the framework and action plans of Government designed to achieve overall agricultural growth and development. The policy aims at the attainment of self-sustaining growth in all the sub-sectors of agriculture and the structural transformation necessary for the overall socioeconomic development of the country as well as the improvement in the quality of life of Nigerians.

2.1 THE BROAD POLICY OBJECTIVES INCLUDE

- i. Attainment of self-sufficiency in basic food commodities with particular reference to those which consume considerable shares of Nigeria's foreign exchange and for which the country has comparative advantage in local production.
- ii. increase in production of agricultural raw materials to meet the growth of an expanding industrial sector;
- iii. increase in production and processing of exportable commodities with a view to increasing their foreign exchange earning capacity and further diversifying the country's export base and sources of foreign exchange earnings;
- iv. modernizing of agricultural production, processing, storage and distribution through the infusion of improved technologies and

- management so that agriculture can be more responsive to the demands of other sectors of the Nigerian economy;
- v. creation of more agricultural and rural employment opportunities to increase the income of farmers and rural dwellers and productively absorb an increasing labour force in the national;
 - vi. protection and improvement of agricultural land resources and preservation of the environment for sustainable agricultural production;
 - vii. establishment of appropriate institutions and creation of administrative organs to facilitate the integrated development and realization of the country's agricultural potentials.

2.2 FEATURES OF THE POLICY

The main features of the policy include the evolution of strategies that will ensure self-sufficiency and the improvement of the level of technical and economic efficiency in food production. This is to be achieved through the introduction and adoption of improved seeds and seed-stock, husbandry and appropriate machinery and equipment, efficient utilization of resources, encouragement of ecological specialization and recognition of the roles and potentials of small-scale farmers as the major producers of food in the country. Reduction in risks and uncertainties were to be achieved through the introduction of the agricultural insurance scheme to reduce natural hazards factor militating against agricultural production and security of credit outlay through indemnity of sustained losses. A nationwide, unified and all-inclusive extension delivery system under the Agricultural Development Programme (ADP) was put in place in a joint Federal and State Government collaborative effort. Agro-allied industries were actively promoted. Other incentives such as rural infrastructure, rural banking, primary healthcare, cottage industries, etc, were provided to encourage agricultural and rural development and attract youths including school-

price increase as a result of devaluation of the currency and ban on importation of wheat, rice and maize.

The ban on the importation of some food items increased the output of local production especially rice. However, poultry and fishery production became less profitable because of the resultant exorbitant costs of imported inputs attendant on SAP. Sharp rises on imported inputs such as fertilizer, agro-chemicals, etc, were also witnessed while the costs of providing large scale irrigation rose because of the high cost of foreign components. The increase in the cost of import component of equipment for research and technology development stultified their further growth.

Although SAP substantially addressed problems of price distortions to farmers, new problems were created by the effects of the changes in macroeconomic policies. Implementation bottlenecks arising from scarcity of basic farm inputs and slower rate of adoption of new technology also contributed their impending achievement of policy objectives. These produced the expected benefits of yield accruable from the adoption and use of modern farm inputs such as improved variety of seeds. The withdrawal of subsidies which increased production costs, substantially reduced the profitability of agricultural activities leading to reduction in size of farm holdings and enterprises. The problem of inefficient marketing persisted as a result of existing imperfection in the markets, dwindling marketing infrastructures and limited availability of storage facilities.

Despite the problems enumerated above, the performance of agriculture in the post-SAP era 1989-1997 was one on the steady positive progress in production, growth rate and contribution to the Gross Domestic Product (GDP). From a food deficit situation of the late 1970s and early

1980s the country recorded significant improvements in agricultural production through the 1990s. The percentage contribution of agriculture to the GDP was 38.00 in 1994, 38.20% in 1995, 39.00% in 1996, 39.20% in 1997, 40.40% in 1998 and 41.30% in 1999. The average growth rate during the period 1990 to 1999 was 4.0%. Agriculture accounts for 88% of the non-oil foreign exchange earnings and employs about 70% of the active labour force of the population. The sector is a catalyst and major source of raw materials for the industrial sector and provides most of the staple food consumed by the 140 million Nigerians.

With the exception of a few commodities, the period 1999-2000 witnessed a rising trend in agricultural output generally. Table 1 shows the output of some major food commodities.

Figure 1. Output of some major agricultural commodities 1998-2000 (1000 tonnes)

Commodity	1998	1999	2000
Maize	5127	5476	4107
Rice	3275	3277	4298
Sorghum	7516	7520	7711
Millet	5956	5960	6105
Cassava	32695	32697	33854
Yam	24768	5873	26201
Cowpea	2055	2148	2150
Groundnut	2534	2894	2941
Palm oil	845	896	899
Beef	226	228	230
Goat meat	14	144	147
Mutton	90	92	94
Pork	463	487	511
Poultry meat	250	268	273
Fish	483	477	482

Source: Federal Ministry of Agriculture & Rural Development

- 3.3 Total food out increased from 64.76 million tones grain equivalent in 1998 to 57.11 million tones in 1999 and to 57.70 million tones grain equivalent in 2000. The aggregate index of agricultural production rose by 4% in 1999 and 2.5% in 2000 which is about 3.3% on the average

during the two year period. All the subsectors of agriculture contributed to the increase. Using 100 for 1984 as the base year, the index of crop production rose from 288 in 1988 to 298.8 in 1999 and 3.1% between 1999 and 2000, averaging 8.4%. In the livestock subsector the percentage increase in the index were 2.4% and 2.5% with an average of 2.4% while increases in fisheries were 2.9% and 3.3% with an average of 3.4%.

- 3.4 The growth rate for the agricultural sector in 2000 was 4.7%, a slight improvement against the population growth rate of 2.83% the agricultural growth rate which is higher than the population growth rate, has continued to guarantee the sector's ability to meet the demands on it for food. Food prices have, however, risen in recent months in tandem with the general price rise in the macro economy an in response to increase in government spending arising from increased income from oil exports, high cost of democracy, high level of money supply and declining value of the Naira. The famine in neighbouring West African countries and the consequential increase in trans-border outflow of food have also contributed to the current high food prices in Nigeria. There are indications that cassava products exports to Europe for livestock feeds in the wake of the foot and mouth disease have reduced domestic supply. The rising food prices and increased demand for agricultural products are expected to stimulate food production by farmers in this and subsequent years. There is therefore need to ensure sustained increase by putting in place mechanism to absorb the expected production surpluses to break the cyclical glut experienced in the past.
- 3.5 The experience gained in the implementation of the agricultural policy over the years and the recent trends in agricultural development worldwide have necessitated the formulation of more focused subsectoral policies. The most current efforts in this direction are the Land Resources Policy which will guide sustainable use of agricultural lands, National Agricultural Mechanization Policy, National

Cooperative Development Policy, and the National Seed Policy which assigns primary responsibility for commercial seed supply to the private sector while government shall be responsible for foundation and breeder seed development, seed certification and quality control and certification while providing the enabling environment for the seed industry development. The National Policy on Integrated Rural development will integrate the rural economy into the mainstream of national development process to ensure its effective coordination and management and make the rural areas more in tune with the urban areas so as to moderate the rural urban drift, redress the past neglect through provision of critical rural infrastructure and empowerment of the rural population to create wealth and eradicate rural poverty. These are prelude to the general review of the entire body of the national agricultural and rural development policy, which is now due.

- 3.6 Institutional arrangements have been adopted for realizing sector objectives in view of the fact that agricultural development are sine qua non for generating economic growth. These include the relocation of the Department of Cooperatives of the Ministry of Labour and its merger with the Agricultural Cooperatives Division of the Ministry of Agriculture.

INTRODUCTION AND BACKGROUND

1.1 GENERAL INTRODUCTION

Nigeria is the most populous country in Africa. It is blessed with a population of over 110 million (in 1998), thus it accounts for a quarter of the total population of the African continent. Nigeria is also richly endowed with diverse natural resources, which include a land area of 924,000 square kilometers for agriculture, industry and mineral resource extraction including oil and gas.

Past attempts at national development have divided Nigeria into two very distinct socioeconomic sectors, namely, the urban and rural sectors. Each of these sectors shows great diversity in terms of natural resources endowment, aggregate investments and the resultant physical quality of life of the inhabitants. The rural sector, with abundance of human and natural resources, has remained the "treasury trove" of the nation accounting for over 70% of the nation's population. Yet, Nigerian rural communities are "centers of deprivation" with a life often devoid of opportunities and choices and an environment lacking in infrastructural facilities, community-based organizations, etc.

The above scenario mirrors decades of rural neglect arising from urban-biased approach to development, which lacks a well coordinated and properly integrated all-sector approach to development. The shortcomings of these past attempts at national development underscore the imperatives of a national policy on integrated rural development as a means of evolving and adopting an approach through which rural development would be synergistically linked with national development efforts at all times and in all spheres.

This document therefore embodies a **National Policy on Integrated Rural Development for Nigeria**. It is based on extensive consultative dialogues with relevant Federal and state Ministries and Agencies, Local Governments, Community-Based Rural Development Organizations (CBRDOs) Non Governmental Organizations (NGOs), and Professional Groups, Labour, Farmers' Cooperative Societies, Research Institutes and other special interest groups. It builds on, and expands, the past efforts of other Ministries and Agencies, notably the then Federal Ministry of Agriculture, Water Resources and Rural Development (1983), erstwhile Directorate of Foods, Roads and Rural Infrastructure (DFRRI) (1991), the then Federal Ministry of Agriculture and Rural Development (1999).

It is divided into six chapters. Chapter 1 dwells on the meaning and scope of integrated rural development; relates integrated rural development to national interest, overviews rural development conditions in Nigeria and traces the evolution of the country's integrated rural development policy. Chapter 2 enunciates the overall policy objectives and strategies while chapter 3 discusses in detail the focal policy areas. Chapter 4 outlines the institutional framework for promoting integrated rural development, highlighting not only the role of the three tiers of government and various public agencies but also the central significance of community effort. Chapter 5 spells out the strategies for secured funding of integrated rural development through internal and external sources. Chapter 6 which is the concluding chapter, deals with the coordination, monitoring, evaluation and review of the policy, and the programmes and projects emanating there from.

1.2 MEANING AND SCOPE OF INTEGRATED RURAL DEVELOPMENT

Simply defined, rural development is a strategy and process designed to transform the nation's rural life and landscape by ensuring progressive social, economic, cultural and political improvements. It stresses a fundamental principle that the rural people must share fully in this development process

through equitable access to resources, inputs and services and participation in the design and implementation of development programmes.

Meaningful development of rural people must be on a self-sustaining basis, through transforming the socio-spatial structures of their productive activities. It implies a broad-based organization and mobilization of the rural masses so as to enhance their capacity to cope more effectively with the daily tasks of their lives. Integrated rural development has to do with putting together all the elements of rural development, clarifying and unifying the objectives and bringing together all the agencies, facilities and programmes necessary to attain the objectives. At the national level, integrated rural development means a process by which the development of the rural areas is integrated with, supports, and is supported by the entire national development efforts.

1.3 INTEGRATED RURAL DEVELOPMENT AND THE NATIONAL INTEREST

Broadly defined, national interest is an expression of the collective aspirations of a people concerning the best possible conditions under which they wish to live a nation. These aspirations and values guide the general direction in which nations move from generation to generation. A shared colonial past and broad similarity in social outlook has forged a sense of common destiny and national identity among the peoples of Nigeria. Over the years, they have also come to expect the Nigerian nation state to establish its legitimacy, mainly by promoting and protecting their collective interests. Nigeria's national interest can be seen in terms of three national needs, namely the need for continued coexistence as one indivisible, indissoluble and sovereign nation; the need for growth and development (economic, political, social, cultural); and the need to ensure that an adequate and favourable world order exists which will facilitate Nigeria's continued coexistence and collective survival as a nation-state, as well as its all-round growth and development in the economic, political, social, and cultural spheres.

In order to promote these collective interests most effectively, it is necessary that Nigeria mobilizes and harnesses fully all its resources, especially its natural endowments and the energy, will and ingenuity of all its citizens. The rural population often tends to constitute an area of large systematic neglect and continue to endure severe deprivations as they eke out a paltry livelihood at the margin of society.

In a predominantly rural country such as Nigeria, integrated rural development must be regarded as a major instrument for the attainment of the various independent components of the national interest. Thus, national economic and social development requires the full participation of the vast rural population in the development process. It requires that the rural population have equitable and adequate access to resources, inputs, credit and other support services; and that they participate in the design and implementation of development programmes.

Furthermore, the promotion of the national interest through integrated rural development is an essential guarantee of national security. The existence-survival aspect of our national interest demands a situation in which the democratic state is safe from disruption from both internal (locally-specific) and external forces.

1.4 RURAL CONDITION IN NIGERIA: AN OVERVIEW

Historically, Nigeria's rural development efforts has been considered mainly in the context of agricultural development. This unfortunate situation, which neglected contributions of other sectors to the improvement of the quality of life of the rural dwellers, hindered a multi-sectoral and integrated approach to rural development programming in Nigeria. Nevertheless, the rural sector is predominantly agriculture-based (including livestock, forestry, and fisheries). It employs about 90% of the labour force and contributes about 40% of the GDP.

However, over the years, the benefits of development have bypassed large segments of the rural society. It is estimated that 85% of the extremely poor in Nigeria currently live in rural areas.

1.4.1 DIMENSIONS OF RURAL POVERTY

Available data on present rural condition in Nigeria reveal that though rural poverty has many faces, it can be seen in two broad dimensions.

1.4.2.1 Rural Mass Deprivation

This is manifested in the following forms:

1.4.2.1.1 Inadequate availability and accessibility to socioeconomic infrastructure and basic social amenities such as feeder roads, health centers, education, sanitation facilities, water supply, electricity, markets, etc.

1.4.2.1.2 Limited employment and income earning opportunities due to lack of resources to establish them, and inadequate access to agricultural inputs (especially land, fertilizer, credit facilities and extension services); and

1.4.2.1.3 Environmental and natural degradation such as desertification, loss of soil fertility, fuel wood scarcity, environmental pollution and overpopulation.

1.4.2.2 Individual Deprivation

This is manifested in terms of:

1.4.2.2.1 Inability to eat or clothe oneself adequately, to afford other basic necessities such as decent shelter, to meet social and economic obligations and to have gainful employment; and

1.4.2.2.2 Physical insecurity, lack of skills, inadequate assets, ignorance, powerlessness to improve one's situation.

These two broad dimensions of rural poverty collectively translate to the denial of choices and opportunities to the bulk of rural Nigerians for living decent, healthy and creative life consistent with self esteem, freedom and dignity.

1.5 EVOLUTION ON INTEGRATED RURAL DEVELOPMENT POLICY

The present poor state of rural areas reflects the cumulative policy neglect and faulty planning and inadequate resource transfer; a legacy inherited from the colonial era. Until independence, the main objectives of development policy was extraction of surpluses from the rural areas for export. Thus, infrastructural development in the rural areas was dictated by the need to access these areas.

After independence, more conscious steps were taken to promote rural development. Regional governments became principal agents for rural development, including delivery of support services and improvement of social welfare. With the oil boom, less pressure was exerted on the rural areas with the migration of labour to urban areas, marginal increase in investment in the rural sector and the land tenure system. By 1976 government created the River Basin Development Authorities to concentrate resources on irrigation. Government also invested heavily on the provision of water supply and rural roads to rural communities. However, the overall impact was limited due to high cost of development, policy inconsistency and funding problems.

Further attempts were made to promote the rural sector, including the National Accelerated Food Production Programme (NAFPP), Operation Feed the Nation (OFN), and the Green Revolution (GR). Though these programmes sought to mobilize and attract the involvement of the farming communities through specific strategies, their impact was limited because they were unsustainable. In

in order to enhance the capacity of each state to plan and implement agricultural projects. Agricultural Development Projects (ADPs) were launched. Major components of these projects were:

- i. Rural infrastructure (rural roads, potable water supply);
- ii. Development of improved planting material;
- iii. Provision of agricultural research and extension services; and
- iv. Enhancement of impact of agricultural operations.

Although ADPs have achieved some of their stated development objectives, they will need continued enhanced budgetary support by all the three levels of government.

Additionally, the Directorate of Food, Roads and Rural Infrastructure (DFRRI) was created in the President's Office in 1986, with the mandate to strengthen the rural economy and tackle the wider problems of rural poverty. DFRRI together with existing sectoral ministries and public agencies (water resources, agriculture, education, health, communication, culture, banking, credit and insurance, energy, technology, trade, marketing, transportation and housing, etc) established basic strategies and programmes for the rural sector. Despite these efforts, there was no national policy on integrated rural development. Recognizing the problem, DFRRI organized a workshop in 1990 to discuss policy issues and options for Integrated Rural Development. Proceedings of the workshop were presented in the publication entitled *Integrated Rural Development in Nigeria: Policy Issues and Options* (1995). Thereafter, a draft *National Policy on Integrated Rural Development* was prepared, after very wide consultations. Government gave provisional approval but the Policy was not launched. However, following the resolution of the National Council on *Water Resources and Rural Development* in 1996, the then Federal Ministry of *Water Resources and Rural Development* reviewed the draft policy document and produced the *Proposed National Policy on Integrated Rural Development*.

Further consultations culminated in the Workshop on National Policy on Integrated Rural Development held in October 1999, which was organized by the Federal Ministry of Agriculture and Rural Development under which the Department of Rural Development has been domiciled since June of the same year after excision from the Federal Ministry of Water Resources.

POLICY OBJECTIVES AND STRATEGIES

2.1 POLICY OBJECTIVES

The Overall objectives of the National Policy on Integrated Rural Development draw from the national objectives of developing the rural people, alleviating rural poverty and using rural development to contribute to laying a solid foundation for national development.

Specifically, the objectives include:

- 2.1.1 To ensure significant reduction of poverty and ultimately its eradication in the shortest possible time;
- 2.1.2 To mobilize and empower the rural population to create wealth through increased agricultural, industrial and other productive activities;
- 2.1.3 To promote the expansion of the productive base of the rural economy through the creation and expansion of non-agricultural enterprises;
- 2.1.4 To provide rural support services and provide access to extension services inputs, credit and marketing services, and to raise rural productivity in general;
- 2.1.5 To establish an integrated network of cottage and rural industries, and to promote the acquisition of vocational and trade skills, arts and crafts;
- 2.1.6 To improve human resources and technological capacity of rural communities through education, training, extension and technical support services that facilitate the adoption of relevant technology by rural producers;
- 2.1.7 To promote the delivery of mass literacy in rural areas;
- 2.1.8 To promote the formation and proper management of producer cooperatives;
- 2.1.9 To strengthen rural organizational and institutional capacities for democratic and autonomous development;

- 2.1.10 to develop the rural areas and raise the quality of life in rural communities through the provision of rural feeder roads, potable water, sanitation, regular power supply, good health facilities and other socioeconomic facilities.
- 2.1.11 To create a network of rural marketing and distribution infrastructure to enhance profitable exchange of products between markets;
- 2.1.12 To facilitate the transformation of power and social relations at the community level in order to create the enabling environment for popular participation, wealth creation and fair distribution of benefits; and
- 2.1.13 To conserve rural environment as the basis for daily living and key to sustainable development with a view to enhancing the preservation of life and conservation of natural resources for renewable use.

2.2 STRATEGIES FOR INTEGRATED RURAL DEVELOPMENT

To achieve integrated and even development on a sustainable basis, the strategies to be adopted will empower rural dwellers through the development of productive employment, enhancing their income, ensuing protection of the environment, promoting gender responsiveness and ensuring adequate care for vulnerable groups. This will involve:

- 2.2.1 Community-Driven Participatory Approach (CDPA) in project identification, design, implementation, monitoring and evaluation;
- 2.2.2 Rationalization and realignment of public sector rural development institutions;
- 2.2.3 Heavy reliance on the private sector to lead investment in the rural sector to promote economic growth;
- 2.2.4 Collaborative efforts between government and other stakeholders for input delivery and marketing of agriculture and other rural products; and
- 2.2.5 Promotion of even development as a cardinal objective of integrated rural development.

PRIORITY AREAS OF INTEGRATED RURAL DEVELOPMENT

3.1 INTRODUCTION

Policies are implemented through the design and execution of programmes. The National Policy on Integrated Rural Development lays special emphasis on five priority areas:

- 3.1.1 Promotion of rural productive activities;
- 3.1.2 Supportive human resources development;
- 3.1.3 Enhancement of enabling rural infrastructure;
- 3.1.4 Special programmes for target groups;
- 3.1.5 Rural community organization and mobilization.

Policy framework, objectives and strategies and specific programmes in each of these focus areas are as specified below:

3.2 PROMOTION OF RURAL PRODUCTIVE ACTIVITIES

3.2.1 Policy Statement

Employment and income generating opportunities and activities shall be accorded a central place in the nation's integrated rural development agenda by all levels of government, since enhanced income at individual and household levels is the most effective and sustainable means of improving the quality of life of the rural dwellers. All agencies participating in the nation's integrated rural development programmes shall also be encouraged to emphasize employment and income generating activities to ensure full employment by year 2001 in all rural communities.

3.2.2 Objective

3.2.2.1 To diversify and expand employment and income generating opportunities and activities at the level of the rural community, particularly in the following areas:

- Agriculture, Fisheries, Animal Husbandry and Forestry;
- Mineral Resources Development;
- Manufacture and Industry;
- Marketing and Distribution; and
- Rural Financial Systems.

3.2.2.2 To improve the access that ordinary rural dwellers has to gainful employment opportunities and to facilities and inputs which enhance the utilization of such opportunities; and

3.2.2.3 To improve, in particular, the employment opportunities available to rural youth and the productive capacity and income status of rural women.

3.2.3 Strategies

3.2.3.1 Optimizing the exploration and exploitation of the natural mineral and cultural resource endowments of the rural areas for employment and income generation.

3.2.3.2 Adopting appropriate measures to ensure that the private sector plays an active role and contributes adequately towards the expansion of employment and income generating activities and opportunities in the rural areas.

3.2.3.3 Emphasizing labour-intensive technologies and techniques in project implementation, in order to optimize rural employment opportunities; and

3.2.3.4 Promoting appropriate legislation to facilitate the implementation of these strategies.

3.2.4.1 Agriculture, Fisheries, Animal Husbandry and Forestry

These are the dominant rural activities. The policy emphasis is on the small scale producers. Although these producers are responsible for the bulk of the sectoral output, they are yet to be effectively reached with solutions to their technical, socioeconomic and organizational problems which can assist them enhance their productivity and productive capacity.

Provision will be made for increased investment in research and extension services in support of the small producer. Although there is a long rich tradition of agricultural research in Nigeria, many areas of particular relevance to small producer remain unattended to or inadequately investigated. Such areas include research into feasible farming system for small farmers, appropriate technologies for small scale fisheries and economic and sustainable forestry exploitation. Traditional animal husbandry methods are very inefficient and wasteful, resulting in very low meat yield-to-herb ratios. Other critical areas of research include crop research, to expand the range of crops, improve yields and produce disease-resistant varieties.

Dissemination of the results of research and development has been very problematic, partly because there are not enough linkages between the researchers and the practitioners at the research stage, and partly because of the weaknesses of the extension service system and intensifying its coverage to a target of one extension worker to 500 farmers or less by year 2010. communities will be encouraged to bring more land under cultivation, and to adopt more efficient methods, techniques and

technologies for increased productivity, towards the achievement of national food self-sufficiency and a strong export base.

3.2.4.2 Mineral Resources Development

Nigeria is blessed with a wealth and variety of minerals, widely distributed in every part of the country. Only a small proportion of these has been discovered and assessed, and of this only a small proportion is being exploited. While this limited exploitation has already contributed significantly to the nations GDP and accounts for the bulk of our exports and foreign exchange earnings, it has done too little to improve the economy of the rural areas involved, and too much to bring social disaffection and environmental degradation. The objectives of the rural development policy in this sector is to correct this situation and transform the mineral sector into a powerful instrument of sustainable rural development with special emphasis on the empowerment and participation of the rural communities:

- 3.2.4.2.1 To explore, develop and exploit the mineral resources for rural area with a view to expanding their economic base;
- 3.2.4.2.2 To ensure that those rural communities endowed with mineral resources have appropriate and adequate stake in the local mining enterprises therein and derive full benefits from their operations; and
- 3.2.4.2.3 To ensure that the rural environment is protected and conserved by mining operators in the interest of sustainable development.

3.2.4.3 Manufacturing and Industry

The enormous potential of rural industrialization for energizing the rural economy is yet to be exploited. Rural industrialization

involved traditional arts and crafts, vocations and skills, as well as small-scale industry, but is not confined to these. In the modern information era, high technology industries are "footloose" locating wherever skills can be attracted, even in rural areas. Large-scale resource-based industries are also usually attracted to rural areas, provided, of course, there is a conducive environment. In order to promote, encourage and support rural industrialization, government will:

- 11.4.1 Promote an enabling environment for rural industrialization, through the development of rural infrastructure
- 11.4.2 Promote the establishment of small scale industries in rural areas with special emphasis on food processing and other agri-based industries;
- 11.4.3 Promote the establishment of linkages between rural small scale and large scale industries;
- 11.4.4 Rationalize, improve and expand the operations of the specialized government agencies and programmes involved in promoting rural industrialization, such as the Industrial Development Centres, the Technology and Skills Acquisition Centres, the National Directorate of Employment and Small Scale Industries Loan Scheme;
- 11.4.5 Encourage research institutes and other relevant agencies to conduct research relevant to the needs of rural industrialization and to disseminate the results of such research to local entrepreneurs;
- 11.4.6 Promote parastatals in the production of rural industrial raw materials and government institutions in all levels.

3.2.4.4 Marketing and Distribution

Marketing and distribution services are critical for the effective functioning of any economy; but these are very deficient in the rural areas. Rural marketing is a mass activity directly involving the tens of millions of rural producers selling their own produce and millions of small-scale businesses part-time and full-time operating in rural market places. Traditionally, official interest has been urgent with the decline in agricultural exports. However, improved domestic marketing and distribution has great potential for lowering the cost and increasing the range and volume of domestic marketing, thereby stimulating increased employment, output and income.

The small scale trader will continue to play the major role in domestic marketing and distribution. The role of Government will be to promote and support the improvement of their operations. Accordingly Government will:

- 3.2.4.4.1 Promote and provide market information services at national, state and local government levels;
- 3.2.4.4.2 Facilitate the improvement and modernization of the structure of the commodity market through the specification of standards and the introduction of quality control, grading and standardization;
- 3.2.4.4.3 Promote export marketing;
- 3.2.4.4.4 Intensify research into and disseminate effective methods of storage, packaging and preserving perishable commodities;
- 3.2.4.4.5 Promote structured linkages between rural producers and the manufacturing sectors so as to develop and expand stable marketers for rural produce;
- 3.2.4.4.6 Reduce the vulnerability of the farmer to seasonal and random producer price fluctuations by establishing

guaranteed minimum process for designated commodities, supported by the operation of buffer stocks; and

3.2.4.4.7 Support the development and management of facilities in rural markets.

3.2.5 Rural Financial System

Finance has long been recognized as the major constraint to rural enterprise. Most rural businesses rely on the very limited resources of the owner themselves and the assistance of relations and friends for the bulk of their financing. Traditional credit institutions cannot fill the gap and rural moneylenders are usurious. Appropriate measures will be pursued by all levels of government to facilitate the access of rural producers to rural financial services in support of their production activities. Accordingly government will:

3.2.5.1 Promote measures to facilitate the access of all categories of rural producers, individual farmers, individual and rural industrialists, cooperatives, other economic groups,) to credit on reasonable terms; encourage the development of traditional saving-and-credit institutions;

3.2.5.2 Encourage all relevant existing banking and credit institutions to extend their operations and facilities to rural areas; and

3.2.5.3 Promote the establishment and support for the operations of banking and credit institutions, which are particularly responsive to the needs of rural producers.

3.3 SUPPORTIVE HUMAN RESOURCES DEVELOPMENT AND UTILIZATION

3.3.1 Policy Statement

The critical and dynamic role of the total man in rural and national development must be recognized. It is man, properly oriented, effectively

organized, ably led and highly motivated, who plays the single most decisive role in the development process. The National Integrated Rural Development Policy therefore focused on bringing the best out of the rural dweller, though appropriate supportive human resources participation in, and benefit from, the development process. Rural human resources development and utilization shall also be made relevant to local needs and, in particular, to the promotion of rural economic, sociocultural and political development. Appropriate measures shall be adopted to ensure the attainment and maintenance in the areas of the national standard in education, health and social welfare, as stipulated in the relevant sectoral policies of the nation.

3.3.2 Objectives

- 3.3.2.1 To raise the quality of life in rural communities, thereby creating a conducive environment for social justice and raising the morale and sense of belonging of rural dwellers;
- 3.3.2.2 To enhance the quality of formal education and ensure the maintenance of national education standards in rural development;
- 3.3.2.3 To formulate and implement suitable adult, functional and non-formal education strategies and programmes for rural development;
- 3.3.2.4 To ensure comprehensive development and mobilization of human resources in rural areas in the task of rural transformation;
- 3.3.2.5 To ensure that both formal and non-formal education contribute fully to the development of productive capacities, political awareness and organization and effective citizenship among the rural population, in line with the democratic values enshrined in the Nigerian Constitution;
- 3.3.2.6 To ensure that the rural communities have equal access to information thus enabling them understand their circumstances, the opportunities and threats facing them and take appropriate decisions and actions; and
- 3.3.2.7 To inform, educate, conscientize, and mobilize Nigeria's rural populations to organize themselves properly to exercise their full rights as citizens and to participate fully and effectively in the economic,

sociocultural and political decision and programmes affecting their welfare and progress.

3.3.3 Strategies

Development is about people, and people are the best agents and judges of their own development. Government will promote programmes for improving the quality of life of rural people, enhancing their knowledge and skills and mobilizing them to participate more fully and more autonomously in the development effort. Special emphasis will be laid on the following:

3.3.3.1 Health and Population;

3.3.3.2 Culture and Social Development;

3.3.3.3 Education, Technology and Skills Development;

3.3.3.4 Research and Extension Services; and

3.3.3.5 Information and Communication.

3.3.4 Policy Areas

3.3.4.1 Health and Population

The African concept of health and population is holistic. It relates to the general ability to function in one's socioeconomic and cultural milieu. On every index of health and population development, the rural areas score poorly relative to the urban areas. Comparatively, the rural populations bear a burden of health risks, morbidity, incapacitation, infant, child, and maternal mortality, which limits their state of welfare and their ability to function productively in the society and economy. In recognition of these facts, both the National Health Policy and the National Population Policy have given special attention to the needs of the rural communities. Accordingly, the health and population component of the National Policy on Integrated Rural Development will be in harmony with the extant policies mentioned above. The main focus will be on the following areas:

3.3.4.1.1 Establishing a comprehensive healthcare facility in each rural community, within the Nation's Primary Healthcare System;

- 3.3.4.1.2 Providing and disseminating relevant health information to rural populations on such matters as personal hygiene, environmental sanitation, prevention and control of communicable diseases, the relationship between lifestyle, health and illness, etc;
- 3.3.4.1.3 Organizing and mobilizing traditional medical knowledge and facilities as part of the nation's healthcare system;
- 3.3.4.1.4 Enlarging the role of local governments in the organization, delivery and management of healthcare services to rural communities;
- 3.3.4.1.5 Strengthening of data on health resources, health status, health behaviour, utilization of health services, etc, at all level of he rural community;
- 3.3.4.1.6 Promoting the development of health resources at local government and rural community levels, e.g. the establishment of botanical herb gardens, laboratory facilities;
- 3.3.4.1.7 Coordination and integration of the operations of all healthcare agencies in local government areas and communities, to ensure rational and adequate coverage;
- 3.3.4.1.8 Collaborating with relevant agencies to enlighten the rural people on the prevention/control of such deadly diseases as HIV/AIDS, Malaria, Typhoid, Guinea worm infection, etc;
- 3.3.4.1.9 Providing information and education to rural population on the relationship between population growth, resource endowments and quality of life;
- 3.3.4.1.10 Promoting programmes and activities aimed at enhancing infant and child survival as well as curbing maternal mortality in the rural areas;
- 3.3.4.1.11 Facilitating access to family planning information, advice, means and services to interested individuals and couples; and
- 3.3.4.1.12 Improving the collection and analysis of demographic data and of its utilization in planning, especially at the local government and community levels.

The first part of the report deals with the general situation of the country and the progress of the various departments. It is followed by a detailed account of the work done in each of the principal departments, including the Home, War, and Navy Departments, and the various public offices.

The second part of the report contains a list of the principal officers of the various departments and public offices, and a list of the principal officers of the various public offices. It also contains a list of the principal officers of the various public offices, and a list of the principal officers of the various public offices.

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3.3.4.2.4 Expanding the rural people's opportunities for cultural and social development through enhanced food and nutrition security, improved access to qualitative and functional education, good health, information, including postal and other communication services, productive employment and other social welfare services;

3.3.4.2.5 Promoting sports and recreation, improving the mental and physical health of the rural population; and

3.3.4.2.6 encouraging CBRDOs and NGOs, PSEs to sponsor cultural and sports development activities in the rural areas.

3.3.4.3 Education, Technology and Skills Development

People bring about development. Relevant and sustainable rural development requires that the rural people have the knowledge and skills to understand their environment and circumstances, and articulate their needs. They should be able to interact on an autonomous basis with other stakeholders and use such instruments and processes to do or get done what needs to be done. To bring all this about, special attention will be paid to education, appropriate technology and relevant skills development and utilization.

The introduction of Universal Basic Education (UBE) addressed one of the most critical needs; it will correct the present situation in which many rural areas in some parts of the country record very low primary school enrolment and female enrolment ratios. Adult illiteracy, which is also acute in rural areas, will be massively attacked, so as to enable a larger proportion of rural people participate more fully in the development process and between the people and the various tiers of government as well as to promote mass consciousness and mass participation in integrated rural development activities; accordingly Government will:

3.3.4.3.1 Promote measures to expedite the provision and utilization of appropriate and adequate channels of information and communication to rural areas and the more effective utilization of such channels and facilities. Such channels include rural newspapers and community

service centres (comprising library, information bureau, meeting room, viewing rooms and documentation room) at local, government and community levels;

3.4.1.1 Diversify channels of information and communication, including traditional channels, to ensure improved coverage and relevance;

3.4.1.2 Encourage the systematic and effective collection, organization, dissemination, accessing and utilization of development and other information;

3.4.1.3 Organize campaigns to promote mass awareness and mobilize Nigerians in general and rural populations in particular so that they can initiate and/or participate actively in programmes aimed at enhancing rural development; and

3.4.1.4 Encourage the mass media to give due prominence to issues affecting rural development.

3.4. ENHANCEMENT OF ENABLING RURAL INFRASTRUCTURE

3.4.1 Policy Statement

Infrastructure deprivation is one of the major constraints to rural development. This makes the rural environment a difficult one to live in and adversely affects the level of productivity and welfare. Government will take adequate measures to assist the development and improvement of rural infrastructure with a view to stimulating and promoting sustainable growth of rural productive activities. In view of the enormity and complexity of the problem, Government will cooperate with Non-Governmental Organizations (NGOs), Non-Profit Organizations (NPOs), Private Sector Enterprises (PSEs), Community-Based Rural Development Organization (CBRDOs) and other relevant agencies in the choice, design, implementation and maintenance of rural infrastructural projects. This will ensure their appropriateness and sustainability.

Special attention will be paid to the following key areas:

3.4.1.1 Transport infrastructure and facilities;

3.4.1.2 Communications;

- 3.4.1.3Housing;
- 3.4.1.4Environment
- 3.4.1.5Energy; and
- 3.4.1.6Water and Sanitation.

3.4.2 Objectives

- 3.4.2.1To increase public investment in rural infrastructure so as to reduce the present unacceptable inequalities between urban and rural areas;
- 3.4.2.2To ensure the provision and maintenance of an adequate level of infrastructural facilities and services in the rural areas;
- 3.4.2.3To improve the capability of Local Governments and communities to participate effectively in the planning, provision and maintenance of rural infrastructure;
- 3.4.2.4To promote the participation of NGOs, NPOs, PSEs, etc in the provision and management of rural infrastructure.

3.4.3 Strategies

- 3.4.3.1Empowering Local Governments through financial and other appropriate assistance, to continue to increase and to maintain rural infrastructural projects;
- 3.4.3.2Encouraging State Governments to increase investments in rural infrastructure;
- 3.4.3.3Mobilizing rural communities for participation in the provision and maintenance of rural infrastructure;
- 3.4.3.4Promoting the training and hiring of qualified technical manpower at local government level for the construction and maintenance of rural infrastructure;
- 3.4.3.5Training local government personnel in the provision and maintenance of rural infrastructure;
- 3.4.3.6Encouraging local governments to patronize locally manufactured construction equipment; and

1.4.1. Encouraging Private, especially large, corporate investment, is an issue involved in the provision of such infrastructure in the areas they operate in partnership with the national government agencies and local authorities.

1.4.2. Transport Infrastructure and Facilities

The availability of transport infrastructure and facilities in rural areas seriously reduces the job opportunities and productivity of rural workers. This seriously limits and raises the cost of their access to the market and so on. Not surprisingly, the provision and improvement of such infrastructure is one of the top priorities of the government.

1.4.2.1. The government has been investing in transport infrastructure and facilities in rural areas.

1.4.2.2. The government has been investing in transport infrastructure and facilities in rural areas.

1.4.2.3. The government has been investing in transport infrastructure and facilities in rural areas.

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1.4.2.5. The government has been investing in transport infrastructure and facilities in rural areas.

1.4.2.6. The government has been investing in transport infrastructure and facilities in rural areas.

3.4.4.2 Communication Infrastructure

The very low level of development of communications infrastructure in Nigeria is out of tune with the demands of the present information age. With most of the few existing facilities in the urban areas, the rural communities are very poorly linked with the rest of the country and the world in general. Less than 20% of the rural communities have postal agencies. Where they exist, mail collection, circulation and delivery service is infrequent, uncertain and unreliable. Telecommunications facilities are very rare in rural areas.

In order to reduce the isolation of rural communities and integrate them more closely in the national communications system, Government will:

- 3.4.4.2.1 Encourage the establishment of more sub-post offices in the rural areas;
- 3.4.4.2.2 Encourage local communities to establish postal agencies, in order to ensure that every community is within convenient walking distance of a postal facility;
- 3.4.4.2.3 Ensure frequent and reliable collection, circulation and delivery of mail;
- 3.4.4.2.4 Extend the service range of existing telephone exchange to more rural communities;
- 3.4.4.2.5 Promote the use of modern communications facilities, such as telex, fax, and electronic mail in rural areas; and
- 3.4.4.2.6 Provide adequate coverage of rural communities by radio and television networks.

3.4.4.3 Housing

The normal unit of housing in the rural areas is the household compound, usually a set of buildings and spaces originally linked. While rural housing is generally less crowded than urban housing, the quality of housing and housing facilities is much lower. The objective of rural housing policy is to improve the quality of housing while keeping it

affordable and retaining the traditional values and relationships within cohesive household unit. A self-reliant and sustainable process of upgrading and improvement will be encouraged and supported. Government will encourage and promote effective private sector participation in the provision of rural housing and also invest adequately and systematically in the provision of related infrastructure and utilities, such as water, light, and sanitation.

Strategies for promoting rural development include:

- 3.4.4.3.1 Encouraging and popularizing the use of local building materials in all building construction projects;
- 3.4.4.3.2 Encouraging the modernization and upgrading of traditional housing designs and building materials in order to ensure greater safety, comfort, reliability and easy maintenance;
- 3.4.4.3.3 Developing and promoting improved cost-effective building technologies;
- 3.4.4.3.4 Promoting the formation of housing cooperatives in rural areas as a means of providing access to credit facilities;
- 3.4.4.3.5 Providing training opportunities for building professionals and artisans to improve their skills in the application and maintenance of local building materials; and
- 3.4.4.3.6 Expanding the activities of mortgage banks to cover housing in rural areas and promoting the establishment of building societies as source of credit for housing construction.

3.4.4.4 Environment

Integrated Rural Development Programmes shall fully support the objectives of the National Policy on Environmental Issues into developing planning and decision making, strengthening the legal basis for sustainable development, strengthening, improving and coordinating the implementation of sound environmental management strategies,

creating and improving capacity for sustainable development, promoting environmental education, information and public awareness and forging viable partnerships among various stakeholders and interest groups at community, national and international levels.

Accordingly, Government will promote measures to:

- 3.4.4.4.1 Conserve rural environment for sustainable development of rural livelihood;
- 3.4.4.4.2 Reclaim degraded rural lands and ensure improvement in the planning, management and utilization of land resources in the rural areas;
- 3.4.4.4.3 Conserve soil fertility in the rural areas as a basis for sustained agricultural production and productivity;
- 3.4.4.4.4 Promote community-based environmental conservation and rehabilitation programmes as well as support community-based initiatives to public education and enlightenment on good environmental practices;
- 3.4.4.4.5 Develop and utilize capacity at local government and community levels for efficient rural development management;
- 3.4.4.4.6 Give adequate protection to rural areas located in marine and coastal areas as well as along waterways regarding point and non-point sources of pollution and accidental spillages;
- 3.4.4.4.7 Encourage research into rural planning so as to develop and promote appropriate models of rural settlement;
- 3.4.4.4.8 Encourage states, local governments and communities to delineate parcels of land for parks, gardens, play grounds, forest reserves and grant communities a stake in the delineated reserves;
- 3.4.4.4.9 Mobilize rural communities to embark on tree planting to combat desertification and erosion, and to support and

participate in environmental sanitation campaigns and activities; and

3.4.4.4.10 Promote appropriate legislation to facilitate the enforcement of the rights of the rural people when their environment is degraded.

3.4.4.5 Energy

There is a serious energy crisis in the rural areas. Fuel wood accounts for over 85% of the domestic cooking fuel in households. It is becoming more scarce and expensive to obtain. Its gathering takes a significant proportion of the working day of women and children and has led to extensive deforestation, desertification and environmental degradation. The only other significant source of domestic fuel is kerosene, which accounts for about 10% of the rural fuel use. Less than one percent comes from electricity.

With most rural communities not connected to the national electricity grid or any local scheme, more than 80% of rural households have no access to electricity. The quality of rural life is thereby considerably diminished. Lack of access to electricity also discourages the establishment of modern industries. Government will promote the provision of electricity and other energy sources, including renewable and non-conventional forms, to all rural communities on a regular and sustainable basis. Accordingly, government will:

- 3.4.4.5.1 Pursue vigorously the programme of connecting all major towns and villages to the national grid distribution network;
- 3.4.4.5.2 Encourage and support initiatives to connect all communities to the national grid;
- 3.4.4.5.3 Promote the development and utilization of non-conventional energy sources for electricity generation and other energy

applications, including, solar, wind, biogas, geothermal, mini-hydro, etc;

- 3.4.4.5.4 Expand the existing national gas pipeline network to serve industries and domestic consumers both in urban and rural areas;
- 3.4.4.5.5 Encourage private sector entrepreneurs to establish fuel delivery facilities in the rural areas, subject to the relevant safety regulations;
- 3.4.4.5.6 Promote electricity consumption in rural areas by supporting realistic preferential tariff structures and developing effective cost-recovery methods;
- 3.4.4.5.7 Encourage research and development on other forms of energy suitable for the rural areas, particularly biogas, solar and wind energy; and
- 3.4.4.5.8 Encourage local fabrication of simple kerosene and gas stoves and other suitable devices at affordable prices, so as to discourage the use of firewood as main source of domestic energy.

3.4.4.6 Water and Sanitation

Lack of access to potable

Lack of access to potable water is a critical problem in the rural areas. Consequently, use of unsafe water is a major factor in the high rate of morbidity and child mortality in rural Nigeria including inadequacy of sanitation facility. Generally, about half of total households have no access to proper toilet facility, not even pit latrines.

The improvement of rural water and sanitation will receive high priority. Accordingly, Government will:

- 3.4.4.6.1 Explore and utilize all appropriate technologies to provide potable water to at least 10,000 communities each year;

3.4.4.2 Promote the use of cost-effective technologies for providing potable water at local levels such as schemes based on local streams, and ponds, constructing small earth dams, bore holes and wells and ensuring the maintenance of water supply systems and equipment;

3.4.4.3 Encourage local governments to train requisite staff and members of the communities for maintaining water and sanitation systems and equipment;

3.4.4.4 Encourage the local production of equipment for rural water supply and sanitation, as well as water treatment plants and chemicals; and Promote the development and adoption of improved sanitation practices.

3.5 SPECIAL PROGRAMMES FOR TARGET GROUPS

3.5.1 Policy Statement

While the powerlessness, marginalisation, deprivation and poverty of rural life affect every community, some social groups and geographic areas suffer conditions much worse than others do. They are affected by such special circumstances and confront such special problems that they deserve special attention. The most significant of these are:

3.5.1.1 Women

3.5.1.2 Youth;

3.5.1.3 Children;

3.5.1.4 The Orderly and the retired;

3.5.1.5 The handicapped;

3.5.1.6 Emergencies and natural disasters;

3.5.1.7 Disadvantaged areas; and

3.5.1.8 Border areas.

3.5.2 Objectives

3.5.2.1 To integrate disadvantaged groups and areas into the mainstream of the national development process;

3.5.2.2 To improve the economic life quality and social status of persons and communities in disadvantaged circumstances in rural areas; and

3.5.2.3 To promote full respect for the human rights, enhance the welfare and promote the full human development (economic, socio-cultural, political and legal) of persons and communities in disadvantaged circumstances and areas.

3.5.3 Strategies

Specific programmes will be designed to address their special problems. The purpose of the specific programmes is not to isolate the groups from the general programmes but to highlight their special problems and ensure that all relevant institutions and programmes take these duly into account and that, all efforts are adequately supported, coordinated and integrated, in the specific interest of the target groups.

3.5.4 Policy Areas

3.5.4.1 Women

Government will seek the accelerated improvement of the productive capacity, conditions of domestic life, life chances and social status of women in rural areas and the promotion and protection of their human rights.

3.5.4.1.1 Enhancing the access of women in the rural areas to production inputs, especially land, credit and modern agricultural inputs;

3.5.4.1.2 Enlightening women in the rural areas on the opportunities and facilities available for their economic, social and political advancement as well as for their personal and family health and well-being;

3.5.4.1.3 Promoting basic Literacy, functional literacy and income-generating action among rural women;

3.5.4.1.4 Encouraging parents and guardians to keep their daughters in school up to the age of 18 years.

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SECTION TWO

MONEY, CREDIT, FOREIGN TRADE AND MONEY EXCHANGE POLICY GUIDELINES FOR 2004/2005

INTRODUCTION

The Central Bank of Nigeria (CBN), adopted a medium term framework for monetary and credit policy. This was in recognition of the fact that monetary policy cannot be in tandem objectives with a substantial lag. Furthermore, the shift was required to free monetary policy from the problem of time consistency and over-reaction to a monetary shock. In order to further enhance the efficacy of monetary policy implementation, the medium term framework has been retained in 2004/2005. Thus, the present programme is designed for two-year period, beginning January 2004 to December 2005.

The purpose of this Circular is therefore, to outline the Monetary, Credit, Foreign Trade and Exchange Policy Guidelines applicable to banks and other Financial institutions in Nigeria in 2004/2005. As usual, the guidelines are subject to amendment in the light of developments in the financial markets and performance of the economy during the programme period. Such amendments would be conveyed to the relevant institutions in supplementary circulars as necessary. This circular is structured into four major sections and four appendices. Following the introduction, which is section 1, Section 2 reviews the developments in the economy and policy environment in 2003, as a background to policy measures for 2004/2005. Section 3 outlines the monetary and credit policy measures and guidelines for implementation by banks and other financial institutions in fiscal year 2004. The foreign trade and exchange policy measures are highlighted in Section 4. The appendices contain prudential guidelines and reporting formats for licensed banks.

SECTION TWO

2.0 REVIEW OF MACROECONOMIC AND POLICY ENVIRONMENT IN 2003

2.1 Macroeconomic Developments

The overall macroeconomic developments in 2003 were mixed. While compliance with monetary and external policy targets fell short of expectation, domestic inflation remained largely subdued, especially in the first half of the year. The problems of liquidity overhang and excessive demand pressure for foreign exchange however remained, particularly in the last four months of the year. The rapid monetization of crude oil receipts and the expansionary fiscal operations of the three tiers of government were the main causes.

Thus, the problem of fiscal dominance continued to pose serious challenges for monetary management. As a result, the growth in monetary aggregates exceeded the targets for the year by wide margins, while the external reserves level declined from US\$7.99 billion in December 2002 to US\$7.5 billion as at November 28, 2003. That however, could still finance about 6.0 months of imports as required under the West African Monetary Zone (WAMZ) convergence criteria. Bank deposit and lending rates moderated generally in 2003, influenced by the downward review of the CBN's Minimum Rediscount Rate (MRR) and the liquidity condition in the banking system. Except in the last quarter of 2003, the exchange rate of the Naira remained relatively stable since July 2002 when the Dutch Auction System (DAS) was re-introduced. Crude oil production and prices improved, while electricity consumption recorded a marginal increase. Nigeria's overall compliance with the primary convergence criteria under the WAMZ protocol was mixed in 2003, as progress was made in meeting some indicators, while slippages occurred in others.

In the first eleven months of 2003, the growth in monetary aggregates exceeded the programmed targets by wide margins, reflecting the expansionary fiscal operations of the three tiers of government. Available data as at November 2003, indicated that broad money supply (M_2) rose by 32.2 percent to ₦2,116.2

billion, as against the set target of 15.0 percent for the whole year. Similarly, narrow money supply (M_1) grew by 41.2 percent to ₦1,336.3 billion, as against the 13.8 percent growth, programmed for fiscal year 2003. The main expansionary factors of money supply were the significant increase in aggregate bank credit to the domestic economy, mainly to the Federal Government, and the moderate growth in the "other" assets (net) of the banking system.

Aggregated bank credit to the domestic economy rose significantly by 33.7 percent, as against the growth target of 25.7 percent for fiscal 2003. The growth was accounted for by claims on both the Federal Government and the private sector, with the former accounting for 55.7 percent of the total. Further analysis indicated substantial increase in the Central Bank's claims on the Federal Government in 2003. Credit to the private sector rose by 25.2 percent during the period, as against the programmed target of 32.3 percent for fiscal year 2003. Banks' deposit and lending rates moderated generally in 2003. The spread between the weighted average deposit and maximum lending rates narrowed from 12.65 percentage points in December 2002 to 10.0 percentage points in October 2003, while that between the average savings and minimum lending rates remained very wide at 13.6 percentage points. In response to the relative macroeconomic stability occasioned largely by the continued moderation in inflation rate, particularly output and employment growth, the Minimum Rediscount Rate (MRR) was reviewed downwards from 16.5 percent to 15.0 percent during the year under review.

In 2003, growth in real Gross Domestic Product (GDP) was estimated at 5.5 percent, as against the 9.0 percent target. The modest performance reflected, among the others, the effects of infrastructural deficiencies and other structural rigidities in the economy. The rate of inflation, however, showed further deceleration from 12.3 percent in 2002 to 11.7 percent by September 2003. The moderation in inflationary pressure reflects the dampening effect of the fall in food prices, resulting from increased agricultural output.

The external sector of the economy was under pressure, despite the improved performance of the oil sector during the year. The overall performance, however, was an improvement over the preceding year's performance, owing largely to increased earnings from crude oil exports. The average price of crude oil increased by 25.8 percent, from US\$23.06 in the first half of 2002 to US\$29.0 per barrel in November 2003. As a result of the buoyancy in the goods account, the overall balance of payments deficit declined from ₦315.41 billion (US\$3.41 billion) in the first half of 2002 to ₦153.28 billion (US\$1.66 billion) in the first half of 2003, while the current account swung from a deficit of ₦65.91 billion (US\$0.71 billion) to a surplus of ₦71.74 billion (US\$0.78 billion) during the same period. The capital and financial account recorded a deficit of ₦218.61 billion (US\$2.37 billion), down from the ₦42.07 billion (US\$2.62 billion) deficit recorded in 2002. At the Dutch Auction System (DAS) segment of the foreign exchange market, a total of US\$8.99 billion was sold from January through November, 2003. This represented an increase of 21.6 percent over the amount sold in the corresponding period of 2002. The Naira exchange rate under the DAS averaged ₦12867 per US\$1.00 in the eleven months period compared with ₦120.23 per dollar at the IFEM'DAS in the corresponding period a year earlier, indicating a depreciation of 6.6 percent. At the bureaux de change and parallel market, the Naira depreciated by 1.9 and 1.7 percent to ₦140.03 and ₦139.37 per dollar, respectively over the same period. The depreciation in all segments of the market reflected the persistent demand pressure for foreign exchange.

2.2 Outstanding Macroeconomic Problems and Policy Challenges for Fiscal year 2004/2005

The performance of the domestic economy in 2003 was characterized by the same problems as in the previous year. Monetary expansion was excessive, giving rise to high demand pressure in the foreign exchange market and persistent depreciation of the Naira in all segments of the market. Besides, the continued structural bottleneck in the economy frustrated the high expectation of a strong economic recovery during the year.

The demand for foreign exchange increased persistently, while the substantial allocation to raw materials importation did not reflect in improved performance of the industrial sector. Furthermore, the depressed economy has continued to worsen the problem of unemployment, particularly of high school and university graduates. The continued excessive reliance on crude oil as the nation's main foreign exchange earner has subjected the external sector, and indeed, the whole economy to the vagaries of developments in the international oil market. For example, unanticipated slump in the international market price of crude oil, without corresponding moderation in expenditure growth, had resulted in large budget deficit that elicited excessive borrowing from the CBN with adverse implications for monetary and price stability.

The high cost of inputs for agricultural production has been persistent over the years. They included fertilizers, agrochemicals, fishing nets, outboard engines and poultry feeds, among others. In particular, with the collapse of the National Fertilizer Company of Nigeria (NAFCON), the bulk of the fertilizer used in the country was imported and often received late after the planting season. The commodity markets in the country have remained weak and unorganized. Since the scrapping of the Commodity Boards, the problem of price fluctuations and poor quality control have intensified, especially for export crops, which have encountered a number of problems, including frequent world price fluctuations, and persistent terms of trade loss. In addition, the aggregate consumer purchasing power remained weak. Against this background, monetary, financial and external policy measures have been formulated to focus on the achievement of price and exchange rate stability while continued support will be given to the government in achieving non-inflationary real output growth and poverty reduction.

SECTION THREE

3.0 MONETARY AND CREDIT POLICY MEASURES IN 2004/2005

3.1 Objectives and Strategy of Policy

The primary objective of monetary policy in 2004/2005 is the maintenance of price and exchange rate stability. Specifically, monetary policy shall seek to maintain a single digit inflation rate during the period, through effective control of the growth of monetary aggregates. To this end, sustained efforts will be made to address the persistent problem of excess liquidity in the banking system and its adverse effects on inflation and exchange rate. In addition, the CBN will continue to ensure banking soundness and financial sector stability in order to enhance the efficiency of the payments system and effective transmission of monetary policy to the real sector in particular, the Bank shall seek to ensure effective enforcement of the market rules to engender the right market expectation. As in previous years, the broad measure of money supply (M_2) shall continue to be the intermediate target of monetary policy. Thus, during the two-year period, an average growth in M_2 of 16.25 percent shall be maintained, which translates to a maximum increase of 16.0 percent in 2004 and 16.5 percent in 2005.

3.2 Policy Measures

The conduct of monetary policy shall continue to be market-based, involving the discretionary management of the CBN's balance sheet, in order to ensure that the operating variables are within programme targets. The primary instrument or policy shall be Open Market Operations (OMO), supported by reserve requirements and discount window operations for enhanced effectiveness. The CBN's own intervention security would be issued, as the need arises, to ensure uninterrupted conduct of OMO and its effectiveness in liquidity control. Private initiated instruments such as the Bankers Acceptances (Based on Certificates of Deposits (CDs) would continue to be eligible at the

CBN's discount window, pursuant to the Bank's role as the lender of last resort.

3.2.1 Open Market Operations (OMO)

The conduct of OMO would continue to be by the Dutch Auction System in the secondary market, for short-term government securities, appropriately tenured to provide for various preferences in the market. OMO shall be conducted daily and Discount Houses will continue to act as intermediaries, although deposit-money-banks will be eligible to participate directly in the market. The daily OMO auction is expected to smoothen the flow of liquidity in the market and enhance efficiency in its management. In this regards, the conduct of OMO shall be by outright sales and purchases, complemented by the reverse transactions. The CBN would announce, daily, the shortage/surplus in aggregate liquidity while appropriate marketing strategy would be employed to achieve equilibrium in the system. Continued efforts shall this, be made to conduct OMO more proactively to achieve efficient liquidity management.

3.2.2 Reserve Requirements

Reserve requirements shall continue to serve prudential and liquidity management policy objectives.

3.2.2.1 Cash Reserve Requirement (CRR)

The cash reserve requirement shall continue to complement OMO towards the achievement of monetary stability. It would be recalled that a dual CRR was introduced in July 2002 to provide a lower cash reserve ratio of 9.5 percent to banks that increased their credit allocation to the real sector of the economy by 20.0 percent or more, over the level at end-June, 2002 while 12.5 percent was retained for other banks that failed to attain that level of performance. While the incentive of a lower CRR for banks that support the real sector is laudable, the policy of dual CRR created distortions in implementation and monitoring because of the tendency of some banks to window-dress their returns to the CBN in order to qualify for the concessionary rate. Given the fact that most

banks were already enjoying lower CRR, and for ease of implementation, it has become necessary that a uniform CRR be applied to all banks. It is expected that banks would respond favourably to this gesture, as they continue to extend credit to the productive sectors of the economy. To this regard, effective from 2nd January, 2004, the subsisting ratio of 12.5 percent is hereby reduced to a uniform 9.5 percent for all banks. As in 2003, the calculation of the CRR will be based on individual banks' total deposit liabilities (i.e. demand, savings and time deposits), certificates of deposits (CDs), promissory notes held by the non-bank public, and other deposit items. The CBN will continue to ensure the effective administration of the CRR through timely application of this instrument, not exceeding the two weeks maintenance period. It is essential to underscore the importance of timely rendition of monthly returns to the CBN by banks, in order to enhance the efficient administration of the cash reserve requirement. For this purpose, the mid-month returns by banks will complement the monthly returns, while a robust mechanism for projecting banks' total deposit base will be put in place in the course of 2004, to facilitate a speedy and effective implementation of the CRR. The CBN will continue to impose strict sanctions for non-compliance. The current policy of interest payment on reserves in excess of 8.0 percent shall be retained.

3.2.2.2 Liquidity Ratio

The minimum liquidity ratio currently fixed at 40.0 percent is retained. The rate shall, however, be systematically reduced at the problem of excess liquidity in the banking system abates. The base for calculation the liquidity ratio (LR) requirement will comprise all deposit liabilities (demand, savings and time as well as certificates of deposits (CDs), promissory note held by the non-bank public and other deposit items. As in the previous year, placements with and takings from Discount Houses shall be offset against each other and any surplus of assets or liabilities

shall be applied, as the case may be, in computing the LR requirement. Only inter-bank placements, which are fully collateralized by eligible instruments and readily rediscountable at the CBN, shall qualify as eligible liquid assets. For the avoidance of doubt, all collateral security lodged under the new clearing settlement arrangement, shall qualify as eligible assets for the computation of liquidity ratio of the settlement banks, while uncollateralized placements and money-at-call shall not qualify as liquid assets, but shall continue to qualify as loans and advances. The mandatory deposits with the CBN to meet the CRR and REPO transactions undertaken within 7 days of any statutory return date shall not qualify for inclusion as liquid assets in computing the LR. The requirement that discount houses should invest at the least 60.0 percent of their total deposit liabilities in treasury bills will continue in fiscal years 2004 and 2005. Similarly, the ratio of individual bank's loan to deposit ratio is retained at 80.0 percent.

3.2.3 Discount Window Operations

In pursuit of the objective of maintaining monetary stability and the need to promote the development of the money market, the discount window operations shall continue to be administered in accordance with the CBN's role as the lender-of-last-resort and to signal the direction of interest rate policy. To this end, transactions at the window shall be in the form of short term, largely overnight facility, backed by borrowers holdings of government debt instruments and other eligible instruments approved by the CBN. Changes in the rediscount rate will continue to be made in a dynamic manner in accordance with market dictates, to complement other policy initiatives to forestall the emergence of excess liquidity in the system.

3.2.4 Interest Rate Policy

As in the previous years, interest rates shall continue to be market-driven in fiscal year 2004 and 2005. To this end, the level and direction of interest rate

movements shall continue to be influenced indirectly by the CBN through proactive adjustment to its Minimum Rediscount Rate (MRR), to reflect the prevailing market conditions. The spread between banks' deposit and lending rates had remained unacceptably wide, with adverse implications for savings and investment growth. In this regards, the CBN would continue to promote a competitive financial environment, in order to encourage savings and investment growth. In particular, the Bank shall intensify its enlightenment campaign to sensitize the investing public on alternative investment opportunities in the financial market, including the newly introduced National Savings Certificate (NSC). The on going efforts by the CBN shall be further intensified to revitalize and strengthen the community banks, finance houses and development finance institutions (DFIs), with a view to enhancing the efficiency and public confidence in these institutions for the promotion of growth in financial savings and investment.

The procedures for interest rate determination by banks in 2004 are as follows:

- a. Banks shall continue to pay interest on current account deposits at rates of interest negotiated between them and their customers. Where deposits for special purposes are held for more than seven days, banks shall pay interest on such deposits at a rate agreed between the banks and their customers.
- b. The reducing balance method shall continue to be used for calculating interest charges on loans repayable instalmentally. The use of any other method, whatsoever, for loans payable in agreed installments, such as the method that would result in a higher effective rates than the contracted rate, is disallowed.
- c. Statement of account shall be rendered promptly, to each current account holder on monthly basis and shall include the following:
 - i. Commission on turnover (COT) and
 - ii. Rate of interest on over-drawn accounts, the amount and the period.

- d. Interest on savings accounts shall continue to be calculated on the customer's account as at the end of each quarter and any accrued interest paid shall be reflected at the time of calculation.
- e. The amount of deposits in a personal savings account on which interest is payable shall not be subject to any ceiling.
- f. Banks shall continue to design their pass books in such a way that the following information will be clearly shown when calculating the interest earned on savings deposits: interest rate applied, the amount of savings on which interest is calculated.
- g. The Inspectorate Department of each bank shall continue to have the responsibility for crosschecking bank charges and interest rates payable on deposit accounts. Where the Inspectorate Department of a bank discovers non-payment or underpayment of interest on deposits or other entitlement or excessive interest and bank charges, a return thereon shall be made to the Central Bank. Under payment and/or excessive interest and other charges shall be refunded with interest at the prevailing CBN minimum rediscount rate, along with a letter of apology to the customer within two weeks. Any bank which fails to refund excess charges or under-payment of interest on deposits within two weeks of the discovery of such error shall, in addition to the refund to the customer, be liable to a penalty amounting to 100.00 percent of the amount involved.
- h. Banks shall, in accordance with the provisions of BOFI Act No 25 of 1991, as amended, and amendments to Monetary Policy Circular No 30 of 1996, continue to display at their office their current lending and deposit rates, as well as publish such rates weekly in the national newspapers.

3.2.5 Remittance of VAT and Duty Collections

The requirement that banks should remit VAT and custom duties collected on behalf of the Federal Government to the CBN within seven days is retained during the programme period. As in the preceding year, banks, which keep

these deposits for more than the stipulated seven days, shall pay interest on such as directed by the CBN. Also, such deposits, which are not remitted within the stipulated period, shall form part of banks' deposit base for the purpose or computing both their Cash Reserve Requirement (CRR) and Liquidity Ratio (LR).

3.2.6 Framework for determining Banks' Cost of Funds

As in the previous year, banks shall, in computing their cost of funds, employ the weighted average cost of funds computation framework. The cost items in this framework will include banks' interest cost on the different types of deposit liabilities, borrowings from the inter-bank funds market, payments in respect of deposit insurance premium and costs due to reserve requirement. For the avoidance of doubt, overhead costs are excluded in this framework.

3.2.7 National Savings Certificate

With the approval granted by the Federal Government in 2003 for the issuance of the National Savings Certificate (NSC), as a medium to long-term financial instrument of between 3-12 years, it is envisaged that the instrument would provide alternative savings medium to the general public, particularly the low and medium income groups. This would also complement CBN's efforts in promoting growth in domestic savings and addressing the problem of excess liquidity in the banking system on a sustainable basis. Banks are enjoined to support the smooth operation of this scheme by providing necessary assistance to their customers willing to invest in the instrument.

3.2.8 Federal Government Development Stocks

The floatation of Federal Government long-term bonds which was introduced in 2003, shall continue to be explored during the year. The use of this instrument would deepen the financial market and encourage the government to source its long term financing needs from the capital market.

3.2.9 Minimum Balances on Personal Savings and Current Accounts

The minimum amount required for savings account by most banks has remained unduly high and inconsistent with the desired macroeconomic objective of promoting savings and investment growth. The observed trend has the potential to discourage savings and banking habit in Nigeria. Although the CBN has since discontinued with the policy of stipulating a mandatory minimum amount for opening a savings deposit account in line with the prevailing deregulated financial environment, banks are enjoined to give active and meaningful encouragement to small savers by avoiding the stipulation of unduly high minimum amounts for opening and maintaining savings accounts. In this regard, banks are encouraged to limit their minimum savings deposit requirement to ₦5,000 in 2004, in order to promote small and household savings in Nigeria.

3.2.10 The Payments System

i. Promoting the use of cheques and E-money

The CBN will continue to encourage the use of cheques towards enhancing the efficiency of the payments system. To complement this effort, Government and public institutions should lead in popularizing the use of this instrument, by accepting cheques for debt settlements. In this regard, the CBN will, in consultation with the Accountant General of the Federation (AGF), encourage government agencies to accept cheques for services rendered as practiced allover the world.

To further improve the efficiency of the payment system, the CBN has issued the broad guidelines on electronic banking (e-banking). E-banking practice in Nigeria will continue to be promoted in line with global trend. The bank will continue to encourage banks to install ATM machines for cash withdrawals. Also, in order to encourage the use of electronic money (e-money), in line with international best practices, the Bank will in due course issue specific guidelines on the standards and use of e-money products such as credit cards, debit cards, digital cash,

etc. With the recent revolution in the telecommunications sector, the environment for efficient e-banking service delivery has been laid.

ii. Automation of the Payments System

The CBN will continue to promote the automation of the payments system to reduce delays in the clearing of payment instruments; reduce cash transactions; and enhance the transmission mechanism of monetary policy. In order to deal with large-value payments and settlements, the CBN has embarked on the implementation of the Real Time Gross Settlement (RTGS) system. The RTGS will eliminate the risk in large-value payments, and increase the efficiency of the payments system.

iii. Settlement and Clearing Banks

Settlement accounts for banks that meet the prescribed criteria for clearing, and settlement operations shall be maintained by the CBN. This would foster a safe, stable and smooth-functioning banking system, devoid of collateral shocks and disruption, as well as ensure settlement finality with the CBN. To this end, the following are the minimum requirements for maintaining Settlement Accounts with the CBN.

- Capacity to provide the clearing collateral of not less than ₦15.0 billion worth of treasury bills, which will be reviewed from time to time.
- Ability to offer agency facilities to other banks and to settle on their behalf nationwide.
- Branch network in all the CBN locations.
- Meet the volume and value criteria, which will not be less than 2.5 percent of the volume and the value of cleared items.

Banks that meet the specified requirements shall be designated as “Settlement Banks”. Other banks that fail to qualify shall do their clearing through the Settlement Banks under agency arrangement and shall be known as “Clearing Banks”. The terms of agency arrangements

shall be mutually agreed between the Settlement Banks and the associated Clearing Banks.

All banks shall continue to maintain a single account with the CBN. While the single account to be maintained by a Settlement Bank shall be known as "SETTLEMENT ACCOUNT", the single account to be maintained by a non-settlement (clearing) bank shall be known as "OPERATIONS ACCOUNT". The clearing balances as well as the up-country transfers of the clearing banks shall be posted into the accounts of the settlement banks at the CBN, under agency arrangements. The operations accounts (which shall be maintained in credit at all times) shall be used by the clearing banks for all their transactions with the CBN.

3.2.11 Publication of Financial Statements

In accordance with Section 27 of BOFI (1991), as amended, a bank is required, subject to the written approval of the CBN, to publish not later than 4 months after the end of its financial year, its audited financial statements (balance sheet, and profit and loss account) in a daily newspaper printed and circulated in Nigeria. It has been observed that some banks have not been complying with these requirements. To ensure greater commitment by the Boards and Management of banks to the compliance with this mandatory requirement, the CBN shall hold the Board Chairman and Managing Director of any defaulting bank directly responsible for the breach and impose appropriate sanctions which including the following:

- a. Barring the MD or his/her nominee from participation in the Bankers' Committee and disclosing the reason for such suspension.
- b. Suspension of foreign exchange dealership license and the bank's name sent to the Nigerian Stock Exchange in the case of a Plc.
- c. Removal of the Chairman and Managing Director from office if the accounts remain unpublished twelve months after the Bank's financial year.

3.2.12 Other Policy Measures

a. **Financing the, Development of SMEs**

In recognition of the role of Small and Medium Scale Enterprises (SMEs) in the promotion of economic growth and employment generation, the Government has put in place various measures and schemes to assist the SMEs, including the establishment of sector specific development finance institutions (DEIs) such as the Bank of Industry (BOI) and the Nigeria Agricultural, Cooperative and Rural Development Bank (NACRDB). In addition, the initiative of the Bankers' Committee to finance and promote SMEs through the introduction of Small and Medium Industries Equity Investment Scheme (SMEIES) in 2001 should facilitate the growth and diversification of the economy. It is anticipated that as banks get involved in SMEs funding and management, confidence in the subsector will improve, such that international financial institutions will be encouraged to provide needed financial support for SMEs in Nigeria. The CBN shall continue to facilitate, monitor and encourage the effective implementation of SMEIES. In this regard, banks are required to continue to render the CBN, their investment report under the scheme, on monthly basis.

b. **Small and Medium Industries Equity Investment Scheme (SMIEIS)**

In pursuance of the objectives of the SMIEIS in facilitating improved funding of the small and medium industries, as a vehicle for generating output and employment growth, as well as the development of indigenous technology, measures aimed at accelerating the pace of utilization of banks' set-aside resources under the scheme shall be rigorously pursued by the monetary and fiscal authorities in 2004.

The CBN will effect the withdrawal of all overdue and un-invested set-aside funds under the Scheme from affected banks as from fiscal year 2004, and invest such funds in the Nigerian Treasury Bills until suitable

investment projects are found by the banks or the funds are transferred to the Bank of Industry for investment on behalf of the banks. In addition, the CBN will continue to support the banks through capacity building by providing free training workshops and seminars to develop their skill in equity investment management in order to facilitate speedy utilization of set-aside funds under the Scheme. The CBN will also continue to carry out enlightenment campaigns to create public awareness for the Scheme. In order to assist both the investing banks and potential entrepreneurs to identify suitable projects for equity investment, the Central Bank of Nigeria has commissioned comprehensive base-line studies to be compiled as a compendium of bankable projects, ideas and potential raw materials available in each state and geographical zones of the country. The CBN will effectively disseminate the information to all stakeholders.

c. **National Credit Guarantee Scheme for SMEs (NCGS)**

A major constraining factor to bank financing of the SMEs has been the inability or promoters of such enterprises to provide required collaterals to reduce the risk of defaults in repayments. In this regard, a National Credit Guarantee Scheme would be established in 2004, to mitigate the risks associated with lending to the sector. The scheme is expected to encourage financial institutions, particularly, deposit money banks to lend to small businesses, which have viable projects and good prospects or success, but are unable to satisfy the lender's collateral requirements. Eligible beneficiaries of the scheme would be micro, small and medium scale enterprises in manufacturing activities or related service industries, as officially defined by the National Council on Industry. Furthermore, the scheme is intended to complement the SMIEIS in channeling funds to the real sector of the economy, particularly SMEs. In this regard, a bank would be compensated under the scheme on the condition that it extends credit to SMEs. The details on the modalities of the scheme would be provided in due course.

d. CBN Rediscounting and Refinancing Facility (RRF) for Medium to Long-Term Credit

It would be recalled that the Re-financing and Re-discounting Facility (RRF) established to encourage banks to lend on medium-long-terms to the productive sectors, elicited only a modest response from banks. Accordingly, a review of the Guideline on RRF will be undertaken in fiscal year 2004 and 2005, in collaboration with all stakeholders, in order to regenerate interest in the use of the facility and make it more attractive to banks.

e. Revitalizing the Community Banks (CBs)

All community banks shall continue to render quarterly statutory returns to the Director or Other Financial Institutions Department, Central Bank of Nigeria, Lagos or the Liaison Office, Abuja not later than 14 days after the end of each quarter. Any late submission or non-remittance would attract appropriate sanctions in line with the provisions of the Revised Guidelines on community banks. The CBN has meanwhile approved the participation of community banks in the Agricultural Credit Guarantee Scheme. The minimum paid-up capital of a community bank shall be ₦5.0 million. In addition, following the removal of the restrictive shareholding structure of 5.0 percent for individuals and 30.0 percent for Community Development Associations (CDAs), each shareholder, individual or corporate bodies can hold any percentage share of the equity of a community bank.

f. Orderly Development of the Banking System

Efforts will continue to be made to facilitate the orderly development of the financial sector, as well as ensure banking soundness and financial sector stability. Towards this end, the following measures shall apply in 2004 fiscal year.

i. **Minimum Paid-up Capital Requirement**

In view of the need to strengthen the operational capacity of deposit money banks and minimize the risk of distress new banks were required to provide a minimum paid up capital of ₦2.0 billion effective 2001, while the existing banks were required to raise their capital base to ₦1.0 billion by end 2002. In order to ensure a strong financial base for banks and enhance public confidence in the banking industry, all existing banks are encouraged to raise their minimum paid-up capital to ₦2.0 billion by end -2005.

ii. **Transparency in Banking Operations**

The CBN will in fiscal years 2004 and 2005, continue to closely monitor the operations of banks, in order to ensure the adoption of international best practices, compliance with regulations and sound banking system. In this regards, the CBN will continue to consult and dialogue with stakeholders in the industry to foster better understanding. Furthermore, the Bank will continue to encourage self-regulation and promote high ethical standards in the banking industry. It is hoped that the issuance of guidelines on risk management and e-banking will help to ensure banking soundness and financial sector stability.

iii. **Moral Suasion**

The CBN will continue to use moral suasion, through regular dialogue and consultations with banks and other financial institutions, under the aegis of the Bankers Committee and through other communication channels, to promote enhanced efficiency in the banking industry, and high ethical standard and professionalism in interest and exchange rate management.

g. Public Sector Deposits

Movement of public sector deposits in and out of the banking system by the monetary/fiscal authorities is an important instrument of monetary management that could be used during the programme period, if the need arises. Accordingly, deposits of key government parastatals and overhead of core ministries could be moved from deposit money bank of the CBN, depending on the liquidity conditions of the system. In this regards, deposits money banks shall receive prior notice before public sector deposits are withdrawn or re-injected into the system, as directed by monetary conditions.

3.2.13 Existing Monetary Policy Measures Retained/Modified in Fiscal Year 2004 and 2005

1. Bank Credit Expansion

Only banks, which meet the following criteria, shall be permitted to grant new credit facilities in 2004.

- a. Specified cash reserve requirements
- b. Specified liquidity ratio;
- c. Prudential Guidelines
- d. Statutory minimum paid-up capital requirement
- e. Capital adequacy ratios, and
- f. Sound Management.

The position of each bank shall continue to be examined on a monthly basis with respect to these criteria and every bank that meets them, would be duly notified. Banks, which fail to meet the requirements, shall not be allowed to grant further credit until the situation is normalized. In the event that a bank, which has all along met the criteria, suddenly reverses and becomes unhealthy, such a bank will be precluded from granting further credit until the situation is normalized, to the satisfaction of the supervisory authorities.

2. **Grace Periods on Loans to Agriculture**

In view of prevailing deregulated financial market environment, there is need for financial institutions to continue to observe appropriate grace periods on agricultural loans, in recognition of the differences in harvest periods of various agricultural products. In this regard, banks are enjoined to always allow borrowers adequate grace periods for repayment spread on agricultural loans.
3. **Prudential Guideline for Licensed Banks**

The existing prudential guidelines on early recognition of losses and adequate provisioning for bad and doubtful debts are retained in 2004. Accordingly, deposit money banks are required to strictly observe the prudential guidelines outlined in CBN Circular No. BSD/DOCS/VOL 11 of 7th November 1990, and No. BSD/CS/23/VOL 14 of 15th May, 1991. Similarly, the provisioning requirement on credit accommodation to all tiers of government (by which banks are required to make 50.0 percent provision on performing credits and 100.0 percent for classified credits) as contained in CBN Circular No. BSD/DO CIR/VOL/2001/13 of 10 July 2001, is retained.
4. **Capital Fund Adequacy**

In keeping with international standards, the minimum ratio of capital to total risk-weighted assets has been increased from 8.0 percent in the preceding year to 10.00 percent with effect from 1st January 2004. Furthermore, at least 50.0 percent of a banks capital shall comprise paid up capital and reserves, while every bank shall maintain a ratio of not less than one to ten (1:10) between its adjusted capital funds and total credit net of provisions.
5. **Foreign Guarantees/Currency Deposits as Collateral for Naira Loans**

The abolition of foreign guarantees for Naira denominated loans as contained in the Monetary Policy Circular No.23, April 1989 (by which

deposit money banks were prohibited from granting loans denominated in Naira on the security of foreign bank guarantees and/or foreign deposits held abroad and/or domiciliary accounts with Nigerian banks), that was lifted in 2003 remains lifted in 2004. However, any request for such guarantees shall be subject to prior approval by the CBN.

6. Rules for Currency Transactions

Pursuant to the provisions of Section 21 of Foreign Exchange (Monitoring and Miscellaneous Provisions) Act No.17, 1995, persons who import foreign currency in excess of US\$5,000.00 by cash and lodge such money in a domiciliary account with an authorized dealer, can only make cash withdrawals from the account. Also, by virtue of Section 22 of the same legislation, no person in Nigeria shall make or accept cash payment, whether denominated in foreign currency or not, for the purchase and acquisition of landed property, stocks, shares, debentures, all forms of negotiable instruments and motor vehicles. Payments for those items shall be made by means of bank transfers or cheques drawn on banks in Nigeria. In order to ensure full compliance with this regulation, all banks are required, as in the previous year, to appoint Compliance Officers whose duty shall be to ensure that the provisions are complied with. The Compliance Officers shall report all breaches of the regulation to the CBN, through the Chief Executive Officer of each bank, in such a manner as the CBN may prescribe.

7. Responsibilities of Banks' External Auditors to the Supervisory Authorities

Existing Central Bank of Nigeria's directives to all banks to instruct their external auditors to forward two copies of their audit reports to the CBN not later than three months after the end of banks' financial year shall remain in force in fiscal year 2004/2005. In addition, reports on frauds and forgeries committed during the accounting year shall accompany the audited reports. Furthermore, each bank shall continue to

communicate the appointment, re-appointment, termination and resignation of the bank's external auditors to the CBN, stating the reason for such action. Where a bank fails to comply with this requirement the CBN reserves the right to withhold the approval of such appointments, thereby attracting the stipulated penalty for noncompliance. In recognition of the complementary role of external audits, banks are required to ensure that their external auditors are in attendance at the presentation of the Bank Examination Report by the supervisory; Authorities to their Board of Directors. Furthermore, external auditors shall devote a portion of their report to the review of the bank's implementation of prior year's audit recommendations.

8. **Banks Operating Subsidiary Companies Offering Financial Services**
Banks with subsidiary companies offering financial and related services shall continue, as in the previous years, to report on the operations for such companies along with their Monthly Returns to the Central Bank of Nigeria.
9. **Public Complaints Desk at the Central Bank of Nigeria**
The CBN shall continue to maintain a Public Complaints Desk at its Head Office and each of its branches to enable the public to lodge any complaints they may have against their banks. Where the case against any bank is proved, the bank shall be required to make necessary amends and pay appropriate penalties. This measure is aimed at encouraging banking habit and promoting efficiency in the delivery of financial services in order to boost public confidence in the system.
10. **Agricultural Credit Guarantee Scheme (ACGS)**
The developmental role of the CBN will continue to be vigorously pursued in 2004/2005. To ensure improved supply of credit to agriculture, the Scheme shall improve performance on settlement of claims to the lending banks to encourage them to increase their participation under the Scheme. The amendment of the original law,

which allows the guarantee of larger amounts of loans (₦1.0 million for individual secured loans and ₦10.0 million for corporate bodies and cooperative societies), will also be pursued in 2004. Participation in the operation of the ACGS has been expanded to include Community Banks (CBs) with effect from 2004. Thus, CBs will be eligible to participate in lending under the ACGS and such lending shall qualify for guarantee under the Scheme with effect from 2004.

11. Interest Drawback Programme (IDP)

Concerns over the prevailing high interest rates, especially, for borrowers in the agricultural sector, necessitated the establishment of an Interest Drawback Programme (IDP) in 2003. The IDP moderates the effective borrowing rate to farmers by providing those who repay their loans and as when due a refund of 40.0 percent of what they paid as interest on such loans. In fiscal years 2004 and 2005, eligible beneficiaries under the programme will be entitled to a refund of 40.0 percent of interest paid on eligible bank loans after liquidating the underlining credits. This incentive is to encourage timely loan repayment by farmers and attract more banks to lend under the ACGS.

12. Returns from Banks

All banks in the country are required to report accurately, faithfully and promptly, on their activities in the prescribed format for the mid-month, monthly, quarterly and semi-annually returns. Such designated returns (diskette and hard copy) shall be forwarded to the regulatory/supervisory authorities, not later than 5 days after the 15th day of each month for mid-month returns, 10 days after the end of each report month in the case of monthly returns, and 14 days after the end of each quarter in the case of quarterly and semi-annual returns. Copies of the returns, duly signed, as applicable to the relevant departments, shall forwarded to the Directors of Banking Supervision, Research, and Banking Examination

Departments of the CBN and the Directors, Off-Site Supervision Department of the NDIC. Banks are also enjoined to send monthly and mid-month returns on public sector account balances with them to the Directors of Banking Operations.

13. **Other Financial Institutions**

It is mandatory for finance companies, discount houses, mortgage institutions, development banks, community banks and bureaux-de-exchange operating in the country to render regularly to the CBN, accurate and timely returns on their operations, and any other information as may, from time to time, be required by the CBN. The supervisory framework for these institutions will be further streamlined and strengthened, while other complementary measures necessary to enhance the effectiveness of CBN surveillance activities, and the orderly development of the financial market, shall be further pursued in 2004. The institutions are also to submit their audited accounts to the CBN for approval before publication, in accordance with the provisions of the CBN and BOFI Acts and other existing or revised operating guidelines. All regulatory requirements for each of the institutions in this regards as contained in Monetary Policy Circular No. 36 of 2003/2004 are retained, specifically, the specified deadlines for the submission of returns should be met, while all institutions are enjoined to adhere to all existing and revised guidelines issued on their operations in 2004/2005 to facilitate the achievement of desired objectives.

14. **Penalties for Default**

As in the previous years, the CBN shall, in 2004/2005 continue to enforce all the stipulated penalties for non-compliance with the regulatory guideline as well as provisions of the CBN Act, 1991 and Banks and Other Financial Institutions Act, 1991, as amended. Any financial institution that fails to comply with the existing and revised

guidelines issued by the CBN as well as other directives as the Bank may issue from time to time, or fails to furnish within the stipulated time any statistical and other returns as the CBN may, from time to time prescribe, shall be liable to appropriate fines as determined by the CBN or such other penalties as (provided for by the enabling law). In serious cases of default, the CBN may suspend or revoke any license issued to the defaulting institution. The Bank shall sustain its surveillance activities during the two-year programme period and invoke the relevant provisions of the existing laws, as deemed appropriate, in order to enhance the safety, soundness and efficiency of the financial system. All sanctions stipulated in the Monetary Policy Circular No.36 of 2002/2003 shall be applied.

15. Policy on Transparency in Financial Transactions

In line with the recommendation of Basle Committee on Banking Regulations and Supervisory Practices, all financial institutions are required to continue to observe the following standards to promote transparency in financial transactions.

a. Customer Identification

Financial institutions are enjoined to intensify efforts to determine the true identity of all customers requiring their services. In particular, financial institutions should not, as a matter of policy, conduct business transactions with customers who fail to provide evidence of their identity. The principle of “know your customer” (KYC) should be strictly adhered to in 2004/2005 fiscal years.

b. Compliance with the Law

Licensed banks and other financial institutions shall observe high ethical standards as well as the laws and regulations governing their operations. In particular, banks are required to ensure full compliance with the Guidance Note and other relevant circulars

on money laundering surveillance, issued by the CBN, in order to ensure the enforcement of the provisions of the Money Laundering Act 1995. Efforts should be made to ensure full compliance in terms of disclosure of relevant information of depositors as stipulated in the Act, including strict observance of the “know your customer” principle, to ensure that illegally acquired funds are prevented from being injected into the financial system. Appropriate sanctions have been put in place for breaches of this law.

c. Cooperation with Law Enforcement Authorities

Banks and other financial institutions are required to cooperate fully with law enforcement authorities within the limits of the rules governing confidentiality. In particular, where financial institutions are aware of facts which lead to a reasonable presumption that the funds lodged in an account or transactions being entered into, derived from criminal activity or intention, they should observe the stipulated procedures for disclosure or the suspicious transactions in reporting to the law enforcement authorities. Any contravention of the above-stated guidelines by any financial institution shall attract penalties as stipulated in the Bank and Other Financial Institutions Act, 1991, as amended, or the Money Laundering Act, 1005, as appropriate.

4.0 FOREIGN TRADE & EXCHANGE POLICY MEASURES

4.1 New Policy Measures for 2004/2005

4.1.1 Foreign Exchange Market

- i. Bill of lading/Airway bill/Way bill required for imports to Nigeria shall be clausued “shipped on Board” or “clean on Board” and shall be issued by the Master of the carrying vessel or his agent or the Carrier or his agent.

- ii. It shall be the responsibility of Authorized Dealers to ensure that documentation on transactions, including documents forwarded to the Central-Bank of Nigeria for approvals-in-principle are authenticated and certified genuine.
- iii. Authorized-Dealers shall be free to deal in autonomous funds in their own right, subject to compliance with advised Open Position Limits. However, no bank shall purchase autonomous funds, including inter-bank funds, in the market on behalf-of a customer without a valid, duly documented-underlying transaction from the customer.
- iv. The maximum amount which bureaux de change can sell is US\$2,500.00 per transaction.

4.1.2 Consultant's Verification of NOTAP Certifications

There has been significant rise in foreign exchange transfers under the invisible category in recent times. In particular, requests for technical fees have risen very sharply, without the commensurate level of transfer/acquisition of technology by the country. Consistent with-the policy of transparency, a consultant's verification-of National Office for Technology Acquisition and Promotion (NOTAP) certification would be required for foreign exchange disbursements for technical fees and royalties, with effect from January, 2004. Details of documentation requirements in this-regard shall be communicated to the banks in due course.

4.1.3 Ex-Post -Inspection of Imported-Goods

Pending the introduction of the BXB2 project, the ex-post inspection of import will now cover a wider range of items. Details can be obtained from the Director of Trade and Exchange, Central Bank of Nigeria, Abuja.

Foreign Exchange Market

i. Dutch Auction System

In a continued effort to stabilize the exchange rate for the Naira, as well as enhance the efficiency of the foreign exchange allocation through a market-based exchange rate determination, the Dutch Auction System re-introduced in July 2002, shall be retained in 2004/2005.

The Foreign Exchange Market (FEM) shall continue to operate freely. However, no individual or organization shall deal in foreign exchange, except as provided for by the relevant laws and regulations.

iii. Foreign exchange purchased from the CBN shall be used for eligible transactions and shall not be transferable in the foreign exchange market.

iv. Mixing of funds purchased from the CBN with any other acquired from autonomous sources shall be allowed, provided they are duly segregated and properly recorded to ease reconciliation. Consequently, banks shall continue to render appropriate returns on sources of funds and utilization to the CBN.

v. Holders of ordinary domiciliary account shall continue to have unrestricted access to funds in their accounts. In other words, the instructions of the account holder shall be sufficient to access funds in the account irrespective of the payment mode required.

vi. Payment in foreign exchange for products and services provided to a Nigerian company to another Nigerian company or subsidiaries shall not be allowed in the foreign exchange market. However, where the ordinary domiciliary account or offshore account

- vii. Utilization of funds in the non-oil Export domiciliary accounts shall continue to be subject to eligible transactions.
- viii. All oil and soil services companies shall continue to sell their foreign exchange brought into the country to meet their local expenses to any bank or their choice including the CBN. Monthly returns shall be rendered to the CBN by both the oil companies and banks on such and purchases, using the approved format.
- ix. All applications, whether or not valid for foreign exchange, visible or invisible trade transactions, shall continue to be approved by banks subject to stipulated documentation requirements before remittance of funds.
- x. Current transactions involving the use of bills for collection shall be allowed, provided relevant documents are passed through Authorized Dealers. Transactions executed on private sector initiative, shall carry no government guarantee or obligations. The remittances may be made through the foreign exchange market, subject to the prevailing conditions for payment. For the avoidance of doubt, the use of Open Account remains abolished.
- xi. The payment of Bills for collection transactions shall continue to be limited to 180 days from the date of Bill of Lading.
- xii. Payment of interest in respect of (xi) above shall continue to be on the tenor of the Bill but not exceeding 180 days at a maximum of 1.0 percent above the prevailing prime lending rate in the country of the beneficiary (e.g. LIBOR in the UK).
- xiii. Foreign exchange transactions shall continue to be subject to minimum documentation requirements, largely for statistical purposes.
- xiv. All requests for foreign exchange by the public sector shall continue to be processed by the CBN in accordance with existing guidelines.

- xv. Funding of Business Travel Allowance (BTA) and Personal Travel Allowance (PTA) shall be eligible to the foreign exchange market, subject to the maximum of US\$2,500.00 per quarter for BTA and US\$2,000.00 per six months (twice a year) for PTA. Relevant documents (i.e. passport and ticket of beneficiary) shall be endorsed accordingly. For travels to countries in the ECOWAS sub-region, BTA and PTA should be issued in ECOWAS Travelers' Cheques.
- a. The initial validity of Form "M" established in respect of plant and machinery made to specification shall be one year subject to extension for another 180 days by the processing bank without recourse to the CBN. Thus, the maximum life span of an approved Form 'M' for importation of machinery, plant and equipment is one and half years.
 - b. The initial validity of an approved Form 'M' for general merchandise shall be for 180 days. The validity of approved Form 'M' and related Letters of Credit may be extended more than once by Authorized Dealers provided that, with the extension, the validity of the Form 'M' does not exceed the maximum life span of 360 days.
 - c. Charges for services rendered by non-resident experts in respect of the design, installation and commissioning of projects shall continue to be treated as an integral part of the total cost of such projects and the prescribed procedures for Form 'M' it shall apply. They shall also be subject to verification by the National Office for Technology Acquisition and Promotion (NOTAP). No direct or separate remittances on Form 'A' in respect of such charges shall be allowed.

4.2.2 Pre-shipment Inspection

- i. All goods, except personal effects, used motor vehicles and perishables, i.e. day-old chicks, human eyes, human remains, vaccines, yeast, periodicals, magazines, imported into the country shall be subject to pre-shipment inspection in the country of supply and issuance of an appropriate Clean Report of Inspection (CRI).
- ii. Whether exempted from pre-shipment inspection or not, importation of all goods into the country shall require completion of Form 'M'.
- iii. To minimise price variations, Authorized Dealers and importers are to ensure that the invoices submitted at the time of registration of the Form 'M' are "valid" and remain so as at the date of shipment of goods.

4.2.3 Import Duty Payment Procedures

- i. Import duty payable on all registered Form 'M' transactions, whether or not valid for foreign exchange, shall be calculated on the basis of the CBN prevailing rate in the Foreign Exchange Market on the day preceding the inspection of goods.
- ii. Approval for duty exemption shall be obtained before shipment of relevant consignment to avoid unnecessary delay and transit of goods at the ports.
- iii. Payment of import duty and other charges shall be made through the processing bank provided that it is a designated bank.
- iv. The banks designated to receive import duty payment shall continue to be used for that purpose on confirmation of the completion and registration of Form 'M' for the imports.
- v. Payment of import duty shall be by bank cheque/draft duly issued by the importer's bank and made payable to the "Federal Government Import Duty Account". All such cheques and drafts

shall, in the first instance, be paid to any of the designated banks and cleared before receipt, evidencing payment, is issued and other relevant shipping documents are released to the importers.

- vi. The designated banks are required to transfer all Customs revenue collected by them to the nearest CBN Branch or Currency Centre on the Monday following the week collection was made, using CBN cheques.

4.2.4 Export- Trade and Promotion

- i. Repatriated non-oil export proceeds and other inflows shall be held in Domiciliary Accounts maintained with Authorized Dealers. Banks shall continue to maintain two types of Domiciliary Accounts, namely, Exports Domiciliary Accounts and Ordinary Domiciliary Accounts. Holders of Domiciliary Accounts shall continue to have easy access to the funds maintained therein subject to the observance of existing guidelines.
- ii. Exporters and other foreign exchange earners are permitted to sell their export proceeds and other foreign currencies to Authorized Dealers at mutually agreed rates. Moreover, exporters are allowed to sell their export proceeds to banks other than those where they maintain Exports Domiciliary Accounts.
- iii. Payment for exports from Nigeria shall continue to be by means of letters of Credit or any other approved international mode of payment. However, whatever the mode of payment adopted, the relevant proceeds shall be repatriated within 90 days of the date of shipment or the goods to a stated Exports Domiciliary Account.
- iv. Efforts at enhancing non-oil receipts through the use of incentive schemes like the New Manufacture-in-Bond and the Negotiable Duty Credit Certificate (NDCC) shall be sustained.

4.2.5 Invisible Trade Transactions

- i. The remittances for licences (trademarks, patent, etc) or technical services agreements shall range between 1.0 and 5.0 per-cent of net sales value or profit before tax where net sales value is not applicable. Similarly, permissible management service fees in respect of project where no profit is anticipated during the early years shall range from 1.0 to 2.0-percent net of sales during the first three to five years only. In the case of Hotel service, a basic fee or lump sum not exceeding 3.0 percent or net sales plus an incentive fee not exceeding 12.0 percent of Gross Operating Profit - (GOP) shall be applicable. The certificate of registration issued by NOTAP shall be; included in the documentation requirements for the purpose of procuring foreign exchange for such transactions.
- ii. Remittable consultancy fees shall be a maximum of 5 percent of project cost and limited to projects of very high technology content for which indigenous expertise is not available. Service agreements for such high technology joint ventures shall continue to include schedule for the training of Nigerian personnel for eventual take-over. In addition, Nigerian professionals shall be involved in the project implementation from inception.
- iii. Permissible royalty in respect of know-how; patents and other industrial property rights shall range from 1.0 to 5.0 percent of net sales. Remittance in the Foreign Exchange Market shall be allowed in respect or bonafide Nigerian students pursuing courses of GCE A' level and above in overseas institutions, based on the prescribed documentation including the Embassy/High Commission letter.
- iv. Authorized Dealers are required to exercise prudence and scrutinize all requests for Personal Travel Allowance by residents

and Business Travel Allowance by companies incorporated in Nigeria and ensure that only valid transactions are entertained.

- v. Foreign nationals may remit 100.0 percent of their income net of tax as Personal Home Remittance (PHR) subject to the usual documentation requirements.

4.2.6 Miscellaneous Policy Measures

- i. The declaration on Forms TM & TE of foreign current imports and exports, respectively, of US\$5,000.00 (Five thousand US Dollars) and above or its equivalent is required for statistical purposes only.
- ii. Travelers entering and leaving Nigeria are required to declare any amount above ₦10,000.00 (Ten thousand Naira only) in their possession at the time of arrival in or departure from the country.
- iii. All contracts entered into in Nigeria shall continue to be denominated in Naira only.
- iv. Only hotels registered as Authorized Buyers shall accept foreign currency from visitors in settlement of hotel bills. However, payment of such bills in foreign currency shall be optional and at the discretion of the foreign visitor making the payment.
- v. Appropriate sanctions shall continue to be imposed on Authorized Dealers who release funds on the basis forged documents, engage in fraudulent transactions, fail to transfer customs revenue to the CBN in accordance with the laid down procedures, default in furnishing accurate returns on due dates and/or fail to report defaulting customers, etc.
- vi. Appropriate sanctions shall also be imposed on bank Customers who breach any of the foreign exchange operational guidelines.
- vii. All Authorized Dealers are required to refer policy issues in respect of foreign trade and exchange, of which, they are in

doubt, to the Trade & Exchange and Foreign Operations
Departments of the Central Bank of Nigeria for clarification.

CHIEF (DR) JOSEPH SANUSI, CON
GOVERNOR CENTRAL BANK OF NIGERIA
ABUJA

2nd JANUARY 2004

APPENDICES

APPENDIX I

REF: BSD/DO/23 VOL 1/11 7th NOVEMBER 1990

PRUDENTIAL GUIDELINES FOR LICENSED BANKS

Without prejudice to the requirements of the Statements of Accounting Standard on Accounting by Banks and Non-Banking Financial Institutions (Part I) to be issued by the Nigeria Accounting Standards Board (NASB) in the near future, licensed banks shall be required to adhere to the prudential guidelines enunciated in this circular for reviewing and reporting their performances, with immediate effect. In view of the international nature of banking, the guidelines are based on practices endorsed by reputable international financial institutions and regulatory authorities. These guidelines should be regarded as minimum requirements and licensed banks, which already have more stringent policies and practices in place, are encouraged to continue with them.

2.0 Credit Portfolio Classification System

- 2.1 Licensed banks should review their credit portfolio continuously (at least once in a quarter) with a view to recognizing any deterioration in credit quality. Such reviews should systematically and realistically classify banks credit exposures based on the perceived risks of default. In order to facilitate comparability of banks classification of their credit portfolios, the assessment of risk of default should be based on criteria which should include, but are not limited to, repayment performance, borrower's repayment capacity on the basis of current financial condition and net realizable value of collateral.
- 2.2 Credit facilities (which include loans, advances, overdrafts, commercial papers, bankers' acceptances, bills discounted, with a bank's credit risks) should be classified as either "performing or non-performing" as defined below;
 - a. a credit facility is deemed to be performing if payments of both principal and interest are up to date in accordance with the agreed repayment terms.
 - b. a credit facility should be deemed as non-performing when any of the following conditions exists:
 - i. interest on principal is due and unpaid for 90 days or more.

- ii. interest payments equal to 90 days interest or more have been capitalized, rescheduled or rolled over into a new loan (except where facilities have been reclassified in 2.3 below).

2.3 The-practice whereby some licensed banks-merely renew, reschedule or roll-over non-performing credit facilities without taking into consideration the repayment capacity of the borrower is objectionable and unacceptable. Consequently, before a credit facility already classified as “non-performing” call be reclassified as “performing”, the borrower must effect cash payment such that outstanding unpaid interest does not exceed 90 days. Non-performing credit facilities should be classified into three categories namely, Sub-Standard, Doubtful or Lost on the basis of the criteria specified below:

a. Sub-Standard

The following objective and subjective criteria should be used to identify- sub-standard credit facilities:

- i. Objective criteria: facilities as defined in 2.2(b) on which unpaid principal and/or interest remain outstanding for more than 90 days but less than 180 days.
- ii. Subjective criteria; credit facilities which display well defined weaknesses which could affect the ability of borrowers to repay such as inadequate cash flow to service, under capitalization or insufficient working capital, absence of adequate financial information or collateral documentation, irregular payment of principal and/or interest, and inactive accounts where withdrawals exceed repayments or where repayments can hardly cover interest charges.

b. Doubtful

The following objective and subjective criteria should be used to identify doubtful credit facilities:

- i. Objective criteria: facilities on which unpaid principal and/or interest remain outstanding for at least 180 days but less than 360

days and are not secured by legal title to leased assets or perfected realizable collateral in the process of collection or realization.

- ii. Subjective criteria; facilities which in addition to the weakness associated with sub-standard credit facilities reflect that full repayment of the debt is not certain or that realizable collateral values will be insufficient to cover bank's exposure.

c. **Lost Credit Facilities**

The following objective and subjective criteria should be used to identify lost credit facilities:

- i. Objective criteria: facilities on which unpaid principal and/or interest remain outstanding for 360 days or more and are not secured by legal title to leased assets or perfected realizable collateral in the course of collection or realization.
- ii. Subjective criteria: facilities which in addition to the weaknesses associated with doubtful credit facilities, are considered uncollectible and are of such little value that continuation as a bankable asset is unrealistic such as facilities that have been abandoned, facilities secured with unmarketable and unrealizable securities and facilities extended to judgment debtors with no means of foreclosable collateral to settle debts.

2.4 Banks are required to adopt the criteria specified in paragraphs 2.1 to 2.4 to classify their credit portfolios in order to reflect the true accounting values of their credit facility

3.0 **Provision for Non-performing Facilities**

3.1 Licensed banks are required to make adequate provision for perceived losses based on the credit portfolio classification system prescribed in paragraph 2 in order to reflect their true financial condition. Two types of provisions (that is

specific and general) are considered adequate to achieve this objective. Specific provisions are made on the basis of perceived risk of default or specific credit facilities while general provisions are made in recognition of the fact that even performing credit facilities harbour some risk of loss no matter how small. Consequently, all licensed banks shall be required to make specific provisions for non-performing credit as specified below:

- i. For facilities classified as Sub-standard, Doubtful or Lost:-
 - interest overdue by more than 90 days should be suspended and recognized on cash basis only.
 - principal repayments that are overdue by more than 90 days should be fully provided for and recognized on cash basis only.
- ii. For principal repayments not yet due on non-performing credit facilities, provision should be made as follows:
 - a. Sub-standard Credit Facilities: 10.0 percent of the outstanding balance.
 - b. Doubtful Credit Facilities: 50.0 percent of the outstanding balance.
 - c. Lost Credit Facilities: -100.0 percent of the outstanding balance.

3.2 For prudential purpose, provisioning as prescribed in 3.1 should only take cognizance of realizable tangible security (with perfected legal title) in the course of collection or realization. Consequently, collateral values should be recognized on the following basis:

- i. For credit exposure where the principal repayment is in arrears by more than six months, the outstanding un-provided principal should not exceed 50.0 percent of the estimated net realizable value of the collateral security.
- ii. For credit exposure where the principal repayment is in arrears by more than one year, there should be no outstanding un-provided portion of the credit facility irrespective of the estimated net realizable value of the security held.

7.0 Off-balance sheet Engagements

- 7.1 A proper appraisal of off-balance sheet engagements should be undertaken with a view to determining the extent of loss a bank may likely sustain. Off-balance sheet items include Letters of Credit, Bonds, Guarantees; Indemnities, Acceptances, and Pending or Protracted Litigations (the outcome of which could not be easily determined).
- 7.2 The following factors should be taken into consideration in recognizing losses on off-balance sheet engagements:
- Date liability was incurred
 - Expiry date
 - Security pledged
 - Performance or other facilities being enjoyed by the customer, e.g. loans and advances.

Full provisions must be made for any loss that may arise from off-balance sheet transactions.

- 7.3 Off-balance sheet engagements should not form part balance sheet totals while their disclosure in note form should distinguish between:
- direct credit substitutes, such as guarantees acceptances and standby letters of credit serving as guarantees;
 - transaction-related contingencies, such as bid bonds, performance guarantees and standby letters; of credit related to particular transactions;
 - short-term self-liquidating trade related contingencies resulting from the movements or goods; and other contingences.

APPENDIX II
BANK RETURNS

a. Monthly Returns

- i. Profit on Interest Rates;
- ii. Statement of Assets and Liabilities;
- iii. Break-down of "Other" Liabilities;
- iv. Break-down of "Other" Assets;
- v. Report on External Assets and Liabilities;
- vi. Schedule of Placement with Other Banks;
- vii. Schedule of Takings with Other Banks;
- viii. Schedule of Negotiable Certificates of Deposit (NCDs) Held;
- ix. Schedule of Negotiable Certificates of Deposit (NCDs) Issued;
- x. Statement of Maturity Profile-of-Assets and Liabilities;
- xi. Report on Total Credit Granted;
- xii. Report-on Credit Allocation by Sectors, Borrowers and Interest Rates;
- xiii. Report on Cost or Funds;
- xiv. Report on-Deposit Ownership;
- xv. Report on Lending Above the Statutory Limit;
- xvi. Schedule of Foreign Exchange Purchases from Other Banks;
- xvii. Schedule of Foreign Exchange Sales to Other Banks;

b. Quarterly Returns

- i. Profit and Loss Account;
- ii. Report on Total Credit Granted;
- iii. Report on Structure of Deposits;
- iv. Report on Non-Performing Credits;
- v. Report on Non Performing "Other" Assets;
- vi. Report on Non-performing-Off-Balance Sheet Engagements;
- vii. Report on Non-performing Credit by-Sector;
- viii. Report on Credits to Officers, Directors, Principal Shareholders and their related interests;

- ix. Report on top Users of Funds;
 - x. Foreign Exchange Interest Repatriation and Distribution;
 - xi. Report-on-Distribution of Net Proceeds of Interest Repatriated;
 - xii. Foreign Exchange Holdings by Authorized Dealers.
- c. **Semi-Annual Returns**
- i. Report on Investment in Shares;
 - ii. Report on Corporate Profile;
 - iii. Report on Branch Network;
 - iv. Report on Banks Directors;
 - v. Report-on Bank's shareholders; and
 - vi. Report on Management and Top-Officers.



SECTION THREE

NATIONAL POLICY ON FOOD AND NUTRITION IN NIGERIA

FOREWORD

Malnutrition has long been recognized as a consequence of poverty and lack of basic nutrition education. Since the beginning of this decade, the close relationship between malnutrition and under-development has continued to be emphasized, particularly at the various international summits aimed at improving the welfare of women and children. An important Conclusion that emerged from these discussions and in particular from the 1992 International Conference on Nutrition (ICN), held in Rome, was that nutritional well-being of all people is a precondition for development and a key objective of progress in human development. 'Therefore, reducing malnutrition is an important goal of development, since malnutrition not only slows development, it leads directly to suffering and death.

The recent ratification of Food and Nutrition Policy by the Nigerian Government is a major landmark in the current efforts to deal with the scourge of malnutrition, which has been the most devastating among young children and pregnant and lactating mothers. As we begin to develop intervention programmes based upon the objectives of this policy, a solid foundation will have been laid for higher productivity and the development of improved physical and mental development among our people.

Chief Philip Asiodu

Chief Economic Adviser to the President of Nigeria

PREFACE

Food security at the aggregate and household levels, and access to adequate basic health services are essential prerequisites for good nutrition. Good nutrition is necessary to achieve a healthy and active life, optimize educational performance, and enhance productivity. The generally poor economic situation in Nigeria has aggravated the poor nutrition status of the citizenry.

The major nutritional problems in Nigeria are:

- a. protein-energy malnutrition; and
- b. micronutrient deficiencies.

These scourges have been most devastating in the vulnerable groups of infants, young children and pregnant and lactating women, particularly in the poorer segments of society. Malnutrition is a drain on the nation's human resources and a hindrance to development, with enormous costs in human social, and economic terms.

The Federal Government of Nigeria has formulated this National Policy to deal with the multi-faceted problem of food and nutrition, using a multi-sectoral and multidisciplinary programme approach. The programme to be derived from this policy is expected to reduce the prevalence of malnutrition by alleviating poverty through increased access to productive resources, increased incomes, and enhanced standards of living.

This Food and Nutrition Policy document is intended to serve as a framework to guide the identification and development of intervention programmes. It is also aimed at addressing the problems of food and nutrition across different sectors and different levels of the Nigerian society, from the individual, household and communities to and including the national level.

Implementation of this policy shall involve sectoral ministries, institutions of higher learning, the private sector, individuals, Families, communities, community based organizations (CBOs), Non-governmental organizations (NGOs) and the International Agencies.

The Federal Government of Nigeria shall ensure that this policy remains operational for Fifteen (15) years, i.e. to 2016, to permit a sustained pursuit of the goals and objectives set forth herein.

**NATURE, EXTENT AND CAUSES OF NUTRITION
PROBLEMS IN NIGERIA**

Background:

In the past, food and nutrition-related activities in Nigeria have been sectoral, uncoordinated and limited in scope. Various ministries prepared policies in which nutrition considerations were addressed from the perspective of the respective ministerial mandates. The policies included:

1. Health Sector Nutrition Policy;
2. Agricultural Policy;
3. Science and Technology Policy;
4. National Policy on Education;
5. Social Development Policy;
6. Rural Development Policy;
7. Women in Development Policy;
8. Mass Communication Policy; and
9. Industrial Policy

In 1990, a National Committee on Food and Nutrition (NCFN) was established and domiciled in the Ministry of Science and Technology to, among other things, formulate a National Food and Nutrition Policy and a National Food and Nutrition Plan of Action. With the phasing-out of that ministry in 1993, the NCFN was transferred to the Federal Ministry of Health. In 1994 NCFN and its emerging programmes were relocated to the National Planning Commission (NPC) because of its unique position as the government agency responsible for coordination and monitoring of all national policies and programmes including budgetary aspects as well as all technical assistance programmes in the country.

The Food and Nutrition Situation in Nigeria

The problems of hunger and malnutrition in Nigeria are more severe now than ever before. It has been estimated that the percentage of Nigerian households that are food insecure has risen from 18% in 1986, to over 40% in 1998. Malnutrition is widespread and its prevalence is high. Poverty, inadequate investment in the social sector, inadequate dietary intake, and disease have been identified as the major causes of malnutrition in Nigeria. In the recent past, the extent of malnutrition has increased as a result of economic hardships faced in the country. Nutrition is manifested mainly as under nutrition (both macro- and micro-nutrients) and in diet-related non-communicable diseases.

Food Situation

Previously, food security in Nigeria was addressed almost exclusively in terms of aggregate food availability at the national level. Consequently, insufficient attention has been paid to the issue of household food security, especially in the poorer segments of the population. The concept of household food security ensures that households are able to obtain adequate food, either through home production or through food purchases. Therefore, combating household food insecurity will entail increasing access to productive resources such as land, labour, input and credits, as well as increased income from farm activities.

While it has been reported that, at the national level, Nigeria produces enough food to meet the caloric needs of her population, there is strong evidence that national food production has, in the recent past, failed to keep pace with the population growth, and has been declining in per capita terms, despite efforts by government to stimulate food and agricultural production through various measures and incentives.

Poverty is the basic reason for a lack of access to food. It has been estimated that about 40% of all Nigerians live below the absolute poverty line and that the incidence of poverty is more pronounced in the rural areas and in the agricultural sector. It is also, however a problem in urban and non-urban areas.

The prevalence of malnutrition among the groups follows the same trend as that of poverty surveys. Food intake studies showed that in 1986, the national daily per capita

average intake of energy and protein amounted to 2,071 Kcal and 54 grains per day, respectively (Len. 1992), which suggests that the households consumed less food than they required. There is also evidence that low-income, rural and semi-urban adults consume less than 60% of their energy needs and less than 40% of their Protein needs with the energy' shortage further undermining protein utilization efficiency. A dichotomy has been noted with respect to food access between rural and urban households in Nigeria.

A 'food share' analysis performed using 1993 data, and suggested that most Nigerian household spend more than 75% of their income on food alone indicating a high prevalence of food insecurity. The food distribution system in Nigeria remains largely inefficient, due to factors such as crop seasonality, inadequate storage technology and facilities, inadequate transport and distribution systems and inadequate market information. All of these result in considerable spatial and seasonal variation in food production and availability and are responsible for the considerable food price variations in the country.

Another major problem affecting food availability, especially at the household level, is an inadequacy of food storage facilities at that level, resulting in significant storage losses. Losses of cereals such as maize, millet and sorghum. are estimated in the range of 25% to 30%; for root crops from 50% to and approximately 70%, for fruits and vegetables. Additionally due to lack of adequate storage facilities and economic pressures, farmers sell part of their produce soon after harvest at low and unremunerative prices, resulting in escalating food prices during the off-season period - often two to three times higher than prices immediately following the harvest.

Nutrition Situation in Nigeria

An increasing number of Nigerian households have become food insecure as a result of the downturn of the economy, rising inflation and escalating food prices that erode their purchasing power. The major consequences of food insecurity are protein-energy malnutrition and micro-nutrient deficiencies. In addition, diet-related. Non-communicable diseases (e.g., diabetes, hypertension) are becoming more prevalent.

Protein-Energy Malnutrition (PEM)

Numerous studies based on analyses of anthropometric data from children in various parts of Nigeria, have shown a high prevalence of household food insecurity and under-nutrition. The Nigerian Demographic and Health Survey (NDHS 1990), revealed that 43.1% of children under five years of age are stunted, an indication of the prevalence of household food insecurity. This survey also found the proportion of underweight children to be 35.70%, attributable to transitory food insecurity. The proportion of children suffering from wasting was estimated at 91%. A more recent study by UNICEF (1995) in ten states of the federation reported the proportion of wasted children to be 57.60% and wasting to be 10.9%, indicating the situation is worsening. All of these forms of malnutrition result from a combination of inadequate food intake, lack of access to clean water and health and sanitation problems. The worsening trend is a reflection of the poor economic situation and deteriorating state of household food security in Nigeria. The poor environmental sanitation, hygiene and unsafe drinking water result in a high prevalence of infectious and parasitic diseases, particularly in infants and children, further aggravating the already poor nutritional state. Prevalence of under nutrition has been generally reported to be higher in rural areas of the country. Maternal under-nutrition results in low birth weight which in turn contributes to high infant mortality and is also a significant factor in the high incidence of maternal mortality in Nigeria.

Micronutrients

The proportion of the population suffering from micronutrient deficiencies and the resultant diseases is at a critical level. Nearly 20 million Nigerians are estimated to suffer from iodine deficiency disorders (IDD), with the current prevalence of goiter put at 20% (UNICEF 1993). Vitamin A deficiency (VAD) is reported to be more common in the northern parts of the country, where palm oil is not a major component of the traditional diet. VAD is a major contributory factor to childhood blindness and cornea ulceration. The Participatory Information Collection (PIC 1993) data show that 9.2% and 7.2% of children and women, respectively, are vitamin A deficient. In addition some areas show prevalence levels as high as 45%. A number of studies indicate that

vitamin A deficiency is a major contributory factor to the high infant mortality rate in those areas. Another common problem is nutritional anaemia, with a prevalence of 25% to 30% among mothers and children respectively (PIC, 1993). The high maternal mortality is, in part, attributable to the high incidence of anaemia.

Diet-Related, Non-Communicable Diseases

Diet-related diseases, such as diabetes, hypertension, cardiovascular diseases, cancer, etc., are also on the increase in Nigeria. The increasing prevalence of these diseases is due to the changes in the diet and lifestyle of the people of Nigeria.

GOALS AND OBJECTIVES OF FOOD AND NUTRITION POLICY

Food and nutrition are an integral part of the overall national objective of improving the socioeconomic well-being of the people of Nigeria. In the large, societal context, - within which malnutrition exists. It is important to note that the following policy objectives will be pursued in the overall national programme:

1. Improvement of the economic situation of Nigeria, with particular emphasis on protecting the well-being of the most vulnerable groups in society, and
2. Increased investment in the social sector, thereby raising the status of women in our society by increasing their access to and control over productive resources.

Overall Goal

The overall goal of Nigeria's Food and Nutrition Policy is to improve the nutritional status of all Nigerians, with particular emphasis on the most vulnerable groups, i.e. children, women and the elderly.

Specific Goals

The Food and Nutrition Policy aims to promote the following specific goals;

- i. Establishment of a viable system for guiding and coordinating food and nutrition activities undertaken in the various sectors and at various levels of the society, from community to the national level;
- ii. Incorporation of food and nutrition considerations into development plans and allocation of adequate resources towards solving the problems pertaining to food and nutrition at all levels;
- iii. Promote habits and activities that will reduce the level of malnutrition and improve the nutritional status of the population;
- iv. Identify sectoral roles and assign responsibilities for the alleviation of malnutrition;

- v. Ensure that nutrition is recognized and used as an important indicator to monitor and evaluate development policies and programmes; and
- vi. Promote good, indigenous food cultures and dietary habits of Nigerian people for healthy living and development.

Specific Objectives

To achieve the overall goal of improving the nutritional status of vulnerable groups, a number of specific objectives have been formulated, as follows:

1. To improve food security at the household and aggregate levels to guarantee that families have access to adequate (both quantity and quality) and safe food to meet nutritional requirements for a healthy and active life;
2. To enhance care-giving capacity within households with respect to child feeding and child care practices, as well as addressing the care and well-being of mothers;
3. To improve the provision of human services, such as healthcare, environmental sanitation education and community development;
4. To improve capacity within the country to address food and nutrition problems; and to raise understanding of the problems of malnutrition in Nigeria at all levels for society, especially with respect to its causes and possible solutions.

Targets

The following targets are being set to address the food and nutrition problems in the country:

1. Reduce the level of poverty by 20% by the year 2000;
2. Reduce starvation and chronic hunger to the barest minimum through increased food intake;
3. Reduce under-nutrition, especially among children, women and the aged, and, in particular; severe and moderate malnutrition among under-fives by 30% by the year 2010;

4. Reduce micronutrient deficiencies, particularly iodine deficiency disorders (IDO), vitamin A deficiency (VAD), and Iron deficiency anaemia (IDA) by 50% of the current levels by the year 2010;
5. Reduce the rate of low birth weight (2.5 kg or less) to less than 10% of the current levels by the year 2010;
6. Reduce diet-related, non-communicable diseases by 25% of current levels by the year 2010;
7. Improve general sanitation and hygiene, including availability of safe drinking water;
8. Reduce the prevalence of infectious and parasitic diseases that aggravate the poor nutritional status of infants and children by 25% of the current levels.

**STRATEGIES AIMED AT ACHIEVING FOOD AND
NUTRITION POLICY OBJECTIVES**

Strategies aimed at effecting the policy objectives stated in chapter two are as follows:

A. Improving Food Security

1.0 Increasing Access to Food

- Initiate new and strengthen existing programmes and projects in the agricultural and non-agricultural sectors to increase household income especially in the poorer segments of the population;
- Promote income-generating activities in the economy, with particular emphasis on socio-economically disadvantaged groups;
- Promote proper land use and soil conservation practices;
- Ensure the availability of adequate and appropriate technologies and improved agricultural inputs at the proper time during the agricultural season especially ensuring access to same by poorer groups;
- Establish effective channels for the distribution of inputs and disposal of produce for all farmers, especially the poorer groups;
- Strengthen and improve farmer education with regard to food crops;
- Provide irrigation facilities and encourage irrigation farming;
- Strengthen agricultural research and extension services;
- Increase women's access to and control over resources for production (land, credit, hired labour, seeds, fertilizers, agro-chemicals, and other relevant inputs) and agricultural services;
- Encourage integrated farming (crops, livestock, fisheries) as a means of increasing food diversity and protecting the environment;
- Provide appropriate incentives to youths and encourage their participation in food production;
- Promote cooperative farming;

- Increase the resource base for women through income generating activities.

2.0 Improving Food Distribution and Availability

- Develop and adequately maintain all-season rural roads;
- Promote improved and cost-effective on-farm food storage technologies;
- Improve market information and transportation systems such that markets for foodstuffs become more integrated.

3.0 Improving Food Harvesting, Processing and Preservation

- Introduce and consolidate appropriate technologies for crop harvesting and preservation;
- Reinvigorate extension education on appropriate technologies of harvesting, processing and preserving various food crops;
- Promote and support research on food processing and preservation technologies at the village and household levels; and introduce and expand such technologies and training through their inclusion in the curricula of schools and training institutions.

4.0 Improving Food Preparation and Quality

- Develop standardized recipes using indigenous foods for all age groups;
- Develop hygienic food preparation methods; and
- Control and monitor food quality, especially of imported foods before distribution.

5.0 National Food Security

- Strengthen existing monitoring systems (e.g., early warning), in order to continuously assess and analyze the national food situation; and
- Develop a national guideline for remedial action during times of food shortfall with respect to imports management of strategic reserves and food distribution.

6.0 Enhancing Care-Giving Capacity

- Promoting Adequate Infant and Child Nutrition;
- Promote, encourage and support exclusive breastfeeding for the first six months and promote the continuation of breastfeeding well into the second year of life;
- Promote the introduction of nutritionally adequate complementary foods at six months of age;
- Promote regular de-worming of pre-school and primary school children;
- Develop a national nutrition education programme which would be targeted at mothers, fathers, other child care-givers, health workers and communities to increase awareness of the proper care and feeding of children; and
- Review existing supplementary feeding and nutrition rehabilitation programmes with a view to recommending improvements.

7.0 Caring for the Socio-economically Disadvantaged and Nutritionally Vulnerable

- Promote adequate (both quantity and quality) food intake and adequate rest by pregnant and lactating women;
- Develop labour-saving technologies to reduce the workload of women and create more time for child cares;
- Identify complementary programmes that would provide safety nets, both short- and long-term, to protect the most vulnerable groups from negative effects of macro economic and sectoral policies on purchasing power, food consumption, and the delivery of human services; and
- Increase access to and improvement of potable water supplies and sanitation facilities.

C. Enhancing Provision of Human Services

1.0 Preventing and Managing Nutrition-Related and Infectious Diseases

- Increase access to and improvement of quality of health services to provide essential maternal and child healthcare (e.g., ante- and postnatal clinics, family planning; immunization, micronutrient supplementation, oral dehydration therapy, nutrition education; growth monitoring and promotion, etc);
- Increase access to and improvement of potable water supplies and sanitation facilities.

2.0 Preventing Micronutrient Deficiencies

- Control Iodine deficiency disorders (IDD) through the enforcement or legislation on universal salt iodization (US flat) 50mg per kg salt, and through regular monitoring of salt iodine levels;
- Control vitamin A deficiency (VAD) by instituting short-and long-term, sustainable interventions promoting dietary diversification and food fortification;
- Control iron deficiency anaemia (IDA) through the provision of iron and/or foliate supplements to pregnant women, regular de-worming of preschool and primary school children, and an information/education communication (SEC) campaign to encourage food choices that favour iron consumption, and control, other micronutrient deficiencies that are considered to be of national importance and priority from time to time.

3.0 Protecting the Consumer Through Improved Food Quality and Safety

- Strengthen existing institutional capacity for the elective control of food quality and safety;
- Establish, disseminate and enforce guidelines for safe street food practices;
- Strengthen the mechanisms for detection, monitoring, and control of chemical residues in foods;
- Promote appropriate and safe utilization of agricultural chemicals;
- Establish standards for nutrition labelling of locally-prepared indigenous foods (cuisine);

- Strengthen consumer education;
- Ensure proper storage and packaging of processed food, and monitor the quality standards of foods, especially imported foodstuffs, before they are distributed for marketing and consumption.

4.0 Improving Capacity to Address Food and Nutrition Problems Assessing, Analyzing and Monitoring Nutrition Situations.

- Establish community-based growth monitoring to detect child growth faltering;
- Promote participatory approaches for communities to assess, analyze and take appropriate actions to address food and nutrition problems;
- Develop the planning and managerial capacity of LGAs to address food and nutrition problems;
- Explore ways by which integrated food and nutrition support can be provided by the government to communities in an integrated form, especially inputs from different sectors;
- Establish gender-sensitive food and nutrition surveillance systems with a view toward possible uses, potential users, and existing limitations in manpower capacity and data sources;
- Undertake a skills-gap analysis of those involved in food and nutrition activities in order to identify training needs;
- Investigate potential mechanisms by which the different training needs identified from the skill-gap analysis can be met through existing institutions in the country (tertiary institutions, private sector, and NGOs) and/or by external assistance;
- Review existing nutrition curricula in tertiary institutions to incorporate relevant aspects of food and nutrition issues; and
- Support research and studies in tertiary institutions and research institutes for policy development in food and nutrition.

D. Providing a Conducive Macro-Economic Environment

- Incorporate nutrition objectives into development policies and programmes;
- Analyze planned macro-economics and sectoral policies in terms of their potential negative consequences for household income, food consumption, and delivery of human services. with a view to policy modification to ameliorate those effects; and
- Explore ways by which social sector spending can be protected from further decline, especially with regard to the potential role of the private sector;
- Raising Awareness and Understanding of the Problem of Malnutrition in Nigeria.

1.0 Information, Education and Communication (IEC)

- Design, prepare and produce advocacy and IEC materials or campaigns aimed at different target groups to increase awareness of the malnutrition problem and promote appropriate changes in behavior;
- Strengthen and integrate nutrition education into the curricula of primary, secondary, and tertiary institutions.

2.0 Promoting Healthy Lifestyles and Dietary Habits

- Develop and disseminate dietary guidelines for all age groups;
- Implement and support the design of appropriate community-based nutrition programmes.

INSTITUTIONAL ARRANGEMENTS

The National Food and Nutrition Policy requires an effective institutional arrangement to ensure a results-oriented programme implementation. Past implementation efforts have been principally sectoral (health, agriculture, science and technology, and education, etc.) uncoordinated, inadequately funded and limited in scope and coverage. Such efforts, therefore, fell short of the desired outcome of solving the problems they were designed to tackle.

A. National Focal Point for Food and Nutrition

In order to address this problem, the Government of Nigeria designated the National Planning Commission (NPC) as the national local point for food and nutrition policy programme planning and coordination in the country.

Mandate of NPC

The mandate of the NPC with regard to the National Food and Nutrition Policy and its programmes is:

- a. to serve as the focal point for the coordination and harmonization of all food and nutrition-related policies and programmes being implemented by various industries and agencies into a national programme consistent with the goals and aspirations outlined in this policy document;
- b. to provide a forum for exchange of views and experiences among the bodies implementing nutrition programmes in Nigeria and, thereby, to foster a strengthening of their respective roles in the programme;
- c. to coordinate the reviews on a continuous basis, of policies and programmes with regard to their potential impact on food and nutrition issues;
- d. to ensure effective implementation of the different policies and programmes by putting in place an effective machinery for monitoring and evaluation;
- e. to maintain ongoing advocacy for food and nutrition issues;

- f. to ensure that adequate financial provisions are made available in the National Rolling Plan, as well as in the national annual budget for implementing the National Food and Nutrition Policy and programmes;
- g. to liaise with international donor agencies, financial institutions, the private sector, community-based organizations (CBOs) and nongovernmental organizations (NGOs) when soliciting funds and material support to complement government resources and efforts; and
- h. to coordinate the analysis and dissemination of results of important food and nutrition statistics and data.

B. National Committee on Food and Nutrition (NCFN)

In order to achieve the National Food and Nutrition Policy objectives and implement its programmes, a National Committee on Food and Nutrition (NCFN) has been established, located in the NPC, to assist the National Planning Commission to assess and enhance the various policies, on food and nutrition and to plan national programmes on food and nutrition matters. Membership of the committee is drawn from relevant ministries and representatives of universities dealing with issues of food and nutrition.

Mandate of the National Committee of Food and Nutrition

The NCFN has a mandate of:

- a. providing necessary technical and professional assistance and support to the NPC;
- b. proposing and reviewing, on a continuous basis, policies and programmes that have a potential impact on food and nutrition issues;
- c. ensuring that the representatives of relevant sectors of the committee undertake effective implementation of their various policies and programmes;
- d. formulating appropriate strategies for policy and programme monitoring and evaluation;

- e. supporting the NPC in the maintenance of ongoing advocacy for food and nutrition issues; and assisting the NPC to setup and manage a database of nutrition activities.

Secretariat of the NCFN

NCFN shall have a secretariat that shall be a division within the NPC with responsibilities to the chairman in the implementation of NCFN decisions and day-to-day operations of the national programme. In addition, functions of the secretariat shall be to:

1. service the NCFN;
2. establish appropriate linkages with other relevant departments within NPC toward effective mobilization of national and international resources for the sustainable implementation of the NCFN programmes; and
3. perform any other duties as may be assigned by the NPC towards successful implementation of the national policy and programmes in Nigeria.

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**RELATIONSHIPS WITH STATES, LGAS, INTERNATIONAL
AGENCIES, CBOs AND NGOS**

Current administrative arrangements between the NPC, Federal and State Ministries and Local Governments will form the basis for planning and implementing the National Food and Nutrition Policy in this regard. state and local counterparts of the NPC will be the local points for coordination of food and nutrition programmes at state and LGA levels and will be assisted by the state committees on food and nutrition (SCEP) and local government committees on food and nutrition (LGCFN), as appropriate and needed.

Tertiary Institutions and Research Institutes

These groups will be involved in undertaking research and studies for policy development and programme design, in addition to providing relevant training programmes to support the policy and programme.

CBOs and NGOs

To ensure proper coordination of activities and to avoid duplication of effort, government will work closely with CBOs, NGOs and local communities in pursuit of the Food and Nutrition Policy objectives.

Private Sector

Apart from providing funds to accelerate growth in food supplies and to manufacture essential drugs, plant, machinery and equipment, the private sector is also expected to support the food and nutrition programme effort of the government by collaborating in specific areas, including, fortification of certain identified foods with vitamin A and/or Iron, development of low cost nutritious complimentary foods, promotion of nutrition education that complies with quality control standards and contribution to the policy dialogue on ways and means of refining policy and the mechanism for programme monitoring, review and evaluation.

International Agencies

In the past, government and donor agencies have worked closely together on food and nutrition issues in the areas of programme design training and capacity building, research, and implementation of pilot, regional and national programmes. Apart from providing funds, these donor agencies also provide cross-country experiences that have proven useful in refining and re-designing existing programmes and introducing new ones. The government will continue to appreciate the assistance provided by donor agencies in the execution of the National Food and Nutrition Policy.

Resources Mobilization

Government shall regularly mobilize the needed resources for effecting food and nutrition programmes from the federal, state and, local government budgetary allocations, complemented as required, by external grants, loans and contributions by aforementioned organizations and the private sector.

GLOSSARY OF TERMS

Adequate Diet: Blood consumed habitually containing all the nutrients (calories, protein, fats, vitamins and minerals) in the right amounts and proportions to promote growth and good health.

At-Risk Groups: Persons or segments of the population most likely to suffer from nutritional deprivation.

Baby-Friendly Hospital Initiative: A hospital-based programme that seeks to promote good breastfeeding practices by mothers (i.e. breastfeeding for the first six months of life).

Complementary Foods: Foods, in addition to breast milk, given to infants after six months of age.

Corneal Ulceration: A consequence of vitamin A deficiency in which the surface of the eye becomes rough and dry and, if left untreated, leads to perforation and blindness.

Food: A composite of nutrients (proteins, fat, carbohydrates, vitamins and minerals) consumed, digested and ultimately utilized to meet the body's needs.

Functional Impairment: Reduction in the level of performance of any body system due to malnutrition or other causes. This may be preceded by slow rate of weight gain in children and often exists in combination with infection.

Growth Monitoring and Promotion: A process which involves regular weighing of a child, plotting the weight on a growth chart, using the information obtained to assess how the child is growing, and then taking appropriate actions to improve or promote the health and growth of the child.

Household Food Security: The ability of a household to gain access to adequate (both in quantity and quality) food to meet their nutritional requirements for all active life throughout the year.

Intra-Uterine Growth Retardation: Gradual arrest in the development of a fetus due to maternal factors, such as illness or malnutrition.

Iodine Deficiency Disorders: The spectrum of disorders resulting from inadequate Iodine intake, including mental retardation, reduced growth, spontaneous abortions, still-births, and physical disabilities.

Iron Deficiency Anaemia: Reduced hemoglobin and oxygen carrying capacity of the blood due to inadequate iron intake and/or high iron losses (e.g., blood loss), characterized by fatigue, decreased capacity to work, learning disorders, and increased complications of pregnancy.

Macronutrients: These are carbohydrates, fats and proteins - the major components of most foods that supply energy and amino acids for proper growth and development.

Malnutrition: All forms of illness resulting from a shortage or excess of nutrients in the body. The major types of malnutrition in Nigeria result from inadequate (both in quantity and quality) food consumption to meet physical requirements. Malnutrition in children may result in reduced rates of growth in weight and height, functional

impairments, and an increased risk of morbidity and mortality. Problems of over nutrition also exist in Nigeria, particularly obesity, and mainly in the more affluent groups in Nigerian society.

Micronutrients: These are the vitamins and minerals present in foods and required by the body in very small quantities but which are vital for proper functioning of the body.

Night Blindness: An inability to see in the dark, due to a deficiency of vitamin A in the diet.

Nutrition: The end result or various processes in society (e.g., social, economic, cultural, agricultural and health) which culminate when food is eaten by an individual and subsequently, absorbed and utilized by the body for physiological processes.

Nutritional Surveillance: The process of keeping watch over the nutritional situation of a community or a population, and the factors that affect it, in order to take appropriate actions that will forestall problems or tend to improvements in nutrition.

Nutritive Value: The amounts of a given nutrient in a food item that will be potentially available for use by the body.

Over-Nutrition: A state or nutritional imbalance brought about by consuming more food than the body requires for normal functioning.

Prevalence Rate: The percentage of individuals in a sample or population who are affected by a certain disorder or condition.

Pro Vitamin A: A substance (beta-carotene) found in plants that can be converted by the body to vitamin A.

Stunting: Low height-for-age, resulting from a chronic inadequacy of food intake during the first two years of life; often exists in combination with infection.

Synergistic Relationship: The enhancing effect of two or more conditions (e.g. malnutrition and infection) on each other; such that the outcome exceeds the sum of the individual effects.

Underweight: Low weight-for-age, which is the end result of either past or recent inadequate food intake; often exists in combination with infection.

Vitamin A Deficiency: Inadequate intake of vitamin A leading to reduced ability to resist infection, deteriorating eye changes that may lead to blindness, poor growth and increased risk of morbidity and mortality.

Vulnerable Groups: Segments of the population which in reasons of age or physiological status, are most prone to nutritional problems. These groups include infants and young children, adolescent females, pregnant women, nursing mothers, and the elderly.

Wasting: Low weight-for-height in an individual, especially children. This is the end result or recent inadequate food intake, often existing in combination with infection.

Complementary Food Period: The time when milk alone (either mother's milk or a formula) is inadequate to sustain the growth of an infant, and other, complementary, foods must be introduced.

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SECTION FOUR

INTEGRATED RURAL DEVELOPMENT POLICY

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SECTION FOUR

INTEGRATED RURAL DEVELOPMENT POLICY

Chapter Six
**RELATIONSHIPS WITH STATES, LGAS, INTERNATIONAL
AGENCIES**

1.1 GENERAL INTRODUCTION

Nigeria is the most populous country in Africa. It is blessed with population of over 110 million (1998), thus it accounts for a quarter of the total population of the African continent. Nigeria is also richly endowed with diverse natural resources which include a land area of 924,000 square kilometres for agriculture, industry and mineral resource extraction, including oil and gas.

Past attempts at national development have divided Nigeria into two very distinct socioeconomic sectors, namely, the urban and the rural sectors. Each of these sectors shows great diversity in terms of natural resource endowment, aggregate investments and the resultant physical quality of life of the inhabitants. The rural sector, with abundance of human and natural resources has remained the "treasury trove" of the nation accounting for over 70 percent of the nation's population. Yet, Nigerian rural communities are "centres of deprivation" with a life often devoid of opportunities and choices and an environment lacking in infrastructural facilities including roads, water supply and sanitation, energy, communication facilities, community based organizations, etc.

The above scenario mirrors decades of rural neglect arising from urban biased approach to development, which lacks a well coordinated and properly integrated all-sector approach to development. The shortcomings of these past attempts at national development underscore the imperatives of a national policy on integrated rural development as a means of evolving and adopting an approach through which rural development would be synergistically linked with national development efforts at all times and in all spheres. This document therefore embodies a National Policy on Integrated Rural Development for Nigeria. It is based on extensive consultative dialogues with relevant Federal and State Ministries and Agencies, Local

Governments, Community-Based Rural Development Organizations (CBRDOs), Non-Governmental Organizations (NGOs), Non-Profit Organizations (NPOs), International Organizations, Traditional Rulers, Trade and Professional Groups, Labour, Farmers' Cooperative Societies, Research Institutes and other special interest groups. It builds on, and expands the past efforts of other Ministries and Agencies, notably the then Federal Ministry of Agriculture, Water Resources and Rural Development (1983). erstwhile Directorate of Food, Roads and Rural Infrastructure (DFRRI) (1991). The then Federal Ministry of Water Resources and Rural Development (1996), and the new Federal Ministry of Agriculture and Rural Development(1999).

It is divided into six Chapters. Chapter 1 dwells on the meaning and scope of integrated rural development; relates integrated rural, development to national interest; overviews rural development conditions in Nigeria and traces the evolution of the country's integrated rural development policy. Chapter 2 enunciates the overall policy objectives and strategies while Chapter 3 discusses in detail the focus policy areas. Chapter 4 outlines the institutional framework for promoting integrated rural development, highlighting not only the role of the three tiers of Government and various public agencies but also the central significance of community effort. Chapter 5 spells out the strategies for secured funding of integrated rural development through internal and external sources. Chapter 6, which is the concluding chapter, deals with the coordination, monitoring, evaluation and review of the policy, and the programmes and projects emanating there from.

1.2 MEANING AND SCOPE OF INTEGRATED RURAL DEVELOPMENT

Simply defined, rural development is a strategy and process designed to transform the nation's rural life and landscape by ensuring progressive social, economic, cultural and political improvements. It stresses a fundamental principle that the rural people must share fully in this development process through equitable access to resources, inputs and services and participation in the design and implementation of development programmes. Meaningful development of rural people must be on a self-sustaining basis, through transforming the social-spatial structures of their productive activities.

It implies a broad-based organization and mobilization of the rural masses so as to enhance their capacity to cope more effectively with the daily tasks of their lives. Integrated rural development has to do with putting together all the elements of rural development, with clarifying and unifying the objectives and bringing together all the agencies, facilities and programmes necessary to attain the objectives. At the national level, integrated rural development means a process by which the development of the rural areas is integrated with, supports and is supported by the entire national development effort.

1.3 INTEGRATED RURAL DEVELOPMENT AND THE NATIONAL INTEREST

Broadly defined, national interest is an expression of the collective aspirations of a people concerning the best possible conditions under which they wish to live as a nation. These aspirations and values guide the general direction in which nations move from generation, to generation. A shared colonial past and broad similarities in social outlook have forged a sense of common destiny and national identity among the peoples of Nigeria. Over the years, they have also come to expect the Nigerian nation state to establish its legitimacy, mainly by promoting and protecting their collective interest.

Nigeria's national interest can be seen in terms of three national needs, namely, the need for continued co-existence as one indivisible, indissoluble and sovereign nation; the need for growth and development (economic, political, social, cultural); and the need to ensure that an adequate and favourable order exists which will facilitate Nigeria's continued co-existence and collective survival as a nation-state, as well as its all-round growth and development in the economic, political, social and cultural spheres. In order to promote these collective interests most effectively, it is necessary that Nigeria mobilizes and harnesses flatly all its resources, especially its natural endowments and the energy, will and ingenuity of all its citizens. Though the rural population constitutes the large majority and occupies the bulk of the territorial space, they have suffered prolonged and systematic neglect and continue to endure severe deprivations as they eke out a paltry livelihood at the margin of society.

In a predominantly rural country such as Nigeria, integrated rural development must be regarded as a major instrument for the attainment of the various interdependent components of the national interest. Thus, national economic and social development requires the full participation of the vast rural population in the development process. It requires that the rural population have equitable and adequate access to resources, inputs, credit and other support services, and that they participate in the design and implementation of development programmes.

Furthermore, the promotion of the national interest through integrated rural development is an essential guarantee of national security. The existence survival aspect of our national interest demands a situation in which the democratic state is safe from disruption from both internal (locally-specific) and external forces.

1.4 RURAL CONDITION IN NIGERIA, AN OVERVIEW

Historically, Nigeria's rural development efforts had been considered mainly in the context of agricultural development. This unfortunate situation, which neglected contributions of other sectors to the improvement of the quality of life of the rural dwellers, hindered a multi-sectoral and integrated approach to rural development programming in Nigeria.

Nevertheless, the rural sector is predominantly agriculture-based (including livestock, forestry and fisheries). It employs about 90% of the labour force and contributes about 40% of the GDP. However, over the years, the benefit of development has by passed large segments of the rural society. It is estimated that 85% of the extremely poor in Nigeria currently live in rural areas.

1.4.1 Dimensions of Rural Poverty

Available data on present rural condition in Nigeria reveal that though rural poverty has many faces, it can be seen in two broad dimensions.

1.4.1.1 Rural Mass Deprivation

This is manifested in the following forms:

1.4.1.1.1 Inadequate availability and accessibility to socio-economic infrastructure and basic social amenities such as feeder roads, health centers, education, sanitation facilities, water supply, electricity, markets, etc.

1.4.1.1.2 Limited employment and income earning opportunities due to the absence of commercial and industrial facilities or lack of resources to establish them, and inadequate access to agricultural inputs (especially land, fertilizer, credit facilities and extension services); and

1.4.1.1.3 Environmental and natural degradation such as desertification, loss of soil fertility, fuel wood scarcity, environmental pollution and over population.

1.4.1.2 Individual Deprivation his is manifested in terms of:

1.4.1.2.1 Inability to eat or clothe oneself adequately, to afford other basic necessities such as decent shelter, to meet social and economic obligations and to have gainful employment; and

1.4.1.2.2 Physical insecurity, lack of skills, inadequate assets, ignorance, powerlessness to improve one's situation.

These two broad dimensions of rural poverty collectively translate to the denial of choices and opportunities to the bulk of rural Nigerians for living decent, healthy and creative lives consistent with self-esteem, freedom and dignity.

1.5 EVOLUTION INTEGRATED RURAL DEVELOPMENT POLICY

The present poor state of rural areas reflects the cumulative policy neglect and faulty planning and inadequate resource transfer, a legacy inherited from the colonial era. Until independence, the main objective of the development in the rural areas was dictated by the need to access these areas. After independence, more conscious steps were taken to promote rural development. Regional governments became principal agents for rural development, including delivery of support services and improvement

of social welfare. With the oil boom, less pressure was exerted on the rural areas with the migration of labour to urban areas, marginal increases in investment in the rural sector and the introduction of the Land Use Decree (1978) to address the problems associated with the land tenure system. By 1976, Government created the River Basin Development Authorities to concentrate resources on irrigation. Government also invested heavily on the provision of water supply and rural roads to rural communities. However, the overall impact was limited due to high cost of development, policy inconsistency and funding problems.

Further attempts were made to promote rural development as more and more schemes were launched specifically for the rural sector, including the National Accelerated Food Production Programme (NAFPP), Operation Feed the Nation (OFN), and the Green Revolution (GR). Though these programmes sought to mobilize and attract the involvement of the farming communities through specific strategies, their impact was limited because they were unsustainable. In an effort to enhance the capacity of each state to plan and implement agricultural projects, Agricultural Development Projects (ADPs) were launched. Major components of these projects were:

- i. Rural infrastructure (rural roads, potable water supply);
- ii. Development of improved planting material;
- iii. Provision of agricultural research and extension services; and
- iv. Enhancement of the capacity of the state administrations in monitoring and evaluation of the impact of agricultural operations.

Although ADPs have achieved some of their stated development objectives, they will need continued enhanced budgetary support by all the three levels of government.

Additionally, the Directorate of Food, Roads and Rural Infrastructure (DFRRI) was created in the President's Office in 1986, with the mandate to strengthen the rural economy and tackle the wider problem of rural poverty. DFRRI together with existing sectoral ministries and public agencies (water resources, agriculture, education, health, communication, culture, banking, credit and insurance, energy, technology, trade,

marketing, transportation, and housing etc) established basic strategies and programmes for the rural sector.

Despite these efforts, there was no National Policy on Integrated Rural Development. Recognizing the problem, DFRRI organized a workshop in 1990 to discuss policy issues and options for integrated rural development. Proceedings of the workshop were presented in the publication entitled Integrated Rural Development in Nigeria: Policy Issues and Options (1995). Thereafter, a draft National Policy on Integrated Rural Development was prepared, after very wide consultation. Government gave provisional approval but the Policy was not launched. However, following the resolution of the National Council on Water Resources and Rural Development, in 1996, the then Federal Ministry of Water Resources and Rural Development reviewed the draft policy document and produced the proposed National Policy on Integrated Rural Development. Further consultations culminated in the Workshop on National Policy on Integrated Rural Development held in October 1999, which was organized by the Federal Ministry of Agriculture and Rural Development under which the Department of Rural Development has been domiciled since June of the same year after excision from the Federal Ministry of Water Resources.

Chapter Three

PRIORITY AREAS FOR INTEGRATED RURAL DEVELOPMENT

INTRODUCTION

Policies are implemented through the design and execution of programmes. The National Policy on Integrated Rural Development lays special emphasis on five priority areas.

- Promotion of rural productive activities
- Supportive human resources development
- Enhancement of enabling rural infrastructure
- Special programmes for target groups
- Rural community organization and mobilization

The policy framework, objectives and strategies and specific programmes in each of these focus areas are as specified below.

PROMOTION OF RURAL PRODUCTIVE ACTIVITIES

Policy Statement

Employment and income generating opportunities and activities shall be accorded a central place in the nation's integrated rural development agenda by all levels of government, since enhanced income at individual and household levels is the most effective and sustainable means of improving the quality of life of the rural dwellers, all agencies participating in the nation's integrated rural development programme shall also be encouraged to emphasize employment and income generating activities to ensure full employment, by year 2010 in all rural communities.

Objectives

To diversify and expand employment and income-generating opportunities and activities at the level of the rural community, particularly in the following areas:

- Agriculture, Fisheries, Animal Husbandry and Forestry;
- Mineral Resource Development;
- Marketing and Distribution; and

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- Agriculture, Fisheries, Animal Husbandry and Forestry;
- Mineral Resource Development;
- Marketing and Distribution; and

- Rural Financial Systems
- To improve the access that the ordinary rural dweller has to gainful employment opportunities and to services, facilities and inputs which enhance the utilization of such opportunities; and
- To improve, in particular, the employment opportunities available to rural youth and the productive capacity and income status of rural women.

Strategies

- Optimizing the exploration and exploitation of the natural, mineral and cultural resource endowments of the rural areas for employment and income generation.
- Adopting appropriate measures to ensure that the private sector plays an active role and contributes adequately towards the expansion of employment and income-generating activities and opportunities in the rural areas.
- Emphasizing labour-intensive technologies and techniques in project implementation, in order to optimize rural employment opportunities; and
- Promoting appropriate legislation to facilitate the implementation of these strategies.

Policy Areas

Agriculture, Fisheries, Animal Husbandry and Forestry. These are the dominant rural activities. The policy emphasis is on the small-scale producers. Although these producers are responsible for the bulk of the sectoral output, they are yet to be effectively reached with solutions to their technical, socio-economic and organizational problems which can assist them enhance their productivity and productive capacity. Provision will be made for increased investment in research and extension services in support of the small producer. Although there is a long and rich tradition of agricultural research in Nigeria, many areas of particular relevance to the small producer remain unattended to or inadequately investigated. Such areas include research into feasible farming systems for small farmers, appropriate technologies for small-scale fisheries and economic and sustainable forestry exploitation. Traditional animal husbandry methods are very inefficient and wasteful, resulting in very low

meat yield-to-herd ratios. Other critical areas of research include crop research to expand the range of crops produced, improve yields and produce disease resistant varieties.

Dissemination of the results of research and development has been very problematic partly because there are not enough linkages between the researchers and the practitioners at the research stage, and partly because of the weaknesses of the extension system, notably, insufficient personnel and inappropriate training. Efforts will be directed towards rationalizing the unified extension service system and intensifying its coverage to a target of one extension worker to 500 farmers or less by the year 2010.

Communities will be encouraged to bring more land under cultivation, and to adopt more efficient methods, techniques and technologies for increased productivity, towards the achievement of national food self-sufficiency and a strong export base.

Mineral Resources Development

Nigeria is blessed with a wealth and variety of minerals, widely distributed in every part of the country. Only a small proportion of these has been discovered and assessed, and of this only a small proportion is being exploited. While this limited exploitation has already contributed significantly to the nation's Gross Domestic Product (GDP) and accounts for the bulk of our exports and foreign exchange earnings, it has done too little to improve the economy of the rural areas involved, and too much to bring social disaffection and environmental degradation. The objective of the rural development policy in this sector is to correct this situation and transform the mineral sector into a powerful instrument of sustainable rural development, with special emphasis on the empowerment and participation of the rural communities. Accordingly, the major objectives in the mineral development sector are

- To explore, develop and exploit the mineral resources of rural areas with a view to expanding their economic base.
- To ensure that those rural communities endowed with mineral resources have appropriate and adequate stake in the local mining enterprises therein and derive full benefits from their operations; and

- To ensure that the rural environment is protected and conserved by mining operations in the interest of sustainable development.

Strategies to achieve these objectives include:

- i. Promoting indigenous and local entrepreneurship in the extraction, marketing and utilization of minerals.
- ii. Encouraging indigenous and local enterprises in the production of equipment and materials as well as the provision of services to the local mining enterprise.
- iii. Establishing local committees involving government, the mining enterprises and the relevant communities to take appropriate and adequate steps to protect the environment, monitor the environmental impact of mining operations and ensure that adequate preventive, corrective or compensatory measures are taken as and when necessary.
- iv. Ensuring that local people have a fair share of employment in local mining operations; and
- v. Encouraging local mining enterprises to be good corporate citizens by contributing to social and infrastructural development of the communities in their areas of operation.

Manufacturing and Industry

The enormous potential of rural industrialization for energizing the rural economy is yet to be exploited. Rural industrialization involves traditional arts and crafts, vocations and skills, as well as small-scale industry, but is not confined to these. In the modern information era high technology industries are “footloose” locating wherever skills can be attracted, even in rural areas. Large-scale resource based industries are also naturally attracted to rural areas, provided, of course, there is a conducive environment. In order to promote, encourage and support rural industrialization, Government will;

- Promote an enabling environment for rural industrialization through the development of rural infrastructure.
- Promote the establishment of small-scale industries in rural areas, with special emphasis on food processing and other agro-based industries;

- Promote the establishment of linkages between rural small-scale and large-scale industries;
- Rationalize, improve and expand the operations of the specialized government agencies and programmes involved in promoting rural industrialization, such as the Industrial Development Centres, the Technology and Skills Acquisition Centres, the National Directorate of Employment, and Small Scale Industries Loan Schemes.
- Encourage Research Institutes and other relevant agencies to conduct research relevant to the needs of rural industrialization and to disseminate the results of such research to local entrepreneurs; and
- Promote patronage of the products of rural industries by Government institutions at all levels.

Marketing and Distribution

Marketing and distribution service are critical for the effective functioning of any economy, but these are very deficient in the rural activity areas. Rural marketing is a mass activity involving the tens of millions of rural producers selling their own produce and millions of small-scale part-time and full-time operators in rural market place. Traditionally, official interest has been mainly in promoting export crop marketing which has become less urgent with the decline in agricultural exports. However improved domestic marketing and distribution has great potential for lowering the cost and increasing the range and volume of domestic marketing, thereby stimulating increased employment, output and income. The small-scale trader will continue to play the major role in domestic marketing and distribution. The role of Government will be to promote and support the improvement of their operations. Accordingly, Government will;

- Promote and provide market information services at national, state and local government levels;
- Facilitate the improvement and modernization of the structure of the commodity market through the specification of standards and the introduction of quality control, grading and standardization;

Promote Export Marketing

- Intensify research into and disseminate effective methods of storage, packaging and preserving perishable commodities.
- Promote structured linkages between rural producers and the manufacturing sector so as to develop and expand stable marketers for rural produce.
- Reduce the vulnerability of the farmer to seasonal and random producer price fluctuations by establishing guaranteed minimum prices for designated commodities, supported by the operation of buffer stocks; and
- Support the development and management of facilities in rural markets.

Rural Financial System

Finance has long been recognized as the major constraint to rural enterprise. Most rural businesses rely on the very limited resources of the owners themselves and the assistance of relations and friends for the bulk of their financing. Traditional credit institutions cannot fill the gap and rural money lenders are usurious. Appropriate measures will be pursued by all levels of government to facilitate the access of rural producers to rural financial services in support of their production activities.

Accordingly, Government will;

- Promote measures to facilitate the access of all categories of rural producers, (individual farmers, individual rural industrialists, cooperatives, other economic groups) to credit on reasonable terms;
- Encourage the development of traditional saving and-credit institutions;
- Encourage all relevant existing banking and credit institutions to extend their operations and facilities to rural areas; and
- Promote the establishment and support for the operations of banking and credit institutions, which are particularly responsive to the needs of rural producers.

3.5.4.1 Energy

There is a serious energy crisis in the rural areas. Fuel wood accounts for over 85% of the domestic cooking fuel in households. It is becoming more scarce and expensive to obtain. Its gathering takes a significant proportion of the working day of women and children and has led to extensive deforestation, desertification and environmental degradation. The only other significant source of domestic fuel is kerosene, which

accounts for about 10% of the rural fuel use. Less than one percent comes from electricity.

With most rural communities not connected to the national electricity grid or any local scheme, more than 80% of rural households have no access to electricity. The quality of rural life is thereby considerably diminished. Lack of access to electricity also discourages the establishment of modern industries. Government will promote the provision of electricity and other energy sources, including renewable and non-conventional forms, to all rural communities on a regular and sustainable basis.

Accordingly, government will:

- 3.5.4.1.1 Pursue vigorously the programme of connecting all major towns and villages to the national grid distribution network;
- 3.5.4.1.2 Encourage and support initiatives to connect all communities to the national grid;
- 3.5.4.1.3 Promote the development and utilization of non-conventional energy sources for electricity generation and other energy applications, including, solar, wind, biogas, geothermal, mini-hydro, etc;
- 3.5.4.1.4 Expand the existing national gas pipeline network to serve industries and domestic consumers both in urban and rural areas;
- 3.5.4.1.5 Encourage private sector entrepreneurs to establish fuel delivery facilities in the rural areas, subject to the relevant safety regulations;
- 3.5.4.1.6 Promote electricity consumption in rural areas by supporting realistic preferential tariff structures and developing effective cost-recovery methods;
- 3.5.4.1.7 Encourage research and development on other forms of energy suitable for the rural areas, particularly biogas, solar and wind energy; and
- 3.5.4.1.8 Encourage local fabrication of simple kerosene and gas stoves and other suitable devices at affordable prices, so as to discourage the use of firewood as main source of domestic energy.

3.5.4.2 Water and Sanitation

- Lack of access to potable

Lack of access to potable water is a critical problem in the rural areas. Consequently, use of unsafe water is a major factor in the high rate of morbidity and child mortality in rural Nigeria including inadequacy of sanitation facility. Generally, about half of total households have no access to proper toilet facility, not even pit latrines.

The improvement of rural water and sanitation will receive high priority. Accordingly, Government will:

- 3.5.4.2.1 Explore and utilize all appropriate technologies to provide potable water to at least 10,000 communities each year;
- 3.5.4.2.2 Promote the use of cost-effective technologies for providing potable water at local levels such as schemes based on local streams, and ponds, constructing small earth dams, bore holes and wells and ensuring the maintenance of water supply systems and equipment;
- 3.5.4.2.3 Encourage local governments to train requisite staff and members of the communities for maintaining water and sanitation systems and equipment;
- 3.5.4.2.4 Encourage the local production of equipment for rural water supply and sanitation, as well as water treatment plants and chemicals; and Promote the development and adoption of improved sanitation practices.

3.6 SPECIAL PROGRAMMES FOR TARGET GROUPS

3.6.1 Policy Statement

While the powerlessness, marginalisation, deprivation and poverty of rural life affect every community, some social groups and geographic areas suffer conditions much worse than others do. They are affected by such special circumstances and confront such special problems that they deserve special attention. The most significant of these are:

3.6.1.1 Women

3.6.1.2 Youth:

- 3.6.1.3 Children;
- 3.6.1.4 The Orderly and the retired;
- 3.6.1.5 The handicapped;
- 3.6.1.6 Emergencies and natural disasters;
- 3.6.1.7 Disadvantaged areas; and
- 3.6.1.8 Border areas.

3.6.2 Objectives

- 3.6.2.1 To integrate disadvantaged groups and areas into the mainstream of the national development process;
- 3.6.2.2 To improve the economic life quality and social status of persons and communities in disadvantaged circumstances in rural areas; and
- 3.6.2.3 To promote full respect for the human rights, enhance the welfare and promote the full human development (economic, socio-cultural, political and legal) of persons and communities in disadvantaged circumstances and areas.

3.6.3 Strategies

Specific programmes will be designed to address their special problems. The purpose of the specific programmes is not to isolate the groups from the general programmes but to highlight their special problems and ensure that all relevant institutions and programmes take these duly into account and that, all efforts are adequately supported, coordinated and integrated, in the specific interest of the target groups.

3.7 Policy Areas

3.7.1.1 Women

Government will seek the accelerated improvement of the productive capacity, conditions of domestic life, life chances and social status of women in rural areas and the promotion and protection of their human rights.

- 3.7.1.1.1 Enhancing the access of women in the rural areas to production inputs, especially land, credit and modern agricultural inputs;

- 3.7.1.1.2 Enlightening women in the rural areas on the opportunities and facilities available for their economic, social and political advancement as well as for their personal and family health and well-being;
- 3.7.1.1.3 Promoting basic Literacy, functional literacy and income-generating action among rural women;
- 3.7.1.1.4 Encouraging parents and guardians to keep their daughters in school up to the age of 18 years.
- 3.7.1.1.5 Enhancing the social and legal status of women in the rural areas by exposing and eliminating the obstacles standing in the way of their development, such as anti-women values, attitudes, laws, customs and social practices.

3.7.1.2 Youth

The crisis of Youth in Nigeria is most acute in the rural areas, where they are frustrated by material disadvantages and deprivations as well as the limited horizons and opportunities of rural life. Government will study and monitor the condition of youth and vigorously promote measures to reduce their alienation and integrate them better into the mainstream of national life. Government will cooperate with communities, non-governmental organizations and the private sector to promote programmes for youth development. especially;

- 3.7.1.2.1 Promotion of youth employment and entrepreneurship;
- 3.7.1.2.2 Promotion of community-based youth service activities;
- 3.7.1.2.3 Promotion of youth socialization, enlightenment, character building, etc;
- 3.7.1.2.4 Promotion of youth welfare and social integration, e.g. youth organizations and their activities, sports and recreation, social relations, guidance and counseling etc;
- 3.7.1.2.5 Establishment and/or strengthening of youth development and mobilization capacities at the local government and community levels; and

3.7.1.2.6 Development, through appropriate orientation and training programmes, etc, of a new high-performance breed of youth officers and directors.

3.7.1.3 Children

Children under the age of fourteen account for about 45 percent of the Nigerian population. 'The condition of Nigerian children is among the worst in the world, with infant mortality at 114 per thousand live births, under 5 mortality at 191 and low school enrolment ratios. Thus there is a high rate of wastage of the child population and grave impairment of their chances of productive life through inadequacy of education and training.

Strategies for improving the welfare and life prospects of rural children include:

- 3.7.1.3.1 Improving mother and child healthcare facilities in rural areas;
- 3.7.1.3.2 Promotion of educational, social and cultural policies which advance the cause of rural children and
- 3.7.1.3.3 Encouraging and supporting the fuller participation of communities, non-governmental organizations and the private sector in the promotion of the welfare and development of the rural child.

3.7.1.4 The Elderly and the Retired

The absence of a national social security system makes the lot of the elderly and the retired very insecure. In the context of generalized poverty, they are the first to be affected by any additional pressure on family resources.

Government will:

- 3.7.1.4.1 Work towards the establishment of a national social security system which takes into account the peculiarities of the structure of employment and earnings, and the circumstances and needs of the elderly;

3.7.1.4.2 Promote, assist and collaborate with suitable agencies and organizations involved in the provision and delivery of welfare and other rehabilitations services to the elderly and the retired in rural areas;

3.7.1.4.3 Promote the provision of opportunities in the rural setting for the effective rehabilitation and settlement of retired persons, through appropriate reorientation, re-training and other rehabilitation programmes; and

3.7.1.4.4 Promote the full utilization of the talent and experience of the elderly and the retired in rural areas in all appropriate aspects of the development of their communities and of the nation as a whole.

3.7.1.5 The Handicapped

Far from the glare of the news media and outside the immediate concerns of officialdom, the rural handicapped suffer in silence surviving on what little help they can obtain from relatives and friends. Government will focus more attention on this group and cooperate with communities, non-governmental organizations and the private sector to expand opportunities for their rehabilitation and reintegration.

3.7.1.6 Beggars and Destitute

Most of the beggars and destitutes in Nigerian cities are rural emigrants. They have innate abilities and talents which if usefully tapped and profitably applied can contribute significantly to their self-actualization, self-fulfillment, and indeed overall national growth and development. Accordingly, government will accord priority attention to the special needs and problems of beggars and destitutes in the rural areas through:

3.7.1.6.1 Provision of rehabilitation centres, orphanages, remand/mental homes and psychiatric clinics, fully equipped and adequately staffed;

3.7.1.6.2 Training and re-training of staff in the above centers for effective delivery of results;

3.7.1.6.3 Promotion of enlightenment campaigns to encourage the sense of self-worth while discouraging the cultural factors which promote begging;

3.7.1.6.4 Expanding and strengthening of functional and adult education opportunities in the rural areas targeted at beggars and destitutes; and

3.7.1.6.5 Integration of beggars and destitute into their own communities through participation in community self-help activities and projects so that the communities can see them as useful members of their societies.

3.7.1.7 Emergencies and Natural Disasters

Because rural areas are usually remote from the centres of power and lack adequate infrastructure, emergencies and natural disasters affecting them take longer to be noticed and are more problematic to respond to. Government will develop a national environmental surveillance and reporting system and build up a rapid response capability to cope with such situations.

3.7.1.8 Economically Disadvantaged Areas

There are wide differences in the level of rural development among different parts of the country and even within the same zones or states. Perception of such inequalities, however caused, lead to disaffection among those adversely affected, a situation encouraging social conflict and endangering national integration. Such areas also constitute a drag on national development and need to be pulled up so that the nation can move forward together and faster. Government will continuously monitor the level of development throughout the country, investigate the causes of lagging development and promote measures to remove such causes. National minimum targets will be set for each indicator of development and special programmes will be put in place to promote the attainment of such targets in disadvantaged areas, in the interest of even development.

3.7.1.9 Border Areas

Border areas suffer from two significant disadvantages, on the one hand, they are usually remote from the national and state capitals and the major centres of decision-making, and they are more exposed to danger from neighbouring countries. On the other hand, they provide windows of opportunity for beneficial contact and relationships with neighbouring countries and the outside world in general.

Special efforts will be made to ensure that the border areas are well integrated

3.7.1.9.1 To encourage, promote and support the formation and strengthening of community-based rural development organizations (CBRDOs);

3.7.1.9.2 To promote mutual understanding and partnership with them in the initiation, formulation and implementation of development programmes, and

3.7.1.9.3 To mobilize, encourage, advise and support communities and CBRDOs in the choice of projects most suited to their needs, within their capabilities, and in harmony with national rural development objectives.

3.7.2 Strategies

Special and appropriate provisions will be made for the support of community initiatives and programmes through managerial technical, financial, and other appropriate assistance. The criteria, rules and procedures for such assistance will be spelt out clearly and applied transparently and fairly. At the local level, local governments will establish or strengthen Community Development Departments with the special responsibility of maintaining close contact and linkage with communities and CBRDOs, in monitoring community development efforts and liaising with such organizations to ensure that Government assistance is appropriate, adequate and effective into the nation and fully involved in the processes of national development, and that their special security needs are adequately provided for. Full advantage will be taken of their strategic location to create and develop centres of trade and industry in

the promotion of economic cooperation and collective self-reliance among African nations.

3.8 RURAL COMMUNITY ORGANIZATION AND MOBILIZATION

3.8.1 Policy Statement

The full participation of members of the rural communities in the development process is critical to the relevance, quality and sustainability of the development efforts of Government. Such participation is essential at all stages of the programme cycle, from conception, through planning to implementation, monitoring and review. All rural development programmes will take this consideration into account.

3.8.2 Objectives

- 3.8.2.1 To encourage, promote and support the formation and strengthening of community-based rural development organizations (CBRDOs);
- 3.8.2.2 To promote mutual understanding and partnership with them in the initiation, formulation and implementation of development programmes, and
- 3.8.2.3 To mobilize, encourage, advise and support communities and CBRDOs in the choice of projects most suited to their needs, within their capabilities, and in harmony with national rural development objectives.

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Chapter Four
INSTITUTIONAL FRAMEWORK

INTRODUCTION

Many private and public institutions are involved in rural development activities. At many points the spheres of interest of these institutions overlap. A major constraint on rural development is that often the roles of the various institutions are not well defined and the relationships amongst them not clearly specified. The result is that the performance of the system as a whole is sub-optimal, with many areas of uncertainty, duplication and conflict. It is therefore a major policy objective to rationalize and realign the institutional framework for rural development. Such rationalization and realignment will recognize the interests, resources and capabilities of the various institutions involved and the structure of relationships amongst them. The National Policy on Integrated Rural Development (NPIRD) will delineate roles for the three tiers of government and other stakeholders. The policy will also provide the proper environment for cooperation amongst stakeholders for the beneficial integration of their activities toward to common goal.

Principal stakeholders are as follows:

- Federal Government
- State Governments
- Local Governments
- Communities
- Non-Governmental Organizations
- Non Profit Organizations
- Private Sector Enterprises; and
- External Support Agencies

ROLES AND RESPONSIBILITIES OF THE STAKEHOLDERS IN RURAL DEVELOPMENT

The implementation of the programmes contained in this policy document will be carried out at the community, local government, state and federal levels with all the stakeholders including the private sector and the external support agencies having clearly defined responsibilities. Over time, it is expected that the state level support for Local Government will decrease as the local Government personnel gain experience and develop their capacity to implement such programmes. The main functions at each level will be as follows:

Government Agencies

Government is presently the dominant institution for managing rural development. Various specific responsibilities in rural development are constitutionally assigned to the three tiers of government (Federal, State and Local) and are executed by them through ministries, parastatals, departments and other relevant agencies. In carrying out its specific functions, each agency should take into full account the need for dialogue, participation and cooperation with other government agencies as well as with other stakeholders including the rural communities themselves. Special provisions will be made to ensure inter-agency coordination and integration of efforts in pursuance of the national goals enunciated in this policy document.

Federal Government

Various Federal Ministries and Agencies have major responsibilities in key sectors of rural development. While assuming full responsibility in carrying out its specific functions, each of these Ministries and Agencies will contribute its special insights and capabilities to the implementation, monitoring and review of the National Policy on Integrated Rural Development. Most specifically, the role of the Federal Government is to define national policy and ensure that all relevant agencies work harmoniously and effectively towards the attainment of its objectives. It has the responsibility to provide leadership, direction, support, coordination to the entire national rural development effort. In order to give due attention and focus to this role, Government will strengthen the Department of Rural Development under the Federal Ministry of Agriculture and Rural Development.

Department of Rural Development

The principal mandate of the Department of Rural Development is to coordinate all rural development programmes in the country. The specific duties of the Department include the following:

- Formulate and keep under review the National Policy on Integrated Rural Development:
- To collect collate, analyse and disseminate research results on all matters relevant to rural development;
- To disseminate data, research results and other relevant information to such agencies, communities and persons as may benefit there from in the interest of rural development;
- To promote the development and maintenance of rural infrastructural facilities;
- To promote an enabling environment for achieving the integration of rural productive activities;
- To assist the small scale farmers in the rural areas to achieve optimal utilization of farm land and consolidation of fragmented land holdings and promote employment opportunities in the rural areas;
- To provide a forum for bringing together all stakeholders in rural development in order to ensure the fullest dialogue, cooperation and coordination among them in the formulation, implementation, monitoring and review of rural development programmes;
- To provide technical advice and support to all relevant federal, state, local governments as well as Community-Based Rural Development Organizations (CBRDOs) in the identification, selection, formulation and management of rural development programmes;
- To ensure adequate feedback from the various stakeholders in order to strengthen participation of beneficiary communities in the performance monitoring and evaluation of programmes and projects;
- To organize periodic assessment of the human resource needs in the rural development sector and to organize and conduct training for development of human resources for the sector;

- To mobilize and manage funds for the promotion and support of high priority rural development programmes and projects throughout the country;
- To encourage and support the formation and strengthening of (CBRDOs) in the initiation and implementation of community-self- help projects;
- To coordinate all rural development Technical Aid Programmes from international agencies, in order to ensure compliance with set standards; and

State Governments

In order to focus on the special problem of integrated rural development, states are encouraged to establish a Ministry an appropriate/agency/institution to take care of rural development and related functions which will include:

- Implementation at the State level of the National Policy on Integrated Rural Development.
- Coordination, monitoring and review of integrated rural development issues at State level;
- Collection, collation and analysis of relevant data on all integrated rural activities at State level;
- Dissemination of data, research results and other relevant information to all stakeholders in integrated rural development for strategic, informed and profitable interventions;
- Budgeting, programming, projects coordination and financial management at State level;
- Provision or technical advice, support and guidance to all relevant agencies in the state. Local Governments, Community-Based Rural Development Organizations (CBRDOs) as well as the NGOs in the identification, selection, formulation and management of rural development programmes;
- Preparation and monitoring of the implementation of State rural development Master Plan;
- Liaison with the Federal Ministries/Agencies, the Local Government Authorities and other stakeholders at the State level; Assisting the Local Government Councils to prepare annual work plans;

Training and providing professional support to Local Government Community Development Department staff

constitute the most basic level of government. The constitutional role of this tier of government emphasizes this role. Each local authority will therefore function primarily as a

programme in the local government area. In addition, the Chairman of the local government will be responsible for maintaining professional linkages with local communities, and for promoting and cooperation among the

agents operating in the local government area. The role of the local government will be strengthened, each local authority will provide the necessary resources, education, and working with the Department to provide the necessary integration and

development of LGAs; the Department will provide the necessary resources, education, and working with the Department to provide the necessary integration and

where the Ministry/Department will provide the necessary resources, education, and working with the Department to provide the necessary integration and

communities, the Department will provide the necessary resources, education, and working with the Department to provide the necessary integration and

projects in the Department will provide the necessary resources, education, and working with the Department to provide the necessary integration and

- Monitoring progress of Local Government rural development programmes.
- Implementing advocacy, sensitization, information/publicity programmes on rural development;
- Assisting other Government Agencies, Community-Based Rural Development Organizations (CBRDOS), NGOs, and the Private Sector to obtain all relevant information on rural development;
- Providing information to communities on technology choice and design;
- Providing technical advice to the communities;
- Organizing workshops relevant to rural development;
- Carrying out community organization and mobilization;
- Assisting Community-Based Rural Development Organizations (CBRDOS) in planning their projects.

COMMUNITIES

In the local community, the initiative for rural development lies not with government institutions but with the rural communities. The communities are to carry out the following activities:

- 4.4.1 Identifying and articulating community development needs and preferences;
- 4.4.2 Implementing community development projects;
- 4.4.3 Promoting group formation and establishment of relevant committees for planning, implementation, and maintenance of community development projects;
- 4.4.4 Investing time, energy and resources in *planning*, implementation, monitoring, protecting and maintaining community assets and development projects.

NON-GOVERNMENTAL ORGANIZATIONS (NGOs), NON-PROFIT ORGANIZATIONS (NPOs) AND THE PRIVATE SECTOR ENTERPRISES (PSEs)

Many any NGOs, NPOs and PSEs are active in rural development, concentrating on social services-education, health and sanitation and social welfare. Government will involve them in the planning process and encourage them to work in cooperation with

other concerned groups towards the realization of the common goals or integrated rural development.

Their roles shall include the following:

- 4.5.1 Adequately addressing the needs of the rural dwellers in their policies, methods and operations;
- 4.5.2 Manufacturing and marketing of local tools and equipment;
- 4.5.3 Rehabilitation and construction of rural infrastructural facilities;
- 4.5.4 Participation in maintenance of rural infrastructural facilities, including capacity building in the maintenance of rural infrastructure;
- 4.5.5 Employment of rural people thereby reducing rural unemployment;
- 4.5.6 Encouragement of marketing of rural goods and services;
- 4.5.7 Participation in identification of rural development projects;
- 4.5.8 Assistance in funding community development projects;
- 4.5.9 Donation of self-financial projects to rural communities especially host communities.

EXTERNAL AGENCIES

External agencies have become an important factor in rural development. While government appreciates and accepts that the responsibility to develop the rural areas rests on Nigerians themselves, and will do its utmost to mobilize them, government welcomes the growing global interest in rural development in Nigeria and encourages the participation of external agencies in all aspects of rural development. Government has set up appropriate institutions, established appropriate rules and procedures for interaction with external agencies. This is to promote mutual understanding between government and the external agencies, to ensure the relevance and appropriateness of externally assisted programmes and to provide adequately for cooperation and coordination.

The external Support agencies (Bilateral, Multilateral and all Agencies) are to play the following roles:

- 4.6.1 adequately addressing the needs of the rural dwellers in their policies, method to provide adequately for cooperation and coordination.



NIGERIA TODAY



CORE FACTS

Official Name: Federal Republic of Nigeria
Federal Capital: Abuja (from 12th December, 1991)
Area: 923,768.64 Sq. Kilometres
Population: 160,000,000 (est 2010)
Principal Rivers: Niger and Benue
Location: Western Africa, bordering the North Atlantic Ocean between Republics of Benin and Cameroon.
Administrative Divisions: 36 States and 1 Territory, 774 Local Government Councils
Cabinet: Federal Executive Council
Legislative Branch: Bicameral National Assembly: Senate and House of Representatives
Judicial Branch: Supreme Court, Federal High Court and Federal Court of Appeal
Independence Day: October 1, 1960
Official Language: English
Remembrance Day: January 15
Currency: Naira = 100 kobo
Time: GMT + 1 EST + 6
Climate: Humid Sub-Tropical
Weights and Measures: Metric



- 4.6.2 Assist government in developing institutional capacities for rural development programme/project design implementation, monitoring and evaluation: Government has set up appropriate institutions, established appropriate rules and procedures for interaction with external agencies. This is to promote mutual understanding between government and the external agencies, to ensure the relevance and appropriateness of externally assisted programmes;
- 4.6.3 Assist in the provision of financial and technical assistance in the area of rural sector data collection, processing and storage;
- 4.6.4 Assist in the provision of financial and technical assistance to strengthen rural sector institutions and to sustain rural development programmes at all tiers of government.

Chapter Five

VIABLE FUNDING FOR INTEGRATED RURAL DEVELOPMENT

Minimum levels of development in the rural areas will be met if the government cannot and should not handle this integrated rural development programmes and sector and external support agencies. It will also be considered and agreed upon that NGOs and external support agencies will be devised to harness funds and external support. Special provisions will be

Budgetary allocations for special care will be made in special provisions are made in order to promote inter-government programmes, such as inter-level funding means local and to use local resources on behalf of the labour intensive programme

approach and cost-recovery strategies in project implementation. However, care will be taken to ensure that the process does not become exploitative of the rural people; that is, they will not be asked to pay heavily for what the urban people enjoy free or at little cost.

5.3 COMMUNITY FUNDING

At local level, communities have shown considerable initiative in promoting self-help projects according to their perceived needs. This is in line with the Community-Driven Approach which is enunciated in this policy. Consequently, communities should accept that they own all development programmes and projects in their localities and should, therefore, contribute agreed percentages in cash or kind as necessary for the development, protection and maintenance of such community assets.

5.4 FUNDING BY THE NON-GOVERNMENTAL ORGANIZATIONS (NGOS),NON-PROFIT ORGANIZATIONS (NPOs), AND PRIVATE SECTOR ENTERPRISES (PSEs)

NGOs, NPOs, and PSEs, have important roles to play in funding rural development. NGOs, NPOs and PSEs should be involved in community development projects, working closely with community organizations for enhanced relevance and sustainability. They should also be encouraged to establish linkages and collaboration with external agencies in order to build up their capabilities and expand their scope of action. PSEs should consider themselves corporate members of their host communities and therefore have an obligation to contribute meaningfully and systematically to the development of these Communities. They should pay appropriate rates and levies, including property rates to their local governments. Some of the operational activities of many enterprises in rural communities result in ecological damage and degradation. Such enterprises should be made to meet the cost of monitoring such activities and preventing or repairing such damage or degradation. Financial institutions, especially, those in the rural areas, should be encouraged to make meaningful contributions to rural development through donations and the provision of micro-credit facilities to rural dwellers.



**COORDINATION, MONITORING, EVALUATION AND
REVIEW**

6.1 INTRODUCTION

The successful implementation of the National Policy on Integrated Rural Development depends on how well it is managed. Accordingly, Government will establish the appropriate processes for the effective coordination, performance monitoring and evaluation as well as review of programmes. For this purpose, adequately qualified and specially trained staff as well as the resources and techniques of the new information age shall be fully utilized.

6.2 COORDINATION

Given the multiplicity of institutions and agencies involved in rural development, there is need for proper coordination of their activities if the national goals of rural development are to be achieved. Effective coordination depends on mutual understanding among all the development partners at all levels. Accordingly, appropriate coordinating committees and other suitable administrative structures will be set up at federal, state and local government levels, in order to bring all the key actors together on a regular basis. Such meetings shall be utilized to define common interests and objectives, harmonize programmes, assign roles among cooperating institutions and agencies and work out rules and modalities for mutual cooperation and support, and to monitor and review performance.

The overall responsibility for the effective coordination of this policy and of integrated rural development programmes and activities throughout Nigeria shall rest in the Department of Rural Development. This is without prejudice to the responsibility of each functional line ministry/agency for the formulation and implementation of rural development programmes which relate specifically to its own area of competence. All relevant functional line ministries/agencies shall cooperate closely with the Department in programmes addressed to the rural areas in order to

harmonize government programmes, to minimize duplication and waste and to maximize the combined impact of their activities in the transformation of the rural communities.

6.3 MONITORING AND EVALUATION

In order to ensure that the programmes and projects set up to address the felt needs of the rural communities are adequately implemented, a participatory monitoring and evaluation approach would be adopted, such that the rural people are involved as actors, ab-initio, in the monitoring process. This is aimed at facilitating early identification of poor performance such as deviations from plans, objectives and client dissatisfaction. It will also help highlight those actions needed to be taken in order to improve performance.

A comprehensive network of Monitoring and Evaluation Units will be established and maintained. Specifically, Government will:

- 6.3.1 Establish the necessary machinery and facilities in the Department of Rural Development for monitoring, evaluation and review of integrated rural development programmes at national level;
- 6.3.2 Establish the necessary machinery and facilities in each state and local government for monitoring, evaluation and reporting, on a continuous, regular and routine basis, on all integrated rural development programmes being executed;
- 6.3.3 Establish and build-up adequate baseline data and information on the status of rural development in the country;
- 6.3.4 Encourage the creation and use of effective and systematic Management Information Systems (MIS) at the federal, state and local government levels;
- 6.3.5 Encourage integrated rural development implementing agencies at all levels to set performance targets in measurable terms, to facilitate monitoring and evaluation;
- 6.3.6 Conduct regular participatory assessments of the effects and impacts of the various rural development programmes;

- 6.3.7 Set up participatory workshops to discuss results or monitoring and evaluation and proffer corrective action plans to improve performance at various levels; and
- 6.3.8 Encourage the media and the citizenry to get involved on their own in constructively reporting on the execution of rural development programmes and projects.

6.4 REVIEW

In view of the fact that the problems, challenges and opportunities relevant to the pursuance of the rural development objectives indicated in the Policy change overtime, it will be necessary to review this Policy not later than every ten years, so that necessary adjustments in objectives, strategies and priorities can be introduced to ensure that the Policy remains a useful guide to action. The responsibility for conducting such periodic reviews of this Policy and for proposing appropriate changes to Government rests with the Department of Rural Development. The Department shall prepare in respect of each year and publish not later than the end of the first quarter of the succeeding year a National Integrated Rural Development Report.



SECTION FIVE

NATIONAL POLICY ON POVERTY ERADICATION

Chapter One
INTRODUCTION

1.1.1 BACKGROUND

Nigeria is a large country with an estimated total area of 923,768 square kilometers and a population of about 140,8 million. Blessed with a tropical climate that produces a variety of vegetational belts ranging from forest in the South to Savannah in the North, the production of the varied, food and cash crops is distributed the whole year round. The natural balance of the flora and fauna is maintained by a distribution of rainfall that also makes irrigation practicable and productive.

1.1.2 Apart from being endowed with agricultural and water resources, Nigeria is the 6th largest producer of crude oil and is potentially viable for natural gas and a variety of solid minerals including tin, columbite, kaolin, coal, limestone, gold and iron ore. Although most of the mineral output is exported, the profile of the economy showed that the potential for domestic utilization is vast. However, as at 1999, Nigeria still reaps its greatest wealth from the production and export of crude oil, with reserves that promise continuity for at least two more decades while the natural gas deposit will last much longer. Complemented by the rising importance of gas production, export and utilization, the Nigerian economy under good governance may be said to be secured for the future.

1.1.3 As a result of macroeconomic policy distortions in the early 70s, Nigeria despite its vast resources, has not experienced the necessary economic, institutional and structural changes that would guarantee rapid and sustainable growth and development, and acceptable minimum standard of living. The productive and technological bases, which form the prime movers of activities are weak, narrow, inflexible and largely dependent on the external sector sustenance. Furthermore, the economy is still monocultural and dualistic with weak sectoral linkages and high vulnerability to externally generated shocks.

The social and economic infrastructures are weak, inadequate and lack maintenance, while the private sector is weak, shies away from productive investment and oriented towards distributive activities. The effectiveness of incentives to the private sector is generally poor while the productivity is low. The distortions generate unstable growth patterns and comparatively low social indicators. which translate into deplorable poverty situation

- 1.1.4 The collapse of crude oil prices in the international oil market in the early 1980s, coupled with unrelenting expansion in aggregate consumption demand plunged the Nigeria economy into crisis. Consequently, the economic and social activities as well as macroeconomic aggregates plummeted. In fact, the fundamental defects of the Nigerian economy were laid bare in the early 1980s with the collapse of crude petroleum prices in the international oil market as various economic indicators recorded negative growth rate .
- 1.1.5 It is an issue of concern that despite concerted public sector efforts to redress the economic situation and reverse the trend through the revision of economic management strategies, these feature prevailed up to the late 1990s. arising from the fundamental defects of the economy, there was a high level of unemployment, low capacity utilization (both in agriculture and industry) in addition to inadequate local and foreign direct investment. Other undesirable features that prevailed included defective or inappropriate technology and low social indicators particularly as related to education and health.
- 1.1.6 Arising from the above. Nigeria experienced worsening poverty situation in the 1980s and 1990s. The incidence of poverty rose from 46.3 percent of the population in 1995 to. 65.6 percent in 1996. the depth and severity of poverty as well as income inequality also worsened during the period. The rural areas and vulnerable groups, especially women were affected most by the worsening situation. The uneducated people with large family size and those engaged in the informal sector, particularly agriculture, were among the most affected. The Nigeria situation had been made worse by rapid annual population growth rate

of about 2.83 percent since the 1970s giving rise to a high dependency ratio and pressure on resources in several areas. This situation must be redressed.

- 1.1.7 Given the magnitude and complexity of poverty in Nigeria, the pursuit of poverty eradication must be rooted in a national philosophy. This is necessary to elicit participation of the stakeholders in the implementation of the policy and the programmes derived there from. Consequently, the National Policy on Poverty eradication shall be consistent with the overall national philosophy and objectives of the government, which provides for a free, democratic, just and egalitarian society: a united, strong and self-reliant nation, a great and dynamic economy and a land full of opportunities for all citizens.
- 1.1.8 Nigeria's poverty eradication policy shall be based on the integration of all its people into an economic and prosperous, politically stable and socially sound society with equal opportunities to live a healthier, richer and fuller life. These are to be achieved through the use of viable macro/micro economic, social and political policies that are relevant for the eradication of poverty

1.2.0 CONCEPT OF POVERTY

- 1.2.1 Poverty is complex and multi-dimensional. It is a dynamic process of socioeconomic and political deprivation which affects individuals, households or communities viewed in the lack of access to basic necessities of life. Conventionally, poverty is viewed in terms of insufficient income for securing the basic necessities in life: food (including water), clothing and shelter. The concern here is the ability of the individual to exist and to command resources for self-sustenance. Characteristically, poverty has to do with the vicious cycle of deprivation i.e. low economic activity, low production and productivity, low income, low savings investment and consequently, low standards of living.
- 1.2.2 Specifically it is common to regard poverty as a condition of:
- i. not having enough to eat
 - ii. poor drinking water

- iii. poor nutrition
- iv. unfit housing
- v. a high rate of infant mortality
- vi. low life expectancy
- vii. low educational opportunities
- viii. inadequate healthcare
- ix. lack of productive assets
- x. lack of economic infrastructure
- xi. inability to actively participate in decision-making process. The consequences of these phenomenon include:
 - a. state of powerlessness
 - b. helplessness
 - c. despair and thus inability to protect oneself against economic, social, cultural and political discrimination and marginalisation.
 - d. deprivation and lack of rights
 - e. defenselessness and insecurity. vulnerability and exposure to risks, shocks and stress.

These predicaments lead to desperation and helplessness and in turn produce violence, high rate of robbery, theft, thuggery and other deviant human behaviours.

- 1.2.3 In addition, inequalities among social groups within the community as influenced by factors such as gender and age are potent considerations in the expression of poverty for example gender disparities in economic power sharing are among the contributory factors to the poverty of women. In addition, the rigidity of socially ascribed gender roles and women's limited access to power, education, training and other productive resources are some of the structural causes of poverty. While poverty affects household as a whole, due to gender division of labour and responsibilities for household welfare, women bear a disproportionate burden of poverty in the home. They are often required to manage household consumption and production under conditions of

increasing scarcity. Women and of course children are therefore generally more vulnerable to poverty

1.3.0 INDICATORS AND MEASURES OF POVERTY

1.3.1 The proportion of the population with consumption falling below a defined minimum commonly called the poverty line gives an indication of the level of poverty. In addition, indicators of poverty include literacy, health, nutritional status, housing, water, sanitation, lack of access to credit, etc. These indicators among others are commonly compressed into a composite index, typically the Human Development Index (HDI) of UNDP and used to measure the level of poverty incidence. Social participation indicators, which view welfare as a function of social integration and commonly accepted set of social functions that are peculiar to each society, such as meal sharing, gift giving and receiving, celebration of special social events, regularity in the consumption of certain foods, freedom and human rights are also indicative of standard of living.

Chapter Two
POVERTY IN NIGERIA

2.1.0 INCIDENCE, DEPTH AND SEVERITY OF POVERTY

2.1.1 Information from the Federal Office of Statistics (FOS) showed that the incidence of poverty between 1980 and 1985 and between 1992 and 1996. However, there was a decrease in poverty level between 1985 and 1992. The figures were 27.2%, 46.3%, 42.7% and 65.6% for 1980, 1985, 1992, and 1996 respectively. The 27.7% for 1980 translated to 17.7 million persons whereas there were 34.7 million poor persons in 1985. Despite the drop in poverty level in 1992. The proportion of poverty was about 5 million higher than the 1985 figure. By 1996 the population in poverty has increased sharply to 67.1 million.

TABLE A: Trends in Poverty Level 1980-1996 (%)

Year	Poverty Level in Population	Estimated Total Poverty	Population in Poverty
1980	27.2	65m	17.7m
1985	46.3	75m	34.7m
1992	42.7	91.5m	39.3m
1996	65.6	102.3m	67.1m

Source: *FOS Poverty Profile for Nigeria – 1980-1996*

TABLE B: Depth and Severity of Poverty

Year	Depth	Severity
1980	.160	.080
1985	.352	.169
1992	.384	.202
1996	.358	.207

Source: *FOS Poverty Profile for Nigeria – 1980-1996*

2.1.2 Other assessment of poverty also showed a deplorable situation. By 1996, infant mortality and mortality of children under five years were 78 and 147 per 1000 live births respectively, while maternal mortality was 948 per 100,000 live births all critically above the average for developing countries and even sub-Saharan Africa. The 1999 preliminary health profile figure of Federal Ministry of Health (FMOH) also indicated the major cause of morbidity as follows: prevalence rate of malaria in 919 per 100,000, 386 per 100,000 for

dysentery, 146 per 10,000 for pneumonia. 59 per 100,000 for measles while 3.86 percent of the population is estimated to be infected with HIV virus.

- 2.1.3 Gross primary school enrolment was 82.6% for girls, and 87.0% for boys in 1995, while adult literacy was 51 percent. Life expectancy, which was 54 years in 1990, has dropped to about 50 in 1995. Access to adequate shelter, water and sanitation facilities as well as inequality also worsened during the period. The rural areas and vulnerable groups especially women were affected mostly by the worsening situation. The uneducated, people with large family size and those engaged in informal sector, particularly agriculture, were among the most affected. By 1996, about 50 percent of households have access to pipe borne water while only about 18% of households were using modern refuse disposal bins (collected by government and private agencies).
- 2.1.4 The Human Development Report 2000, ranked the country number 151 out of 174 countries and amongst the poorest twenty (20) countries in the world. All these point to the fact that poverty is a serious problem in Nigeria. In fact, Nigeria faces mass poverty and this has serious social, political, economic, and security consequences, which cannot be ignored. The Nigerian situation has however been made worse by the rapid population growth rate of about 2.83 percent since the 1990s giving rise to a high dependency ratio and pressure on resources in several areas.
- 2.1.5 the qualitative aspect of poverty derived from the Voice of the Poor, a consultative Department for International Development (DFID) and World Bank collaboration with the National Planning Commission also manifested poverty in terms of lack of access to resources by individuals which leads to a state of powerlessness, helplessness and despair, and inability to subsist and protect oneself against economic shocks, social, economic, cultural and political discrimination and marginalisation among others.
- 2.1.6 In addition to the above factors, rapid population growth, the use of poor or inappropriate technology, low growth rate of the economy, prevalence to

inappropriate resource allocation particularly in the public sector and low rate of investment are also critical factors. The interaction of the above variables places a large segment of the society in the vicious circle of poverty, which is characterized by low productivity that leads to low per capita income which results in low savings per head. The low savings rate leads to low level of capita accumulation per head and consequently to low productivity. Low productivity can be seen as the source of vicious cycle of poverty and the point where the cycle can be broken by raising the investment level to enhance productivity.

2.20 DISTRIBUTION OF POVERTY

Available data from (FOS 1999) indicate that majority of the poor are in the rural areas as shown in the table below. In 1985, 49.9 percent of the population in rural areas were poor. The share of the poor in the rural areas declined to 46.1 percent in 1992 and thereafter increased to 67.8 percent in 1996, implying that about 45.63 million Nigerians in the rural areas were in the poverty web. On the other hand the proportion of the poor in urban areas grew from 34.7 percent in 1985 to 39.6 percent in 1992 and 57.7 percent in 1996. In terms of depth and severity, the rural areas were also worse off than the urban. This makes poverty to be largely, a rural phenomenon, using consumption and income analysis, although it is still important in urban areas.

TABLE C: Poverty Trends by Sector (%)

Year	Urban	Rural
1980	17.2	28.3
1985	37.8	51.4
1992	37.5	46.0
1996	58.2	69.8

Source: FOS Poverty Profile for Nigeria.

2.2.1 Rural areas have been largely under-served in terms of access to social and economic infrastructure and services. Generally, 50 percent of Nigerians had

access to safe drinking water in 1995 while 39 percent of the rural population as against 80 percent of the urban population had access to safe drinking water supply. Available evidence from studies in 1991 showed that the rural areas had higher rates for health indicators such as infant mortality, malnutrition and diseases prevalence. In education, the percentage of children enrolled in both primary and secondary schools in rural areas was less than in urban areas from 1990 up to 1996. Similarly, literacy rate was lower in rural communities. It is however noteworthy to mention that urban slums and shanties that share similar features, in terms of inadequate infrastructure, with rural areas, harbour the urban poor and the numbers are equally growing.

2.2.2 In terms of gender, conditions prevailing locally and globally aggravate the vulnerability of women and consequently lead to continuous increase in the number of females within the poverty bracket. These conditions include: lack or limited education, discriminatory socio-economic and political practices, civil war, civil strife, natural disaster, migration of heads of households, death (widowhood), women with all female offspring, job discrimination etc. The 1996 National Statistics revealed that, female adult literacy rate was 41 percent as compared to the male literacy rate of 56 percent. Primary school enrolment rate is higher for boys than for girls. Women also present a dismally low proportion of the formal employment sector. Those in professional and marginal occupations constitute only 18 percent of this grade of employment. At the level of decision-making, women represent less than 10 percent of decision-making positions and have never recorded more than 3 percent.

2.2.3 Poverty has also been known to force women into situations in which they are vulnerable to various forms of exploitation such as early marriage, teenage pregnancy and health complications. Poverty is also a factor in the high rate of infection of women with HIV/AIDS and STDs. To address this, the Nigerian National Policy on education, work and choice in marriage and sexual life and other harmful and repulsive socio-cultural practices are contributory factor in this regard. Therefore, poverty eradication cannot be accomplished or sustained

without the development of anti-poverty programmes, democratic participation and changes in economic structures, which ensure women's equal access to resources and opportunities.

2.2.4 HIV/AIDS have become the major threat to Africa's development. The result of National HIV sentinel Sero-prevalence-survey conducted in Nigeria in 1999 indicated that HIV/AIDS epidemic has reached every Community/locality in the country with prevalence rate increasing from 1.89 percent in 1993, to 4-5 percent in 1996 and 5.4 percent in 1999. Youths within the 20-24 ages range showed a much higher prevalence rate of 1.8% with grave implication for our national development. In fact, Nigeria is among the first populous county in the world to have crossed the 5% prevalence mark. Although there are still gaps in the necessary information required to fully explain what drives the epidemic, there are, however, substantial evidences that one of the significant factors driving the epidemic is poverty. AIDS deepens the poverty of households and nations, and poverty aggregates the spread of HIV/AIDS.



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CAUSE OF POVERTY IN NIGERIA

3.1.0 MACRO-ECONOMIC DISTRIBUTORS

3.1.1 The Nigerian economy had experienced some changes since independence, but as at today, it is, still characteristically dualistic and monolithic depending on one primary product for over 90 percent of its exports and Government revenue. The productive base is still narrow and weak. This is despite more than three decades of deliberate efforts at promoting economic growth and development through the preparation and implementation of development plans. At independence, the Nigerian economy was almost entirely based on agriculture with the sector accounting for over 80 percent of employment, government revenue and exports. However, crude petroleum took over since the 1970s while agriculture is almost neglected.

3.1.2 The major causes of Nigeria's economic problem can easily be discernible. They are rooted in the structure of the economy occasioned by inappropriate planning, wrong prioritization of policy and programmes and inconsistent policy framework for the productive sector (Agriculture, Manufacturing, etc.).

3.1.3 With the foregoing variables at play, it was not a surprise therefore that the economy collapsed with the crash of crude petroleum in the international market in 1973 and 1980. In fact, Nigeria's output tumbled from 2.3 million barrels per day in 1973/74 and 2.0 million barrels per day in 1980 to less than a million barrels a day in 1986, while the price fell from \$40.00 per barrel in 1980 and an average of 36.5 in 1981 to 10.00 in 1996. This crash in price and production level led to reduction in Government revenue and export earnings, and the accumulation of debts. It also led to balance of payment crisis and it became clear that the country was deep in economic crisis. This reduction in government revenue was reflected in the inability of Government to provide necessary infrastructure for the people as depicted in FOS figures in 1980, when 27.2 percent of Nigerians were in poverty. This figure went up to 46.3%

in 1985. During the period 1985-1992, which coincided with SAP period the worsening trend was reversed and a decrease of about 4 percent was achieved bringing the level to 42.8 percent. This was as a result of palliative measures introduced by government to cushion the negative effect of the poverty.

3.1.4 To reverse these distortions in 1980, the immediate response of Government was the imposition of the so-called "Austerity Measures". This was a demand management policy which involved restriction on demand for goods and services. The scope of the policy was widened as the crisis deepened. The measures were designed to reduce the level of imports to minimize the drain on the nation's external reserves, generate increased revenue and protect domestic industries. They involved the abolition of tax exemptions, increase in import duties and exchange control measures. Other measures used were price controls. Staff retirement, freeze on wages and salaries increase and dismissal of employees, especially of the public sector, considered redundant in order to prune down expenditures. The government realized that the measures were inadequate to cope with the crisis, as import bills increased and debts piled up, a period of 15 months of national economic emergency was declared in October 1985. All these measures pushed many Nigerians further into poverty brackets and also accentuated the poor standard of living of vast majority of the populace at the period in focus. It became obvious that alternative solutions had to be sought. Meanwhile pressures were mounting from the external front from the creditors through the multilateral institutions for a more pragmatic and realistic approach to clear the financial arrears. A structural adjustment programme was considered the best option.

3.1.5 The Structural Adjustment Programme (SAP) was launched in July, 1986. Its main objectives were to:

- i. Restructure and diversify the productive base of the economy in order to reduce its dependence on the oil sector and imports;
- ii. achieve fiscal and balance of payments viability over the medium term

- iii. lay the basis for a sustainable non-inflationary growth over the medium and long terms; and
- iv. lessen the dominance of unproductive investment in the public sector, improve the sector's efficiency and intensify the growth potential of the private sector

Government's intention at the inception of the programme was to dismantle most of the administrative-control measures due to their ineffectiveness and put in place a framework that would rely more on market forces, and broaden the supply based of the economy.

3.1.6 In order to achieve the objectives of the programme, some measures were introduced. These include the following among others:

- i. Strengthening of the relevant demand management politics;
- ii. Adoption of measures to stimulate domestic production and broaden the supply base of the economy;
- iii. Adoption of a realistic exchange rate policy;
- iv. Further rationalization and restructuring of tariffs in order to aid industrial diversification;
- v. Trade and payments liberalization;
- vi. Adoption of appropriate pricing policies especially for petroleum products and public enterprises; and
- vii. Encouragement of privatization and rationalization of public sector enterprises.

3.1.7 The core elements in the adjustment were threefold. These were:

- i. correcting the observed serious over-valuation of the Naira exchange rate through the setting up of a Second-Tier Foreign Exchange Market coupled with adjustment of the official rate in order to attain convergence of the two exchange rates within the shortest possible time;
- ii. overcoming the observed public sector inefficiencies through improved public expenditure control programme and the speedy rationalization of parastatals; and

- iii. relieving the debt burden and attracting a net inflow of foreign capital, while keeping a lid on foreign loans.

3.1.8 The impact of SAP on the economy could only be said to be mixed. Aggregate output witnessed an upturn only from 1988 and reduction in poverty level within the period according to FOS figures, which put poverty level at 42.8 percent at the period. By the end of 1986, the economy could only record a real GDP growth rate of 1.7 percent. This was however, only six months after the introduction of SAP. In 1987, GDP actually shrank by a real growth rate of 0.6 percent. This was largely due to inability of OPEC members to adhere strictly to their allocated quotas and this led to crises in the price of crude oil. The adverse weather condition and policy distortions among others, experienced in the agricultural sector were also attributable to the low output in the sector. From 1988, there was a dramatic rebound of the GDP growth rate, which reached 10 percent for the year in real terms and continued to record fairly good performance up to 1991 when growth rate stood at 4.8 percent. On the average between 1986 and 1991 the GDP recorded an average growth rate of 5.4 percent. Between 1980 and 1986 the GDP was 2.8 per cent. In as much as SAP had improved the macroeconomic indices of the country, the process of restructuring created more pains to Nigerians.

3.2.0 EFFECT OF GLOBALIZATION

3.2.1 The process of globalization which started about a decade and a half ago, caught Nigeria in the throes of political instability. The main features of globalization process include liberalization of trade, free movement of capital and accelerated development in information technology. Globalization provides windows of opportunity if the indices of development (interest and exchange rates, terms of trade, tariffs etc.) are on the positive and favourable scale. In Nigeria however, by middle of the eighties, public infrastructure and utility had gone into serious dilapidation. The road networks were on bad shape. Schools and hospital deteriorated. Telecommunication and power supply became very erratic. As a result of petroleum-related activities, agriculture was relegated to

the background, and those that remained in it were operating at subsistence level and characterized by the following

- i. Collapsing and uncompetitive industrial sector activities (30% surviving in the last 10 years);
- ii. Rapid growth in unemployment, underemployment and poverty (about 60% among the youths aged 14-25 years) translating into 3 million jobless persons entering the labour market annually;
- iii. Social instability and intolerance (ethnic nationalities and religious friction);
- iv. Hyperinflation (averaging 5% between 1985-1995);
- v. Unstable interest and exchange rates (from \$1-₦1.5 in 1985 to \$1 to ₦100. 1990 interest rate of 35% per annum as at September, 2000);
- vi. Low productivity; and
- vii. Endemic corruption, greed and avarice.

Given the Nigeria's political and socio-economic disposition. globalization presents more challenges to the country as it lacks what it takes to be relevant or even adapt cope with it. Until the country can achieve certain level or good governance, a revamped industrial base, modest economic growth. fairly efficient public infrastructure utilities. Nigeria shall remain at the receiving end of globalization.

3.3.0 GOVERNANCE

3.3.1 Bad governance over the years had deprived Nigerians of the ideals and dividends of democracy. It is the objective of the government of Nigeria to tap through democratic process, the energy and creative talents of the people and harness the nation's resources to enhance the welfare of the citizenry. This is with a mission to create a dynamic economy and establish a free, democratic and just society through the pursuit of people-centered programmes. The process will facilitate and consistently cultivate a style of governance that places premium on openness, transparency and accountability, probity and effective leadership.

3.4.0 CORRUPTION

3.4.1 Corruption comes in different forms and differs from country to country. In Africa, illegal takeover of government through military coup, embezzlement, nepotism, looting, bribery, vote buying and abuse of office are very common. For instance, it is common practice for top government jobs to be filled with cronies who serve as conduit pipes to siphon public money to foreign accounts of some top government functionaries. Such monies are often kept in secret accounts in Switzerland; Nigeria is ranked among the most corrupt countries in the world. The corrupt practices in Nigeria range from extortion by public functionaries to advance fee fraud. At the national level, there is hardly any form of service that would be rendered without giving or receiving undue favours and/or gratification. Access to public infrastructure such as highways, admissions into schools and even hospitals was possible only through corrupt practices. Payments have to be made to the security operatives for bails and police cells, 'guarantee fees' are also being demanded from consumers of power and telecommunication services. Promotion in some workplaces is based on payment by deserving officers. At the international scene, credit card racket, breach of business trust. False identities are the stock in trade of many Nigerians abroad. The sum total effect is that corruption has wiped out the goodwill that usually sustains good business relationship and also weakened the basis of patriotism necessary for development.

3.4.2 The manifestation of corruption in Nigeria progressed marginally among individuals and thereafter assumed an institutional and later national dimension. Currently Corruption is freely practiced at corporate/institutional levels. In government, how much an institution/agency gets by way of allocation is determined not by its statutory functions but by patronage. Unfortunately, the agencies involved are central to the nations economic activities that the harm they inflict on the economy is ramifying. Foreigners find it difficult to invest in Nigeria because of the corrupt impediments put on their way. Cases of "white elephant projects" abound primarily because those executing them were motivated by corruption rather than economic

development of the nation. Through corrupt practices the bulk of the nations wealth have been distributed in favour of the few privileged to the detriment of the majority or Nigerians who are now wallowing in abject poverty. A mechanism of entrusting public responsibility to Nigerians needs to be evolved.

3.5.0 DEBT BURDEN

Debt burden has been one of the drawbacks to Nigeria's developmental efforts. The debt portfolio which was slightly above US 14.28 billion dollars in 1980 rose to about US\$32 billion in the year 2000. The servicing of the debt has encroached on the volume of resources needed or socio-economic development as it is estimated that around 40 percent of Nigeria's national incomes goes to debts payments. The high debt service ratio translate into resource constraint needed for such public infrastructure and utilities as:

- i. Hospitals;
- ii. Schools;
- iii. Roads (Urban and Rural);
- iv. Power supply and potable water.

Productive sectors of the economy like agriculture, industry, manufacturing etc are equally constrained leading to low productivity, low capacity utilization, underemployment and low purchasing power thereby throwing majority of Nigerian into abject poverty.

3.6.0 LOW PRODUCTIVITY

3.6.1 Productivity which is the ratio of output to the corresponding input of factors of production (labour, land, capital and technology) has over the last one and half decades continued to be low in virtually all sectors of the Nigerian economy. It is also clear that low productivity is the genesis of economic stagnation in Nigeria. The long period of military rule with its centralized system of administration further aggravated the problem. The reasons for low productivity and its attendant negative effects on Nigerians are attributable to the following factors among others:

- i. Economic policies that are not growth oriented

- ii. Dwindling internal resource base and dearth of foreign capital;
- iii. Political instability, which undermines continuity in development plans and strategies;
- iv. Poor performance measurement and reward system in the public service;
- v. Weak private sector;
- vi. Breakdown of family values and societal norms,
- vii. Failure to harness internal resources;

3.6.2 To redress the declining productivity in Nigeria, Government should strive to address the following:

- i. general improvement of the state of infrastructure and utilities;
- ii. streamline and improve professionalism in the Nigerian Civil Service;
- iii. Introduce appropriate standard for performance measurement;
- iv. Introduce appropriate reward systems;
- v. cultivate/encourage professionalism;
- vi. encourage private initiatives to invest in public infrastructure;
- vii. enhance maintenance culture of public utilities development;
- viii. enhancing productivity Awareness Campaign;
- ix. allocation of resources to be backed by cost benefit analysis;
- x. and deregulation of workers (Multiple jobs) and Wage System (ability to earn).

3.7.0 UNEMPLOYMENT IN NIGERIA

3.7.1 Unemployment in Nigeria assumed crisis level in the late 80s and early 90s especially among school leavers and graduates in tertiary institutions. A survey carried out by the Centre for Investment, Sustainable Development, Management and Environment in 1998 gave the features as follows:

- i. secondary school leavers between age of 13-25 years;
- ii. Graduate unemployment, which hitherto was unnoticed, started to emerge in mid 80s. The following influences the rising graduate unemployment:

- a. Nigeria had a total enrolment of about 600,000 students in 149 tertiary institutions in 1996/97 academic year.
- b. There were 123,000 graduates in the 1995/96 session and about 130,000 graduates in 1996/97.
- c. Cumulatively, Nigeria produced a total of 1,110,000 graduates from tertiary institutions.
- d. About 10% i.e. 100,000, got formal jobs-over one million might be openly unemployed or underemployed.

All this unemployment worsened the high level of poverty recorded by FOS in 1996.

3.8.0 HIGH POPULATION GROWTH RATE

- 3.8.1 Statistics show that in 1980, Nigeria population was about 65 million, it rose to 88 million in 1991 and further increased to 102.3 million in 1996. It is estimated that the Nigeria population is currently about 140 million. This increase in population has over-stretched the basic social and infrastructural facilities as well as public goods in the face of dwindling national resources. A situation in which population growth averages 2.83 against GDP growth rate of 2.7% meant that resources meant for investment are consumed with little left for development thereby reinforcing the vicious cycle of poverty.

3.9.0 POOR HUMAN RESOURCES DEVELOPMENT

- 3.9.1 Traditional/formal education ensures the full development of human personality and citizenship. Initial training develops a person's skills, and professional competence that enables him to perform in employment. This when complemented with life-long experience would ensure continued appreciation and/or adaptation to changes in global environment. In developing countries, the challenge of human resources training and development should go beyond the need to secure relevance in a modern society to the application of acquired skills for self or paid employment. Thus through well targeted and integrated human resource training and development, Nigeria can empower the

people with relevant skills and improve the pace of economic development.

The human resource development shall centre on the' following:

- i. Providing "vocational skills for any of unemployed school-leavers and graduates of tertiary institutions;
- ii. Providing public sector officials with knowledge and techniques to build a strong partnership with stakeholders;
- iii. Building capacity for enhanced monitoring and extension services; Institutionalizing sustainable credit delivery system;
- iv. Building capacity of national institutions to keep and maintain data on the activities of the economy;
- v. Providing counseling and extension services on "Start your Business", "Know About Business"; "Improve Your Business" etc for Informal. Micro and Small Enterprises operators.

Chapter Four
RESPONSE TO POVERTY IN NIGERIA

4.1.0 PAST EFFORTS ON POVERTY ERADICATION

4.11 The crusade against poverty has been a feature of government development planning since independence. The achievement of this objective has been through the activities of specialized ministries and agencies. The Ministries include

- i. Federal Ministry of Education;
- ii. Federal Ministry of Industry;
- iii. Federal Ministry of Health;
- iv. Federal Ministry of Petroleum Resources;
- v. Federal Ministry of Works and Housing;
- vi. Federal Ministry of Environment;
- vii. Federal Ministry of Employment, Labour and Productivity;
- viii. Federal Ministry of Agriculture and Rural Development;
- ix. Federal Ministry of Women of Affairs and Youth Development;
- x. Federal Ministry of Power and Steel;
- xi. Federal Ministries of Finance;
- xii. National Planning Commission;
- xiii. Federal Ministry of Science and Technology;
- xiv. Federal Ministry of Information;
- xv. Federal Ministry of Transport;

4.12 In addition to the above, government over the years established several Agencies to tackle poverty. These agencies are listed in Table 4:

Table 4: Poverty Eradication Agencies Established by Government

Agency	Established Year	Remarks
Agriculture Development Project (ADPs)	1975	On-going
National Directorate of Employment (NDE)	1986	On-going
National Board for Community Banks (NBEB)	1991	On-going
Population Activities Fund Agency (PAFA)	1990	On going
National Primary Healthcare Development Agency (NPHCDA)	1990	On-going
Federal Environmental Protection Agency (FEPA)	1986	Became Fed. Ministry of Environment (1999)
National Agricultural Insurance Scheme (NAIS)	1981	Merged with NICON (2000)
Federal Urban Mass Transit (FUMT)	1989	Absorbed by the FMT
National Agricultural Land Development Agency (NALDA)	1989	Phased out and function performed by FMARD
Universal Basic Education Programme (UBEP)	2000	On-going
Nigeria Agricultural Cooperative and Rural Development Bank (NACRDB)	2000	On-going
River Basin Development Authority (RBDA)	1986	On-going
National Commission for Nomadic Education (NCNE)	1986	Absorbed by UBE

4.13 In support of the efforts of the Ministries and Agencies, International Donor Agencies and NGOs provided technical assistance and resources. These Agencies include:

- i. United Nations Development Programme (UNDP)
- ii. International Labour Organization (ILO)
- iii. Food and Agriculture Organization (FAO)
- iv. United Nations Industrial Development Organization (UNIDO)
- v. United Nations Children Educational Fund (UNICEF)
- vi. World Bank
- vii. World Health Organization (WHO)
- viii. Sasakawa Global 2000 (SG-2000)
- ix. National Association of Small Scale Industrialists (NASSI)
- x. National Association of Chambers of Commerce, Industries, Mines and Agriculture (NACCIMA)

- xi. National Association of Small Scale Entrepreneurs (NASME)
- xii. Ford Foundation, West Africa
- xiii. European Union (EU)
- xiv. German Technical Cooperation (GTZ)
- xv. Japanese International Cooperation (JICA)
- xvi. OECD
- xvii. United State Agency for International Development (USAID)
- xviii. Department for International Development (DFID)

4.2.0 LESSONS FROM PAST EFFORTS

4.2.1 Despite the enormous human and material resources made by government to reduce poverty through the aforementioned institutions, the programmes, expected to impact positively on the poor, did not achieve this goal because of absence of a comprehensive policy framework and undue political interference.

Other Factors include (among others):

- i. poor governance;
- ii. ineffective targeting of the poor (leading to high level leakage of benefits to unintended beneficiaries;
- iii. unwieldy scope of programmes resulting in resources being thinly spread among too many projects;
- iv. overlapping functions, which ultimately led to institutional rivalry and conflicts;
- v. absence or sustainability mechanisms in programmes/projects;
- vi. lack of complementary support from the beneficiaries;
- vii. uncoordinated sectoral policy initiatives;
- viii. lack of involvement of social partners (NGOs, IGOs, CROs, Labour Unions; and Civil Society among others) in planning and evaluation;
- ix. lack of growth with equity;
- x. poor human capital development;
- xi. low productivity; and
- xii. inadequate funding.

4.3.0 CHALLENGES: PRESENT AND FUTURE

The challenges of poverty eradication would revolve around redressing the causative factors. The challenge will therefore be in the areas of; macro! micro economic reforms, good governance, transparency and accountability, debt retrieval and cancellation, increased productivity, reduced unemployment rate, effective population management, appropriate human resources development and global competitiveness.

The way forward in prosecuting poverty eradication in the light of the causative factor would require a well-articulated and appropriate policy direction and action plan. Such policy shall be well targeted, demand driven and cost effective within the overall macroeconomic reforms/management and human capital development of the economy.

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participation. The National Poverty Eradication Policy shall provide the framework for the operations of the various stakeholders and more specifically:

- i. Inspire, direct and coordinate the actions of institutions, individuals, groups and act as a driving force that propels the actions of stakeholders towards poverty eradication;
- ii. Sensitize and increase awareness on the poverty situation and the dangers of wide spread poverty on society;
- iii. Mobilize all citizens to actively participate in the fight against poverty; and
- iv. Inform the nation of Government's position and actions on poverty eradication.

5.2.0 POLICY STATEMENT

5.2.1 The government or Nigeria is fully aware of the dangers of widespread poverty and realizes the implications of the worsening poverty situation in the country on the effective utilization of resources, and rapid growth and the development of the economy. Government is fully aware of the symbiotic relationship between worsening poverty situation and slow overall development. Within the context of a well-articulated poverty eradication policy Framework, focused institutional arrangement and a well-coordinated programmes implementation, monitoring and evaluation. Government intends to achieve the following:

- i. Good quality life;
- ii. Redressed situation of high incidence of poverty;
- iii. Eradication of absolute poverty;
- iv. Implementation of programmes that can lead to pro-poor economic growth patterns; and
- v. Efficient and sustainable harnessing of the enormous human and natural resources of the country.

5.2.2 Therefore, the thrust of the poverty eradication policy is to improve the living condition of the most vulnerable groups.

5.3.0 POLICY OBJECTIVES

5.3.1 The overriding objective of the poverty eradication policy derived from the government policy statement, is to broaden the opportunities available to the poor and ensure that every Nigerian has access to basic needs of life: food, potable water. clothing. shelter. basic health services and nutrition. basic education and transmission and communication facilities as well as guaranteed respect for fundamental human rights. The overall goal is improved living conditions for the poor in Nigeria.

5.3.2 In line with the above, the following sector-specific objectives would be pursued:

- i. Good Governance and stable macroeconomic policy;
- ii. Attainment of basic education for all, irrespective of location, sex, religion or tribe;
- iii. Facilitation of access to credit, and promotion of entrepreneurship through income generating activities, productive resources and employment opportunities for every Nigerian irrespective of sex, creed, location or tribe;
- iv. Improving the living conditions of the poor through targeted, cost-effective, demand-driven and promptly delivered programmes;
- v. Increase the productivity of the poor both in the rural and urban settlements by providing opportunities for access to assets especially land;
- vi. Promote the development of better and more appropriate technologies for farmers and other productive sectors for adoption and commercialization Improve the participation of the poor in decision-making especially on issue affecting their lives;
- vii. Mobilize and enhance the talents of the poor for development projects in nation building;
- viii. Assist and enhance the capacity of the poor through self-help programme on sustainable basis. Strengthening local institutions to provide social-safety nets, which will rescue transient poverty emergencies at local level;

- ix. Improve the nutritional value of the poor through sustainable agricultural production for food security and better healthcare practices;
- x. Provide a more participatory governance through a national institutional arrangement whereby each stakeholder, including government agencies and donors become proactive partners in the process of poverty reduction;
- xi. Evolve appropriate price mechanism for agricultural and industrial commodities and services.

5.4.0 OVERALL POLICY TARGETS

5.4.1 It is imperative to prioritize the appropriate area of reforms and interventions in quantifiable terms in a given time frame, so as to give meaning to the government policy statement and objective, on poverty eradication. The specific targets of the poverty eradication policy in the short-term (less than 2 years), medium-term (between two to 5 years) and long term (above five years), i.e. by the year 2010 and beyond will be as presented in Table 5.

Table 5: Poverty Eradication Policy Targets

Basic Indicator	From Estimate at Present	Target	Time-Frame
GDP growth rate	2.4%	7%	Short term
Inflation rate	13%	Single digit	Short term
Gainful, employed labour force (both formal and informal)	50%	70%	Short term
Maternal mortality	800 per 100,000 births	400 per 100 births	Short term
Infant mortality	78 per 1000 births	50%	Short term
Reduction in child malnutrition	46 percent of total population	20% of total population	Short term
Population access to potable water	40%	60%	Short term
Household access to electricity (rural)	34%	60%	Short term
Functional telephone lines per 1000 persons	4	200	Short term
Population of school-age children in school	50%	90%	Short term
Population literacy level	57%	80 percent	Short term
Nutrition level (daily calorie, protein intake)	212010g/day	250036/day	Short term
Other basic human low needs (level of satisfaction)	Low	Medium/high	Short term
Promotion of women's participation in informal sector and food processing	Inclusion and integration in the	Unsatisfactory	Recognition

and substance agriculture	economy	4	Short term
Total fertility	6	60	Short term
Life expectancy	50	50%	Short term
Increase capacity utilization	30%	25%	Short term
Budgetary allocation/agriculture	2.5%	High priority	Short term
Environmental concern	Negligible	20%	Short term
Reduction of the incidence of poverty in Nigeria 1996 estimate	65.6%		
Reduction of the incidence of poverty in both the rural and urban areas 1996 estimate	67.8% in rural areas and 57.5% in urban areas	30% in the rural area 20% in the urban area	Medium term
Reduction of population growth rate from 1998	2.83%	2%	Long term
Achievement of national coverage by primary healthcare (PHC) and accessibility of functional primary healthcare services.	55%	90%	Short term
Coverage of rural areas by roads; coverage of urban slums by access road.	45%	90%	Long term
Corruption	Epidemic	Medium/nil	Medium-long term
Reduction in gender disparity in school enrolment	60%	20%	Medium term
Agricultural production growth rate (% epidemic)	60%	20%	Medium term

5.5.0 POLICY STRATEGIES

5.5.1 The achievement of the desired objective and targets above require macro economic policy reform and direct intervention measures. The macroeconomic reform will address the long-term targets while direct intervention strategy shall serve as safety nets in the short term. In broad terms, a people-centered approach to growth and development is desired for significant reduction of poverty in Nigeria. In this wise, people should be seen as the means and end to growth and development. Poverty eradication concerns shall be main-streamed into all programmes and policies of both the public and private sectors of the economy. In other words, all actions shall be judged by how well they improve people's well-being.

5.5.2 The community shall be the center piece for poverty eradication efforts. Poverty eradication would draw on the potential of the community based organizations (CBOs) so that they participate in the design, prioritization,

implementation; monitoring and evaluation of projects that directly affect them. A demand driven, bottom-up, as opposed to a top-down approach shall ensure enhanced community participation in the implementation of a poverty eradication action plan, direct intervention mechanisms will be put in place based on the following principles and strategies:

- i. Advocacy involving the sensitization of the society to the dangers situation and the need to eradicate it.
- ii. Capacity Building/Empowerment which consists of grassroots participatory decision making~
 - access to productive inputs and assets such as credit, land etc;
 - relevant and effective training, education and skill acquisition;
 - exposure to and adoption of appropriate technology;
 - access to adequate infrastructure and social services;
 - integration of the informal sector into the mainstream of economic activities.
- iii. Service Delivery comprising:
 - targeted intervention and building of existing safety nets for the poor;
 - building sustainability mechanisms into poverty eradication policies, programmes, and projects;
 - provision of a support mechanism to finance projects which are initiated by the beneficiaries;
 - emplacement of pro-poor national growth strategies;
 - enabling infrastructure for agricultural development;
 - mainstreaming gender poverty eradication programmes and projects;
 - mainstreaming environment and HIV/AIDS into poverty eradication programmes and project;
 - provision of enabling environment for investment led economic growth;
 - provision of enabling environment to improve food production;

- provision of enabling environment for integrated fisheries and livestock production;
 - improved rain fed and small scale irrigation services employment generation through labour intensive activities that has multiplier effect on the economy.
- iv. Coordination, Monitoring and Evaluation through Streamlining and networking of existing poverty reduction programmes;
 - v. Use of appropriate and effective monitoring and evaluation mechanisms for poverty eradication and eventual eradication: and well articulated management information system.

5.5.3 Sectoral agencies shall derive their specific strategies from broad ones outlined above and translate such into specific action plans or programmes and projects in line with their statutory mandates. For a balanced and effective poverty eradication programme therefore, all sectors considered vital to the upliftment of the poor must be addressed and simultaneously targeted. Eight internationally recognized cluster areas of intervention would be addressed/exploited. These include: Agriculture, Employment, Micro/Macro-finance, Environment, Macroeconomic environment, Information Small and Medium Enterprises (ISME), Health Population Gender, Public Infrastructure and Utilities.

- i. **Agriculture:** Is vital in poverty eradication programmes because of the following:
 - Multiple job creation
 - Food security
 - Wealth generation
 - Stemming of rural-urban migration
 - Raw materials for industry.
- ii. **Employment:** There is a direct linkage between unemployment and poverty. Rising unemployment is one of the major contributory factors to poverty in Nigeria. It is therefore evident that any sustainable effort at

poverty eradication must address sustainable employment creation in the following areas:

- Massive skills acquisition and skills improvement
- Entrepreneurship Development Programme for graduates
- Vocational Training of Disabled and Destitutes

- iii. **Micro-finance:** Is the provision of credit, savings and other financial services to micro entrepreneurs and low-income borrowers. It is considered distinct from the formal financial sector because it specifically targets the informal sector and seeks to expand its outreach to large number or low-income earners. It combines unconventional and indigenous methods of credit administration with modified commercial tools to provide a socially needed service. The underlying objective for employing micro-finance as a poverty eradication strategy is to assist the poor who cannot otherwise make savings, accumulate assets or invest in any meaningful income generating activity that would help to break the vicious cycle of poverty. This approach is often favoured because of its ability to reach out to a large number of people and have positive impact on their lives.
- iv. **Macro-economic:** Creating a macro-economic environment that favours stable exchange and interest rates, improved capacity utilization, among other measures, could open up opportunities for employment and push back the frontiers of poverty. However, such expectation could only be realized in the long run. In the short term, direct intervention programmes should be designed to serve as a labour sponge. Three direct intervention strategies are being envisaged to serve as labour sponge as currently being executed by the NDE and other relevant agencies.
- v. **Environment:** In view of the need to arrest further environmental degradation, it is recommended that timely management of the environment be instituted in such areas as erosion and desertification

control, improved agricultural practices, environmental sanitation, afforestation and pollution control by a network of stakeholders.

- vi. **Informal, Small and Medium Enterprises (ISME)** As a consequence of macroeconomic problems and political instability the performance of the Nigerian economy has remained abysmally low. The agricultural, manufacturing, construction and mining sectors suffered major neglect resulting in massive joblessness and poverty. In effect, but for the role of the informal and small scale sectors in providing jobs, income and services, the country's economy would have collapsed between the mid eighties and late nineties with dire consequences on the nation's corporate existence. Developing the ISME sector would therefore go a long way in redressing the poverty situation in Nigeria.
- vii. **Health, Population and Gender:** Poor public health, rapid population growth and gender disparity has aggravated the poverty incidence, depth, and severity in Nigeria. Preventable diseases have raised both mortality rate to an unacceptable level. HIV/AIDS have reached an endemic state. The rate of population growth which is currently 3.2 percent outstrips the GDP of 2.83 percent, has put enormous pressure on national resources and infrastructure. Women who constitute the large preponderance of the population ill general and the productive sector of the economy especially agriculture, have been marginalized in the areas of empowerment and decision making and these affect their productive health and fundamental human right. The net effect is that the country has been constantly deprived of the benefit of the preferences and the energy of the larger portion of the society. A well thought-out mechanism of enhancing public health, population management and gender mainstreaming will go a long way in turning around the economy of the country.
- viii. **Public Infrastructure & Utilities**

Poor and inefficient public infrastructure and utilities such as power, potable water, telecommunication and roads (urban and rural) have impacted negatively on the well being of Nigerians. Promoters of Micro, Small and Medium Enterprises, find it difficult to operate optimally. Lack of access roads in rural areas have made the movement of goods and services very difficult in some cases impossible thereby giving rise to economic waste to producers who have no incentive to operate above subsistence level. Poor educational and health facilities have led to poorly educated youth and less healthy citizenry respectively. Erratic power and water supply have contributed enormously to the low capacity utilization currently experienced in the economy Improvement in public infrastructure and utilities are therefore a sure way of reducing poverty in Nigeria.

5.5.4 The core action plan of the Federal Government to eradicate poverty in Nigeria under the main sectors listed above shall be integrated and harmonized into four multisectoral schemes, namely:

- i. **Women and Youth Empowerment Scheme**
This shall bear core relevance to training, skills acquisition, technology acquisition, productivity improvement, credit delivery, technology development and enterprise promotion.
- ii. **Rural Infrastructure Development Scheme**
This shall address the provision of potable and irrigated water supply, transport, roads, water points, farmland development, grazing reserves and agricultural/forest plantations.
- iii. **Social Welfare Services Scheme**
This shall have its main emphasis on the provision of acceptable levels of education, health, public and recreational centers, clean environment, secured food availability, agricultural inputs, micro and macro credits and telecommunication facilities, mass transit modes, and maintenance culture.
- iv. **Natural Resources Development and Conservation Scheme**

This shall intervene mainly creating an enabling and acceptable environment to harness agricultural resources, water and solid mineral resources and conservation of land and space particularly for the convenient and effective utilization by small-scale operators and local residents.

5.5.5 The entire poverty eradication initiative of the Federal Government shall therefore be centered on empowering Nigerians particularly the unemployed, women and youth; developing the infrastructure particularly in rural areas: providing adequate social and welfare services; and a sustainable development and conservation of both agricultural and mineral resources.

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Chapter Six
**POLICY FRAMEWORK AND INSTITUTIONAL
ARRANGEMENT**

6.1.0 INTRODUCTION

The renewed strategy poverty eradication, which recognizes the gaps created by the absence of a focal point for monitoring and evaluation, effective coordination and impact assessment in previous efforts, requires institutional reorientation and reform not only to empower the communities to play a major role but to avoid mistakes of the past. In this wise, relevant principles to guide the action of institutions and a focal point for coordinating the poverty eradication activities targeted at the disadvantage group, is desired.

6.1.1 Arising from the new orientation, the policy framework for poverty eradication shall be built around ten guiding principles, These are:

- a. Mandates and target for poverty eradication are clustered under measurable strategies;
 - i. Empowering Nigerians particularly the unemployed, women and Youth Developing the infrastructure particularly in rural areas
 - ii. Providing adequate Social and Welfare Services; and
 - iii. Sustainable Development and Conservation of Natural Resources;
- b. Programmes shall be demand-driven: Communities shall have responsibility for identifying and prioritizing their own programmes;
- c. Community Participation: Communities shall participate in all aspects of the project cycle;
- d. Decentralization of Decision-making: The decision making process shall be as participatory as possible;
- e. In order to impact profoundly and positively on lives of Nigerians, the poverty eradication activities or Government shall be grassroots-focussed agencies with clearly defined mandates and targets;

- f. Emphasis shall be placed on complementation, collaboration and coordination between the various tiers of government, donor agencies, NGO'S and local communities on the other;
- g. A multi-sectoral implementation structure, with an effective coordination, monitoring and evaluating organ, shall be essential in order to ensure cost effective delivery of targets with optimal social benefits;
- h. Empowerment of local Communities: Local Communities shall be given the opportunity to acquire skills and resources to develop themselves;
- i. Minimum bureaucracy: There shall be minimum bureaucracy in the operation of poverty eradication projects; and
- j. The role of government shall be to facilitate, coordinate, sensitize and mobilize people and resources for poverty eradication.

0 ORGANIZATIONAL STRUCTURE

- 1 Based on the new orientation, an effective institutional arrangement shall be put in place for the poverty eradication programmes. These include:
 - a. The National Poverty Eradication Council (NAPEC) with relevant representation from sectoral Ministries and Agencies;
 - b. The Poverty Eradication Coordination Committees at Federal and State Government levels;
 - c. The National Assessment and Evaluation Committee (NAEC);
 - d. The Poverty Eradication Programme Secretariats at the Federal and State Government levels;
 - e. The Monitoring Committees at the Local Government level, and
 - f. The core implementing Ministries and Agencies.

NAPEC: STRUCTURES AND FUNCTIONS

The National Poverty Eradication Council (NAPEC) shall formulate policies and coordinate activities of all national poverty eradication programmes and initiatives.

6.3.1 Composition of NAPEC

The composition of NAPEC shall be as follows:

- Chairman: The President, Commander-in-Chief
- Vice Chairman: The Vice President
- Secretary: Secretary to Government of the Federation, SGF
- Other Members: Ministers of the following ministries with direct mandates on poverty eradication:
- i. Agriculture and Rural Development
 - ii. Education
 - iii. Health
 - iv. Water Resources
 - v. Works and Housing
 - vi. Employment, Labour and Productivity
 - vii. Women Affairs and Youth Development
 - viii. It. Environment
 - ix. Finance
 - x. Power and Steel
 - xi. Science and Technology
 - xii. Industry
 - xiii. Solid Minerals
 - xiv. National Planning Commission; and
 - xv. The Federal Coordinator of Programmes

6.3.2 Functions

NAPEC shall:

- a. Formulate policy and review all policies and strategies of Government designed to alleviate and eradicate poverty;
- b. Set annual targets for institutions and agencies of Government mandated to undertake such programmes, as well as monitor the attainment of such targets;
- c. Mobilize and allocate resources for approved programmes;

- d. Establish the legislative and constitutional framework for the successful implementation of these programmes;
- e. Approve and establish the proper administrative instruments necessary to ensure the implementation and success of poverty eradication and eradication programmes; and
- f. Monitor the functions of the Coordination Committees.

6.4.0 NATIONAL COORDINATION COMMITTEE

A National Coordination Committee shall be established under the Presidency to implement and execute the directives and policy initiatives of the National Poverty Eradication Council (NAPEC).

6.4.1 Composition of National Coordination Committee

Chairman:	A Federal Coordinator of Programmes to be approved by The President. Commander-in-Chief
Secretary	Designated Permanent Secretary from the Office at the SGF
Other Members	Representatives from the relevant Federal Ministries not below the rank of a Director President of the Nigerian Guild of Editors President of the Nigerian Labour Congress.

6.4.2 Functions

The Coordination Committee shall, among other things:

- a. ensure the implementation of the policies and decisions of the NAPEC;
- b. Collate and vet the programmes submitted by various implementing agencies, make preliminary approvals and submit same to NAPEC for necessary changes and final ratification;
- c. Document poverty eradication and eradication activities at all levels of Government;
- d. Relate with Community Based Organizations (CBOs) and NGOs in order to facilitate the development of their capabilities as well as foster partnership with them;

- e. Coordinate and document the contributions of international donor agencies as well as the private sector in poverty eradication and eradication programmes;
- f. Undertake a periodic assessment of programme implementation and prepare reports accordingly for submission to NAPEC;
- g. Set up such other sub-committees as may be required; and
- h. Do such other things and carry out such other directives as may be given from time to time by NAPEC.

6.5.0 THE NATIONAL ASSESSMENT AND EVALUATION COMMITTEE (NAEC)

To ensure the proper positioning of the Poverty Evaluation Programmes within the national economy and social policies of Government, an Assessment and Evaluation Committee shall be established.

6.5.1 Composition

The Committee shall be composed as follows:

Chairman:	The Vice President:
Secretary:	The National Planning Commission
Other Members:	Representatives from the following:
	The Economic Policy Coordination Committee (EFCC)
	The National Economic Intelligence Committee (NEIC)
	The Federal Coordinator of Programmes
	Federal Office of Statistics (FOS)
	NAPEC
	World Bank (Nigeria)
	UNDP (Nigeria)
	European Union (Nigeria) and
	NGOs

6.5.2 Functions

- a. Monitor the achievement of set targets and assess the impact of programmes on target groups;

- b. Prepare evaluation reports for NAPEC.

6.6.0 SECRETARIAT OF THE NAPEC

There shall be established a National Secretariat for The National Poverty Eradication Council (NAPEC), which shall be administered by the Federal Coordinator of Programmes.

6.6.1 Functions of the Secretariat:

- a. Providing administrative services;
- b. Ensuring the implementation of the policies and other decisions of NAPEC;
- c. Monitoring and evaluation of programmes; and
- d. Documentation of the various poverty eradication programmes

6.6.2 Structure of National Secretariat

The Secretariat shall comprise a limited crop of professionals and support staff and shall be divided into three main Directorates:

- a. Programmes and Budget
- b. Monitoring
- c. Public and Government Relations or Outreach Services.

Director shall head each Directorate.

6.7.0 STATE COORDINATOR COMMITTEE

The National Coordination Committee shall establish State Coordination Committees in all the State and FCT in order to coordinate and supervise the execution of programme under the National Poverty Eradicator Council (NAPEC)

6.7.1 COMPOSITION

The composition of the committee is as follows:

Chairman: A State Coordinator of Programmes to be appointed by Mr. President

Other Members: Head of Unit from the relevant Federal Ministries in the States

State Director of the NDE
State Director of NYSC
State Director of UBE
State Director of SMIDA, NACRDB
State Director of NDE
State Director of NPHCDA
State Director of FMBN
State Director of NEPA, State Chairman of the Nigerian Labour Congress; Three representatives from the State Governments (one from each Senatorial District) - State Chairman of Nigerian Union of Journalists, Representatives of donor agencies and private sector organizations who are funding any programme in the State, and Representative of the State Council of Traditional Rulers.

6.7.2 Functions

The State Coordination Committee shall:

- a. Coordinate, supervise and monitor the implementation of Federal Government programmes in the State;
- b. Provide the mechanism for collaboration between the Federal, State and local Governments, as well as with international donor agencies, NGOs and private sector organizations;
- c. Consider and advise on all matters relevant to the successful implementation of the programmes;
- d. Consider and make recommendations on new programme initiatives;
- e. Prepare and submit Monthly Reports to the Federal Coordinator.

6.8.0 LOCAL GOVERNMENT MONITORING COMMITTEE

The focal Government Monitoring Committee shall be established in all the local Government Areas within each State.

6.8.1 Composition Chairman:

Other Members:

The Local Government Chairman

- i. The Local Government Vice Chairman,
- ii. Representatives of the Traditional Rulers in the Local Government Area,
- iii. All Supervisory Councilors, and
- iv. Representatives of donor agencies, NGOs and private organizations operating in the LGA.

6.8.2 Functions

The sole responsibility of this Committee shall be to:

- a. Monitor the implementation of the poverty eradication programmes within their localities and prepare briefs for the State Coordinating Committee;
- b. Propose new programmes; and
- c. Ensure that the scope, implementation strategies and objectives identified by NAPEC are strictly adhered to within these localities.

6.9.0 ROLES OF NGOs/CBOs

- 6.9.1 To participate in various facets and at various levels of coordinating and implementing poverty eradication programmes and projects either on their own or in collaboration with other public sector agencies.

6.10.0 ROLES OF THE PRIVATE SECTOR

- i. Private sector should invest in the poverty eradication activities in collaboration with NGOs and public sector agencies.
- ii. Organizing of small scale artisans by NASSI to ensure good quality goods to attract appropriate pricing.
- iii. Should position itself to assist the small scale entrepreneurs to mobilize themselves into productive ventures.
- iv. Enhance the adoption of relevant appropriate technologies with a view to enhancing standard industry practices, products, and enforcement of professional ethics.

6.11.0 ROLES OF THE INTERNATIONAL AGENCIES

- i. Capacity building and technical support for National Poverty Eradication initiative.
- ii. Providing resources for viable projects.
- iii. Providing access for relevant international practices and experiences.
- iv. Advocacy role among the internal community.
- v. Provide management information systems.

Chapter Seven
FUNDING

7.10 INTRODUCTION

Funding for poverty eradication activities shall be derived from diverse sources, both internal and external. From the outset, emphasis shall however be focused on internal sources of fund.

7.20 SOURCES OF FUNDS

The Schemes shall be funded from two main sources - internal and external.

7.21 INTERNAL SOURCES

Internally, funds shall be sourced from the following:

- i. Withholding Tax On Contracts (WHTC),
- ii. Petroleum Technology Development Fund (PTDF),
- iii. Funds Recovered from Treasury Looters (FRTL),
- iv. Education Tax Fund (ETF), and
- v. Budget allocation.

It shall be noted that relevant Acts and Decrees on some of these sources shall be amended to allow the allocation and utilization of the funds for poverty eradication purposes.

7.22 EXTERNAL SOURCES

The Schemes must be empowered to solicit independent sources of funds from International Donor Agencies (IDM); Community Banks (CBs); Corporate Bodies; and Non-Governmental Organizations (NGOs).

7.23 FUND ADMINISTRATION

For the effective administration of the contribution from the diverse sources including the 3 tiers of Government, a Poverty Eradication Fund (PAF) shall be established and domiciled in the NAPEC.

Chapter Eight
CONCLUSION

Given the government professed determination to revive the economy, the achievements of macroeconomic targets and effective direct intervention activities would be made possible through the implementation of the Poverty Eradication Policy. The policy-aside from addressing mass poverty, would also serve as a veritable tonic for the overall government developmental efforts in both short and long terms.

S/N ACRONYM MEANING

- | | | |
|-----|--------|---|
| 1. | ADP | Agricultural Development Project |
| 2. | APAC | African Population Agenda Council |
| 3. | ADPSs | Agricultural Development Programme |
| 4. | ACGSP | Agricultural Credit Guarantee Scheme Fund |
| 5. | BHSs | Basic Health Services Scheme |
| 6. | BLR | Buyer of Last Resort |
| 7. | CBPRB | Community Based Poverty Reduction Project |
| 8. | CCA | Common Country Assessment |
| 9. | CBRDOs | Community Based Rural Development Organization |
| 10. | CHEW | Community Health Extension Workers |
| 11. | DFRRI | Directorate of Food, Roads and Rural Infrastructure |
| 12. | DFID | Department for International Development |
| 13. | DCDPA | Department of Community Development and Population Activities |
| 14. | DC | Disease Control |
| 15. | EDP | Entrepreneurship Development Programme |
| 16. | FACU | Federal Agricultural Coordinating Unit |
| 17. | FEPA | Federal Environmental Protection Agency |
| 18. | FUMTS | Federal Urban Mass Transit Agency |

- | | | |
|-----|-------|--|
| 19. | FEAP | Federal Economic Advancement Programme |
| 20. | FAO | Food and Agriculture Organization |
| 21. | FSP | Family Support Programme |
| 22. | FGN | Federal Government of Nigeria |
| 23. | FMWH | Federal Ministry of Works and Housing |
| 24. | FDRD | Federal Department of Rural Development |
| 25. | FMARD | Federal Ministry of Agricultural and Rural Development |
| 26. | FOS | Federal Office of Statistics |
| 27. | HDI | Human Development Index |
| 28. | IDC | Industrial Development Centres |
| 29. | IGO | Inter-Government Organization |
| 30. | IFAD | International Fund for Agricultural Development |
| 31. | ILO | International Labour Organization |
| 32. | IDA | International Development Association |
| 33. | MAN | Manufacturers Association of Nigeria |
| 34. | MIS | Management Information System |
| 35. | MIFIs | Micro-Finance Intermediaries |
| 36. | NACB | Nigeria Agricultural Cooperative Banks |
| 37. | NDE | National Directorate of Employment |
| 38. | NCNE | National Commission for Nomadic Education |
| 39. | NCML | National Commission for Mass Literacy |
| 40. | NBEB | National Board for Community Banks |
| 41. | NPHCA | National Primary Healthcare Agency |
| 42. | NALDA | National Agriculture Land Development Authority |
| 43. | NASSI | National Association of Small Scale Industrialists |
| 44. | NACC | National Association of Chambers of Commerce |
| 45. | IMA | Industries Mines and Agriculture |
| 46. | NAWE | National Association for Women Entrepreneur |
| 47. | NAFPP | National Accelerated Food Production Programme |
| 48. | NIDB | Nigeria Industrial Development Bank |
| 49. | NBEI | Nigeria Bank for Commerce and Industry |

50. NERF Nigeria Economic Reconstruction Fund
51. NAIC National Agricultural Insurance Corporation
52. NCMLAE National Commission for Mass Literacy Adult and Non- Formal Education
53. NPHCDA National Primary Healthcare Development Agency
54. NCWD National Centre for Women Development
55. NBRRI Nigeria Building and Road Research Institute
56. NPAC National Poverty Alleviation Council
57. NGOs Non-Governmental Organizations
58. NACRDB Nigeria Agriculture Cooperative and Rural Development Bank
59. NPC National Planning Commission
60. OFN Operation Feed the Nation
61. OECD Overseas Development Agency
62. PAF Poverty Alleviation Fund
63. PAP Poverty Alleviation Programme
64. PBN People Bank of Nigeria
65. PAFA Population Activities Funds Agency
66. PHC Primary Healthcare
67. PAPDC Poverty Alleviation Programme Development Committee
68. PCU Project Coordinating Unit
69. PAC Poverty Alleviation Council
70. RRA Rapid Rural Appraisal
71. RFA Rapid Field Appraisal
72. RMC Rural Model Community
73. RDBA River Basin Development Authorities
74. SON Standard Organization of Nigeria
75. SMIDA Small and Medium Industries Development Agency
76. SMEs Small and Medium Enterprises
77. SGR Strategic Grains Reserve Programme to Conserve
78. TOT Training of Trainers
79. TICs Technical Inter-Ministerial Committee

80.	TBA	Traditional Births Attendants
81.	UBE	Universal Primary Education
82.	UNDP	United Nation Development Programme
83.	UNFPA	United Nations Fund for Population Activities
84.	UNFW	United Nation Fund for Women
85.	UND	United Nations Industrial Development
86.	UNICEF	United Nations Children Fund
87.	UNESCO	United Nations Education Scientific and Cultural Organization
88.	UNAIDS	United Nation Aids Programme
89.	UTF	Unilateral Trust Fund
90.	USIS	United States Information Services
91.	USAID	United States Agency for International Development
92.	UNDS	United Nation Development System
93.	UBE	Universal Basic Education
94.	VAT	Value Added Tax
95.	VEA	Village Extension Agent
96.	WHO	World Health Organization

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SECTION SIX

NATIONAL POLICY ON HEALTH

FOREWORD

The National Health Policy and Strategy to Achieve Health for All Nigerians, promulgated in 1988, has been acclaimed a good document. But it has become necessary to review it to reflect the new realities and incorporate new trends. The document reflects the collective will of the governments and people of this country to provide for our people a comprehensive healthcare system that is based on primary healthcare. It has in some details, described the goals, structure, strategy and policy direction of the healthcare delivery system in Nigeria. The document defines the roles and responsibilities of the three tiers of government without neglecting the non-governmental providers. Its long-term goal is to provide the entire population with access not only to primary healthcare but also to secondary and tertiary care as needed through a well-functioning referral system. However, it is my view that while a clear sense of strategic direction is essential for any healthcare system, implementing the changes which are to follow from the strategy is much more challenging, and therefore, calls for more concerted efforts. On my assumption of office in March, 1995, and having familiarized myself with some of the critical problems plaguing the country's healthcare system, which primarily include: weak political will, poor inter-sectoral collaboration, lack of relevant, accurate and reliable information, lack of active participation by the private sector, poor management capacity, and low community involvement and participation; I became convinced that an informed public debate had become necessary. If our healthcare system is to adequately cater for the present day needs of our population, and also meet tomorrow's challenges.

I, therefore, decided to call a national health summit of experts, leaders, policy makers, providers, planners and administrators in health and in other sectors influencing health throughout the country, in the public and private sectors, and from international and bi lateral agencies to examine, the factors that have militated against improvement in our national health status, and chart a course of remedial action that would take us into the next decade and beyond.

The recommendations that emerged from the summit and other subsequent relevant activities that have been pursued since then have culminated in our having a critical

look at the National! Health Policy, with a view to effecting those changes that are meant to enhance the relevance of the document, to our national health development efforts and make the goals of our healthcare system more realizable.

Since the Health Policy Document serves as the point of reference in providing sound foundation for the planning, organization and management of the nations overall healthcare system, its review becomes essential when there is a widely perceived urgency for change and a general consensus of what changes are necessary. This was the message the nation received after the summit, and this is why we now have a Revised National Health policy to meet the new challenges ahead.

Dr. Ikechukwu Madubuike Hon. Minister of Health

June. 1996

NATIONAL HEALTH POLICY DECLARATION OF THE FEDERAL REPUBLIC OF NIGERIA

The federal, state and local governments of Nigeria hereby commit themselves and all the people to intensive action to attain the goal of health for all citizens by the year 2000 and beyond, that is, a level of health that will permit them to lead socially and economically productive lives at the highest possible level.

All Government of the Federation are convinced that the health of the people not only contributes to better quality of lives but is also essential for the sustained economic and social development of the country as a whole.

The people of this nation have the right to participate individually and collectively in the planning and implementation of their healthcare. However, this is not only their right, but also their solemn duty.

Primary healthcare is the key to attaining the goal of health for all people of this country. Primary healthcare is essential healthcare based on practical, scientifically sound and socially acceptable methods and technology made universally accessible to individuals and families in the community. It shall form an integral part both of the national health system, of which it is a central function and main focus, and of the overall social and economic development of the community.

All Governments and the people are determined to formulate strategies and plans of action, particularly to be taken by local governments, to launch and sustain primary healthcare in accordance with this national health policy.

All Governments agree to co-operate among themselves in a spirit of partnership and service to ensure primary healthcare for all citizens, since the attainment of health by people in any area directly concerns and benefits others in the Federation.

The Federal Government undertakes:

- a. to provide policy guidance and strategic support to States, Local Governments and Private Sector in their efforts at establishing health systems that are primary healthcare oriented and are accessible to all their people;
- b. to coordinate efforts in order to ensure a coherent, nationwide health system;
- c. to provide incentives in selected health fields to the best of its economic ability to promote this endeavour; and
- d. in collaboration with the State and Local Governments and the organized private sector as well as Non Governmental Organizations (NGOs), to undertake the overall responsibility for monitoring and evaluation of the implementation of the health strategy.
- e. all Governments accept to exercise political will to mobilize and use all available health resources rationally.

EVOLUTION OF HEALTH DEVELOPMENT AND THE HEALTH STATUS OF PEOPLE IN NIGERIA

The health services of Nigeria have evolved through a series of historical developments including a succession of policies and plans, which had been introduced by previous administrations. The health services are judged to be unsatisfactory and inadequate in meeting the needs and demands of the public as reflected by the low state of health of the population.

Background

This document has been prepared against the historical background of the growth and development of the health services, the previous attempts to formulate national policies on health and the present state of the health services. The Policy proposed and the strategies emerging from it have been based on an appreciation of the current status of the health of the people of Nigeria with a careful analysis of the major factors which affect the health of the population as well as the nature or interventions which can produce improvement most rapidly and economically.

Historical Premises

The public health services in Nigeria originated from the British Army Medical Services. With the integration of the Army with the Colonial Government during the colonial era, Government offered to treat the local civilians close by Government stations.

The Colonial Medical Service developed and was duty bound to provide free medical treatment to the Army and the Colonial Service Officers. Medical treatment, which Government initially provided its officials, was made available to the local population only as an incidental service. Various religious bodies and private agencies established hospitals, dispensaries and maternity centres in different parts of the country.

The first attempt at planning ahead for the development of health services in Nigeria took place in 1946, as part of the exercise which produced the overall Ten year Plan for Development and Welfare (1946-56) covering all aspects of governmental activities in the country. Since Nigeria was still a colonial territory, the proponents of this plan were mainly expatriate officials. It included 24 major schemes designed to extend the work of existing government departments but it was not an integrated development plan in current sense of the word. These schemes were not properly coordinated nor were they related to any overall economic target. Nevertheless, it was a modest, realistic, well thought out plan for its time and purpose, and it served as the basis for subsequent health plans.

Since the country became independent in 1960, health policies have been enunciated in various forms, either in the National Development Plans or as Government decisions on specific health problems.

- a. The health component of the National Development Plan, 1970-1974, identified and aimed at correcting some of the deficiencies in the health services.
- b. In the 3rd Development Plan, 1975-1980, there was a deliberate attempt to draw up a comprehensive national health policy dealing with such issues as health manpower development, the provision of comprehensive healthcare

services based on the Basic Health Services Scheme, disease control, efficient utilization of health resources, medical research, health planning and management.

- c. The health policy content of the National Development Plan, 1981-1985 has been reflected in this policy document.
- d. Subsequently; the National Development Plan, 1987- 1991 which included some objectives of the 4th National Development Plan with more emphasis on Primary Health Care (PHC) and rehabilitation of secondary and tertiary healthcare institutions, was drafted.
- e. As a result of the Structural Adjustment Programme (SAP) introduced in 1986, the system of 3-year National Rolling Plan was introduced with effect from 1990-1992, the health sector, in line with other sectors of the economy, has since adopted this strategy for national development plan.

STATE OF THE HEALTH SERVICES

The health services as currently organized show major defects which are widely recognized:

- a. The coverage is inadequate. It is estimated that about 54% of the population now has access to modern healthcare services. The rural communities and the urban poor are not well served.
- b. The orientation of the services is inappropriate with a disproportionately high expenditure on curative services as compared to promotive and preventive health services.
- c. The management of the services often shows major weaknesses resulting in waste and inefficiency, as shown by the failure to meet targets and goals. With several different levels of governments, voluntary organizations and other agencies providing healthcare, the various inputs are poorly coordinated.
- d. The involvement of the community is minimal at critical points in the decision making process. Consequently, communities are not well informed on matters affecting their health.
- e. The lack of basic health data is a major constraint at all stages to planning, monitoring and evaluation of health services.

- f. The financial resources allocated to the health services, especially to some priority areas, are inadequate to permit them to function effectively.
- g. The basic infrastructure and logistic supports are often defective owing to inadequate maintenance of buildings, medical equipment and vehicles inadequate and unreliable supply of potable water and electricity; and the poor management of drugs, vaccines and supplies system.
- h. Whilst the list is an accurate summary of the broad range of defects in the health services, there are also encouraging cases in which dynamic health administrators, professional persons and lay members of the communities have successfully corrected these faults within their local areas. Such successful programmes provide useful models of what can be done with limited resources in spite of various constraints.

It is not possible to make an accurate assessment of the health status of Nigerians. This is because the system of collecting basic health data on births, the occurrence of major diseases and other health indicators on a country-wide basis is still developmental. The best available estimates are obtained from some centres where such data are collected from national surveys from institutional records and from special studies.

- a. The health data indicating the general state of health of the population are as shown below:

Infant Mortality Rate: 90 per live births

Childhood Mortality Rate: 191 per 1000 children aged 1-4 years

Maternal Mortality Rate: 8 per 1000

Crude Death Rate: 18 per 1000 population

Crude Birth Rate: 45 per 1000 population

Life Expectancy at Birth: 55 years

Total Fertility Rate 5.8

Rate of Population increase: 2.8%

- b. The Infant Mortality Rate (IMR) for Nigeria is 90 per 1000 live births. This represents a sensitive measure of the health status of Nigerians. This compares poorly with the rates in most advanced nations which can be as low as 10 per

1000 live births. It also compares unfavorably with the rates of some poorer countries in Sub Saharan Africa. However, the IMR is showing a favourable trend towards decreasing levels. Unfortunately, the under-5 mortality rate is rising. The under-5 Mortality rate is the single most important indicator of the state of the Nigerian children. The Maternal Mortality Rate (MMR) for Nigeria is 8 per 1000 total births in a year. This shows that childbirth which should be a normal process with minimal loss of life, is associated with a significant mortality among Nigerian women.

2.7.1 **Patterns of Ill Health and their Determinants**

Most of the causes of deaths and serious illnesses, which occur among Nigerians, can be treated or prevented with simple remedies. Communicable diseases, especially those which are associated with poor environmental sanitation, ignorance, superstitions and lack of information, education and communication (IEC) programmes predominate and are often compounded by malnutrition. Lack of timely and appropriate care often increases the risk of serious complications even for minor ailments. The current high rates of morbidity and mortality can be substantially reduced by a more rational application of available resources and timely intervention through well articulated programmes of emergency preparedness and response. There is also an apparent increase in the prevalence of certain non communicable diseases such as diabetes mellitus, hypertension, coronary artery diseases malignancies and stress related illnesses. Similarly, there is increased recognition of the problem of genetic diseases such as sickle cell, Glucose-6-phosphate dehydrogenase deficiency. Sexually transmitted diseases (STD) and HIV/AIDS due to unprotected sexual activities and substance abuse are constituting public health problems.

FUNDAMENTAL PRINCIPLES UNDERLYING THE NATIONAL HEALTH POLICY

This national health policy to achieve health for all Nigerians is based on the national philosophy of social justice and equity. A health system based on primary healthcare is adopted as the means of achieving the goal.

National Philosophy

The national philosophy is founded on the principles of social justice and equity. This philosophy is clearly enunciated in the National Development Plan, 1970-1974, which described the five national objectives to make Nigeria:

- a. a free and democratic society;
- b. a just and egalitarian society;
- c. a united, strong and self-reliant nation;
- d. a great and dynamic economy;
- e. a land of bright and full opportunities for all citizens;

These principles of social justice and equity and the ideals of freedom and opportunity have been affirmed in the constitution.

National Health Policy

The National Health Policy has been formulated in the context of those national goals and philosophy. Since development contributes to and results from socioeconomic development, the sectors shall be mutually supportive and together contribute to the ultimate goals of the nation. Health development shall be seen not solely in humanitarian terms but as an essential component of the package of social and economic development as well as being an instrument of social justice and national security.

Primary Healthcare

Primary Healthcare as defined in the Alma Ata Declaration shall be the key to the development of the National Health Policy: Primary healthcare is essential healthcare based on practical, scientifically sound and socially acceptable methods and technology made universally accessible to individuals and families in the community and through their full participation and at a cost that the community and country can afford to maintain at every stage of their development in the spirit of self-reliance and self-determination. It forms an integral part both of the country's health system, of which it is the central function and main focus, and of the overall social and economic development of the community. It is the first level of contact of individuals, the family and community with the national health system bringing healthcare as close as

possible to where people live and work, and constitutes the first element of a continuing healthcare process.

Implications

The adoption of the primary healthcare approach has a number of implications:

- a. The various governments of the Federation have responsibilities for the health of the people which shall be fulfilled by the provision of adequate health and social services. The citizens shall have the right and duty to participate individually and collectively in the planning and implementation of these services;
- b. Healthcare shall be accorded higher priority in the allocation of the nation's resources than hitherto;
- c. Health resources shall be equitably distributed giving preference to those at greater risk to their health and the under-served communities as a means of social justice and concern;
- d. Information on health shall be disseminated to all individuals and communities to enable them to have greater responsibility for their health;
- e. Self-reliance shall be encouraged among individuals, communities and on a national scale;
- f. Emphasis shall be placed on preventive and promotive measures which shall be integrated with treatment and rehabilitation in a multi-disciplinary and multi-sectoral approach;
- g. All social and economic sectors shall cooperate in the effort to promote the health of the population;
- h. That primary healthcare shall be "scientifically sound" implies that all health practices and technologies, both orthodox and traditional shall be evaluated to determine their efficacy, safety and appropriateness;
- i. Government shall ensure that a Minimum Healthcare Package is accessible, available and affordable to every Nigerian citizen.

THE GOAL OF THE NATIONAL HEALTH POLICY

The goal of the national health policy shall be a level of health that will enable all Nigerians to achieve socially and economically productive life. The national health system shall be based on primary healthcare.

“Health for all by the year 2000” shall be accepted as a challenging target. As a long-term policy and within available resources, the governments of the Federation shall provide a level of healthcare for all citizens to enable them to achieve socially and economically productive lives.

Within the overall fundamental obligations of Governments of the federal and the nation’s socioeconomic development, the goal of the National Health Policy shall be to establish a comprehensive healthcare system, based on primary healthcare that is promotive, protective, preventive, restorative and rehabilitative to every citizen of the country within the available resources so that individuals and communities are assured of productivity, social well being and enjoyment of living.

The health services, based on primary healthcare shall include at least:

- a. an articulated programme on information, education and communication (LEC), which should also include specific programmes on school health services;
- b. promotion of food supply and proper nutrition; inadequate supply of safe water and basic sanitation;
- c. maternal and child healthcare, including family planning. In this context, family planning refers to services offered to couples to educate them about family life and to encourage them to achieve their wishes with regard to:
 - i. preventing unwanted pregnancies;
 - ii. securing desired pregnancies;
 - iii. spacing of pregnancies; and
 - iv. limiting the size of the family in the interest of the family health and socioeconomic status. The methods prescribed shall be compatible with their culture and religious beliefs;
- d. immunization against the major infectious diseases;

- e. prevention and control of locally endemic and epidemic disease;
- f. appropriate treatment of common diseases and injuries;
- g. provision of essential drugs and supplies;
- h. promotion of programme on mental health; and
- i. promotion of a programme on oral health.

Health System Based On Primary Healthcare

The health system shall:

- a. reflect the economic conditions, socio-cultural and political characteristics of the communities as well as the application of the relevant results of social, biomedical, health system research and public health experience;
- b. address the main problems in the community, providing promotive, preventive, curative and rehabilitative services accordingly; involve, in addition to the health sector, all related sectors and aspects of state and community development, in particular agriculture, animal husbandry, food industry education, housing, public works, communications, water supply and sanitation and other sectors, and demand the coordinated efforts of all those sectors;
- c. promote maximum community and individual self-reliance and participation in the planning, organization, operation and control of primary healthcare, making full use of local, state, Federal Government and other available resources and to this end, shall develop through appropriate education and information the ability of communities to participate.

NATIONAL HEALTHCARE SYSTEM

Federal, state, and local governments shall support in a coordinated manner a three-tier system of healthcare. Essential features of the system shall be its comprehensive nature, multi sectoral inputs, community involvement and collaboration with non-governmental providers of healthcare.

CONSTITUTIONAL BACKGROUND

- a. In the Nigerian Constitution of 1979, health is on the concurrent list of responsibilities with the exception of international health quarantine and the control of drugs and poisons which are exclusively the responsibility of the Federal Government, the Constitution also assigns specific responsibilities to the State and Local Governments.
- b. The national healthcare system is built on the basis of the three-tier responsibilities of the Federal, State and Local Governments.
- c. Schedules of responsibilities which are to be assigned to the Federal, State and Local Governments respectively, shall be prepared for approval by the Federal Ministry of Health, quarantine and the control of drugs and poisons are exclusively the responsibility of the Federal Government. The Constitution also assigns specific responsibilities to the State and Local Governments.

VOLUNTARY AGENCIES AND THE PRIVATE SECTOR

- a. A variety of non-Governmental agencies, especially religious bodies, provide healthcare including both curative and preventive services.
- b. Private practitioners also provide care although their services are mainly concentrated in urban areas.
- c. Healthcare is also provided by public and private companies to staff members and their families.

A COORDINATED SYSTEM

- a. In discharging the responsibilities assigned under the Constitution, the Federal, State and Local Governments shall coordinate their efforts in order to provide the citizens with effective health services at all levels.
- b. Government of the Federation shall work closely with Voluntary Agencies and the Private sector to ensure that the services provided by these other agencies are in consonance with the overall national health policy. The establishment of Hospital Management Services Commission would further enhance the coordination.

- c. Mechanisms shall be established to ensure that all sectors related to health and all aspects of national and community development, in particular, agriculture, animal husbandry, rural development, food, industry, education, social development housing, water supply, sanitation and communications are involved and their health related activities are coordinated.

COMMUNITY INVOLVEMENT

- a. Government of the Federation shall devise appropriate mechanisms for involving the communities in the planning and implementation of services on matters affecting their health,
- b. Such mechanisms shall provide for appropriate consultations at the community organizations (cultural and religious associations) and shall be fully utilized in reaching the people,
- c. The State and Federal Ministries of Health shall consult accredited groups and associations which represent the various interests within the society, including the various professional associations.

LEVELS OF CARE

National Healthcare System shall be developed at three levels viz:

- a. **Primary Healthcare**
 - i. Primary Healthcare shall provide general health services of preventive, curative, promotive and rehabilitative nature to the population as the entry point of the healthcare system. The provision of care at this level is largely the responsibility of Local Governments with the support of State Ministries of Health and within the overall national health policy. Private sector practitioners shall also provide healthcare at this level.
 - ii. Noting that traditional medicine is widely used, that there is no uniform system of traditional medicine in the country but that there are wide variations with each variant being strongly bound to the local culture and beliefs, the local health authorities shall, where applicable, seek the collaboration of the traditional practitioners in promoting their health

programmes such as nutrition, environmental sanitation, personal hygiene, family planning and immunizations. Traditional health practitioners shall be trained to improve their skills and to ensure their cooperation in making use of the referral system in dealing with high risk patients. Governments of the Federation shall seek to gain a better understanding of traditional health practices, and support research activities to evaluate them. Practices and technologies of proven value shall be adapted into the healthcare system and those that are harmful shall be discouraged.

b. **Secondary Healthcare**

The Secondary healthcare level shall provide specialized services to patients referred from the primary healthcare level through out-patient and in-patient services of hospitals for general medical, surgical, paediatric patients and community health services. It shall also serve as administrative headquarters supervising healthcare activities of the peripheral units. Secondary healthcare shall be available at the district, division and zonal levels of the State. Adequate specialized supportive services such as laboratory, diagnostic, blood bank, rehabilitation, and physiotherapy shall be provided.

c. **Tertiary Healthcare**

Tertiary healthcare, which consists of highly specialized services, shall be provided by teaching hospitals and other special hospitals which provide care for specific disease conditions or specific group of patients, e.g. orthopedic, ophthalmic, psychiatric, maternity and paediatric hospitals. Care should be taken to ensure that these are evenly distributed geographically. Appropriate supporting services shall be incorporated into the development of these tertiary facilities to provide effective referral services. Selected centers shall be encouraged to develop special expertise in the advanced modern technology thereby

serving as a resource for evaluating and adapting these new developments in the context of local needs and opportunities.

d. **Referral System**

In order to ensure that the primary healthcare services are appropriately supported by an efficient referral system, Ministries of Health shall review the resources allocated to, the facilities available at, the secondary and tertiary levels. Whilst high priority shall be accorded to primary healthcare, within available resources, the secondary and tertiary levels shall be strengthened. The long-term goal is that eventually all Nigerians shall have easy access not only to primary healthcare facilities but also to secondary and tertiary levels as required. Particular attention shall be placed on the needs of remote and isolated communities which have special logistic problems in providing access to the referral system.

NATIONAL HEALTH STRATEGY

The implementation of this national health policy, and progress towards the achievements of the goals, require the elaboration of strategies at the local, state and national levels. The roles and responsibilities of the different arms of government shall be defined from time. A managerial process for health development shall be established.

Governments of the Federation shall translate the national health policy into strategies to achieve clearly stated objectives and, whenever possible, specific targets.

ROLES AND FUNCTIONS OF THE FEDERAL MINISTRY OF HEALTH

- a. The Federal Ministry of Health shall:
- i. take the necessary action to have this national health policy reviewed and adopted by the Federal Government;
 - ii. devise a broad strategy for giving effect to the national health policy through the implementation by Federal, State and Local Governments in accordance with the provisions of the Constitution;

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- iii. submit for the approval of the Federal Government a broad financial plan for giving effect to the federal component of the health strategy; formulate national health legislation as required, for the consideration of the Federal Government;
- iv. act as coordinating authority on all health work in the country on behalf of the Federal Government, with a view to ensuring the implementation of this national health policy;
- v. assess the country's health situation and trends;
- vi. undertake the related epidemiological surveillance and report thereon to Government;
- vii. promote an informed public opinion on matters of health;
- viii. support State and through them Local Governments in developing strategies and plans of action to give effect to this national health policy;
- ix. allocate adequate federal resources in order to support selected activities to be undertaken by State and Local Governments in implementing their health strategies;
- x. issue guidelines and principles to help States prepare, manage, monitor and evaluate their strategies and related technical programmes service and institutions;
- xi. define standards with respect to the delivery of healthcare, and monitor and ensure compliance with them by all concerned; health technology, including equipment, supplies, drugs, biological products and vaccines, in conformity with WHO's standards; the human environment: and the education, training, licensing and ethical practices of different categories of health workers;
- xii. promote research that is relevant to the implementation of this national health policy and State health strategies, and, to this end, to establish suitable mechanisms to ensure adequate coordination among the research institution and scientists concerned;

- xiii. promote cooperation among scientific and professional groups as well as non-governmental organizations in order to attain the goals of this policy;
- xiv. monitor and evaluate the implementation of this national health policy on behalf of Government and report to it on the findings.

b. **International Health**

The Federal Ministry of Health shall set up an effective mechanism for the coordination of external cooperation in health and for monitoring the performance of the various activities. Within the overall foreign policy objectives, this national health policy shall be directed towards:

- i. ensuring technical cooperation on health with other nations of the region and the world at large;
- ii. ensuring the sharing of relevant information on health for improvement of international health;
- iii. ensuring cooperation in international control of narcotic and psychotropic substances;
- iv. collaborating with United Nations agencies, Organization of African Unity, West African Health Community, and other international agencies on bilateral and/or regional and global healthcare improvement strategies without sacrificing the initiatives of national, community and existing institutional and other infrastructural arrangements;
- v. working closely with other developing countries, especially the neighbouring state within the region which have similar health problems, in the spirit of technical cooperation among developing countries, especially with regard to the exchange of technical and epidemiological information;
- vi. sharing of training and research facilities and the coordination of major intervention programmes for the control of communicable disease.

ROLES AND FUNCTIONS OF STATE MINISTRIES OF HEALTH

a. The State Ministries of Health shall be strengthened so that they become the directing and coordinating authority on health work within the State.

b. Ensuring Political Commitment

i. The Ministries of health shall direct activities according to the strategy for health and coordinate them on behalf of the Government;

ii. The Ministries of Health shall take initiatives to ensure the commitment of their government as a whole to the realization of this national health policy as adopted by all Government of the Federation. In addition, on behalf of the State Governments, they shall make efforts to ensure the support of public figures and bodies as appropriate, such as political religious, trade union and civic leaders, and influential non-governmental organizations. They shall mobilize popular support by involving individuals and families in their own healthcare and by involving them collectively in technical and financial community action for primary healthcare.

iii. The ministries of Health shall propose to their governments appropriate mechanisms for ensuring the action required in all relevant social and economic sectors, such as inter-ministerial committees and multi-sectoral State Health Committees.

iv. The Ministries of Health shall advise on the introduction of health reforms and enabling legislation as necessary for example, to define the rights and obligations of people concerning their health as well as those of various categories of health workers and institutions to protect people from environmental hazards; and to permit communities and to permit communities to develop and manage their health and related social programmes and services. Care should be taken to avoid protracted deliberations on legislation as a substitute for action, and to ensure that people understand the nature of the legislation and approve of it.

c. **Ensuring Economic Support**

- i. Ministries of Health shall seize all opportunities of gaining the support of economic planners and institutions, by convincing them that good health is essential for overall human development and that it contributes positively to productivity. Furthermore, the Ministries of Health shall refute the contention that the pursuit of health consists merely in the consumption of scarce resources of marginally useful medical care that has limited impact on the health of the people.
- ii. Ministries of Health shall also display vigilance, employing specialized personnel if necessary, in order to ensure that health needs and protective measures are made integral parts of development projects, taking account of cost-effectiveness for example, irrigation schemes, dams, and industrial development projects.

d. **Winning over Professional Groups**

- i. To ensure the support of the health professionals. Ministries of Health shall consider ways of involving them in the practice of primary healthcare and in providing support and guidance to communities and community health workers. To this end they shall approach the health and health related professional organizations providing them with information, holding dialogues with them impressing upon them their social responsibilities and indicating how they can best discharge these responsibilities. They shall also consider ways of providing tangible incentives.

e. **Establishing a Managerial Process**

- i. Ministries of Health shall establish systematic permanent managerial processes for health development as outlined in Section.

f. **Public Information and Education**

- i. Ministries of Health shall assume a highly active role in disseminating the kind of information that can influence various target audiences. Thus, statements on the aims and potential

socioeconomic benefits of the State health strategy, as well as progress reports on its implementation, shall be disseminated to the public;

- ii. Ministries of Health in collaboration with Local Governments shall promote health education activities through health personnel and the mass media and in educational institutions of all types, with the maintenance of the prevailing health problems in their state and community and on the most appropriate methods of preventing and controlling them.

g. **Financial and Material Resource**

Just as the successful implementation of the State health strategy shall mean mobilizing all possible human resources, it shall also depend on mobilizing all possible financial and material resources. This implies first of all making the most efficient use of existing resources. At the same time, additional resources shall undoubtedly have to be generated. In this context Ministry of Health shall:

- i. review the distribution of the State resources from all sources with particular reference to primary healthcare vis-à-vis secondary and tertiary levels, urban versus rural areas, and to specific under-served groups;
- ii. reallocate these resources as equitably as possible or, at least allocate any additional resources for the provision of primary healthcare, particularly for under-served population groups;
- iii. include an analysis of needs in terms of costs and materials in all consideration of health technology and of the establishment and maintenance of the health infrastructure;
- iv. consider the benefit of various health programmes in relation to the cost, as well as the effectiveness of different technologies and different ways of organizing the health system in relation to the cost;
- v. estimate the order of magnitude of the total financial needs to implement the State health strategy;

- vi. attempt to secure additional resources for the strategy if necessary, having shown they have made the best possible use of existing funds;
- vii. identify activities that might attract external support and Federal Government assistance;
- viii. present to their government a master plan for the use of all financial and material resources, including for example government direct and indirect financing; social security and health insurance schemes; local community; solutions in terms of energy, labour, materials and cash; individual payments for service; and the use of external loans and grants;

h. Intersectoral Action

Ministries of Health have an important role in stimulating and coordinating action for health with other social and economic sectors concerned with State and community development, in particular, agriculture, animal husbandry, food, industry, education, housing, water supply, sanitation, communication, social development and non-governmental agencies.

- i. Ministries of Health shall approach other sectors with a view to motivating them to take action in specific fields;
- ii. Ministries of Planning, Finance, and Agriculture shall be approached, as appropriate, with a view to reaching a proper balance between food crops and cash crops;
- iii. The agricultural and the housing and public works sectors shall be approached with respect to the provision of safe drinking-water and sanitation;
- iv. Planning and development ministries shall be approached to ensure that proper attention is given to health aspects of development schemes, such as the prevention of certain parasitic diseases;
- v. The education and cultural sectors shall be asked to participate in wide ranging health educational activities in communities, schools, and other educational training and cultural institutions;

- vi. Those responsible for public works and communications shall be requested to facilitate the provision of primary healthcare, through improved communication, particularly for dispersed population;
- vii. Access to the mass media shall be facilitated through Ministries of Information and the like;
- viii. The industrial sector shall be made aware of the measures required to protect the environment from pollution and to prevent occupational diseases and injuries;
- ix. The industrial sector shall also be requested, as the need arises to consider the possibility of establishing industries for essential foods and drugs.

i. **Coordination within the Health Sector**

To achieve coordination within the health sector, Ministries of Health shall pay attention to the following:-

- i. Collaboration between the various health services and institutions, following agreement on allocation of responsibilities in order to make the most efficient use of resources. These shall include services and institutions belonging to government, the private sector, non-governmental and voluntary organizations active in the health sector as well as women's and youth organizations;
- ii. Collaboration between the various levels of the health system following agreement on the distribution of functions and resources;
- iii. Collaboration within and among the various categories of health workers following agreement on the division of labour.

j. **Organizing Primary Healthcare in Communities**

- i. In order to facilitate intersectoral collaboration, primary health care shall be organized taking account of administrative boundaries. Communities shall be helped to organize themselves; and responsibility, authority, and appropriate budgets shall be delegated to them. The Ministries of Health shall provide guidelines and practical support as necessary to those

communities that organize their own primary healthcare. Government shall support and encourage private sector initiative and also provide necessary guidelines.

k. Referral System

- i. Ministries of Health shall review the function, the mechanisms and institutions in the health and related sectors, particularly at the first referral level, and shall motivate staff and retain them as necessary to provide support and guidance to communities and community health workers;
- ii. Ministries of Health shall develop a system of referral of patients and problems so that the first referral level is not overloaded with problems that could be dealt with by primary healthcare in the community, and so that patients and problems are referred to those who sent them, accompanied by information on action taken and guidance for further action;
- iii. Ministries of Health shall review transport and communication facilities, together with local authorities and representatives of the other ministries concerned, to permit the referral systems to function efficiently.

l. Logistic System

- i. Ministries of Health shall review their logistic system to ensure regular and timely distribution of supplies and equipment, as well as the availability of transport and its maintenance, starting with facilities in communities and working centrally through intermediate to the peripheral levels.

m. Health Manpower

- i. State Ministries of Health, in collaboration with the Federal Ministry of Health and other ministries and education bodies concerned, shall ensure the education and training of health manpower to perform functions that are relevant to the country's priority health problems along the guidelines shown in Chapter 10.

- ii. Ministries of Health and other Ministries concerned, for example, Education, Information, Culture, Water Resources, Works and Housing shall take steps to ensure that health workers are socially motivated and provided with the necessary incentives to serve rural communities.

n. **Health Care Facilities**

- i. Ministries of Health, together with Ministries of Local Government and Public Works, shall review the distribution of existing healthcare facilities run by the State and Local Governments as well as other public, private and voluntary bodies, and shall continually update State master plans of requirements for health centres, clinics and for first referral hospitals. Accessibility to those most in need shall be the foundation of the master plans.
- ii. Ministries of Health shall review the functions, staffing, planning, design, equipments, organization, and management of health centres, clinics and first-referral hospitals, in order to prepare them for their wider function in support of primary healthcare. Before investing in buildings, the cost of running them shall be carefully considered.

o. **Priority Health Programmes**

- i. Ministries of Health shall identify priority health programmes in the light of the essential programme elements of primary healthcare and the epidemiological situation in the State, and shall ensure that the delivery of those programmes is given top priority by all concerned. Ministries of Health shall make a systematic assessment of the health technology being considered for use in each priority programme with the aim of applying technology that is appropriate for the country or the state concerned (see Chapter II)

ROLES AND FUNCTIONS OF THE LOCAL GOVERNMENT

- a. The Constitution assigns to local government councils certain functions, which are essential elements of primary healthcare:

- environmental sanitation; provision and maintenance of health services as well as the provision and maintenance of primary education;
- b. With the general guidance, support and technical supervision of State Health Ministries, under the aegis of Ministries of Local Governments. Local Government Councils shall be designed to implement strategies to discharge the responsibilities assigned to them under the constitution, and to meet the health needs of the local community.
- c. **Motivation of the Community**
- i. The Local Government Councils shall elicit the support of formal and informal leaders, traditional chiefs, religions and cultural organizations as well as other influential persons and groups in support of community action for health.
- d. **Local Strategy for Health**
- The Local Government Health Authorities shall:
- i. determine how best to provide the essential elements of primary healthcare;
- ii. identify for each priority programme the activities to be carried out by the individuals and families, by the communities, by the health service and by other sectors;
- iii. identify the support action required for each component of the programme;
- iv. provide relevant health information to the people on such matters as personal hygiene, environmental sanitation, prevention and control of communicable diseases as well as such matters where a change in the life style of the people can have significant impact of their health status;
- v. design and operate mechanisms for involving the communities in the critical decisions about the health services;
- vi. Mobilize resources to support the health programme. This shall include the use of voluntary effort and other traditional methods of achieving community goals;

- vii. ensure that the essential infrastructures for the primary healthcare programmes are available and well maintained. With regard to physical facilities, the emphasis should be on making sure that they meet the requirements for providing service but are not overly elaborate to the point where their maintenance constitutes a drain on resources.
- viii. Collect relevant data about the health resources, the health status of the community and about their health behaviour, including the utilization of health services. Such data shall form the basis of the information of the local health services.

NATIONAL HEALTH SYSTEM MANAGEMENT

It is generally recognized that a more effective delivery of healthcare can be achieved in this country by a more efficient management of the health resources. Experience has shown repeatedly that many well-conceived health schemes fail to meet expectations because of failures in implementation. It is essential to establish permanent, systematic managerial processes for health development at all levels of care. These shall include appropriate control to ensure the continuity of the managerial process from design to application.

THE NATIONAL MANAGERIAL PROCESS

A national managerial process shall be established to include the following elements:

- a. **The national health policy** - comprising the goals, priorities, main directions towards priority goals, that are suited to the social needs and economic conditions in the different State and form part of national, social and economic development policies;
- b. **Programming** the translation of these policies through various stages of planning at the local, state and national levels into strategies to achieve clearly stated objectives;
- c. **Programmed budgeting** the allocation of health resources by Governments of the Federation for the implementation of these strategies;

- d. **Plan of action** - describing strategies to be followed and the main lines of action to be taken in the health and other sectors to implement these strategies;
- e. **Detailed programming** - the conversion of strategies and plans of action into detailed programmes that specify objectives and targets and the technology, manpower, infrastructure, financial resources, and time required for their implementation through the health system;
- f. **Implementation** - the translation of detailed programmes into action so that they come into operation as integral parts of the health system; the day-to-day management of programmes and the services and institutions for delivering them, and the continuing follow-up of activities to ensure that they are proceeding as planned and scheduled;
- g. **Evaluation** - of health developmental strategies and operational programmes in order progressively to improve the effectiveness and efficiency of their implementation;
- h. **Reprogramming as necessary** - with a view to improving the master plan of action or some of its components, or preparing new ones as part of a continuous managerial process for national health development;
- i. **Relevant health information** - to support all these components at all stages to ensure regular and wide dissemination of needed information.

NATIONAL HEALTH PLANNING SYSTEM

Scope and Purpose

- a. The national health planning system shall form an integral part of the national health policy and any ensuing legislation. It will be an important administrative framework for assigning duties and responsibilities as well as determining the working relationships between different levels of health management;
- b. The national health planning system shall relate to the determination of broad policy and priorities, and their translation into forward plans or the utilization of resources. It shall not be concerned with detailed implementation of individual projects or developments, but only with determining their priority and timing and the resources to be allocated to them;

- c. The functions inherent in the health planning system shall be broken down between the research, analytical and considerative processes which result in strategic policy choices and long-term objectives shall be a continuous process which cannot appropriately be fit into an annual cycle, though an annual summary of long term aims and objectives shall be produced as background to programming decisions;
- d. The programming and budgeting process will result in decisions to put into effect specific courses of action within a definite time scale as a means of achieving the long-term aims, and to allocate resources to them. This process, which gives rise to the preparation of financial estimates, budgets and operating targets, shall be subject to annual revision and updating in a formal planning cycle.

NATIONAL HEALTH PLANNING AND DEVELOPMENT GUIDELINES

- a. The Federal Ministry of Health shall include in the guidelines issued; guidelines concerning national health policies, plans and programmes, and shall, as it deems appropriate, by regulation, revise such guidelines.
- b. The Federal Ministry of Health shall include in the guidelines issued;
 - i. standards respecting the appropriate supply, distribution, and organization of health resources;
 - ii. statement of national health planning goals, objectives and targets developed after consideration of the priorities stated above. The goals, objectives and targets shall be expressed in quantitative terms to the maximum extent practicable;
- c. In issuing guidelines, the Federal Ministry of Health shall consult with, and solicit for recommendations and comments, the Ministries of Health, the State Ministries of Education and Local Government, professional associations and special societies representing health organizations.

NATIONAL COUNCIL ON HEALTH

- a. The National Council on Health shall advise the Government of the Federation with respect to:

- i. The development of national guidelines;
 - ii. The implementation and administration of the National Health Policy; and
 - iii. various technical matters on the organization, delivery, and distribution of health services.
- b. The Council shall be composed of the following members:
- i. The Minister of Health, as Chairman; The Minister of State for Health;
 - ii. The Commissioners for Health;
 - iii. The Council shall be advised by the Technical Committee.
 - iv. The Federal Ministry of Health (Department of Planning and Statistics) shall service the National Council on Health.

TECHNICAL COMMITTEE OF THE NATIONAL COUNCIL ON HEALTH

Technical Committee shall be composed of:

- a. The Director-General, Federal Ministry of Health, as Chairman;
- b. All Directors Federal Ministry of Health;
- c. The Legal Adviser, Federal Ministry of Health;
- d. The Heads of major parastatals of Federal Ministry of Health;
- e. The Directors-General in all State Ministries of Health;
- f. At most four Directors from the professional departments and the Department of Planning, Research and Statistics, where they exist;
- g. The Director of Health Services, FCT;
- h. One Representative from each arm of the Armed Forces Medical Corps, viz. the Army, the Air Force, and the Navy;
- i. One Representative from the Prisons Medical Service;
- j. One Representative from the Police Medical Service;
- k. One Representative from the National Institute of Medical Research (NIMR);
- l. One Representative from the National Institute of Medical Research;
- m. National Health Insurance Scheme (NHIS);
- n. National Primary Healthcare Development Agency (NPHCDA);
- o. National Agency for Food and Drug Administration and Control (NAFDAC);
- p. Population Activities Fund Agency (PAFA);

- q. Medical and Dental Council of Nigeria (MDCN);
- r. Pharmacists Council of Nigeria (PCN);
- s. Nursing and Midwifery Council of Nigeria (NMEN);
- t. Two Representatives of the, viz, Committee of Chief Executives of Teaching and Special Hospitals and Federal Centres;
- u. The Chairman of the Committee;
- v. The Chief Medical Director of the Teaching or Special Hospital or Federal Medical Centre in the NCI-t - meeting host state;
- w. Private Sector: One Representative from the Guild of Medical rectors.

EXPERT PANELS

- a. The Technical Committee shall set up as required, appropriate Programme expert panels including the representatives of health related Ministries:
 - i. Agriculture, Rural Development and Water Resources;
 - ii. Education;
 - iii. Science and Technology;
 - iv. Labour;
 - v. Social Development, Youth and Sports;
 - vi. Works and Housing;
 - vii. National Planning;
 - viii. Finance;
- b. Health related bodies:
 - i. National Institute of Medical Research;
 - ii. Medical Schools;
 - iii. Schools of allied health professionals;
 - iv. Non-governmental organizations;
 - v. Professional associations.

PLANNING FUNCTION BY THE FEDERAL MINISTRY OF HEALTH

- a. The Federal Ministry of Health shall prepare and submit for annual review medium and long-term national health plans that detail the health problems and needs of the country. Each plan shall also detail the goals and objectives,

- priorities, implementation and evaluation procedures of solving the health problems and meeting the health needs of the country;
- b. Each National health plan shall be made up of the State health plans submitted by every State Ministry of Health suitably revised to achieve the appropriate coordination or to deal more effectively with the national health needs;
 - c. The Federal Ministry of Health shall assemble and analyze the following data and indicate how their quality can be improved:
 - i. The state of health of the nation and its determinants;
 - ii. the state of the healthcare delivery system in the country;
 - iii. The effect the healthcare delivery has on the health of the general public;
 - iv. the number, type and location of the health resources including health service manpower and facilities;
 - v. The pattern of utilization of health resources; and
 - vi. The environmental and occupational exposure factors affecting immediate and long-term health conditions.
 - d. The Federal Ministry of Health shall also provide guidelines on planning approaches, methodologies; policies, standards, and development of health resources;
 - e. The Federal Ministry of Health shall also provide guidelines for the organization and operation of state health planning and development units including: -
 - i. the structure of a state health planning and development unit;
 - ii. the conduct of the planning and development processes;
 - iii. the performance of state health planning and development functions; and
 - iv. the planning performance of Local Government health authorities.

NATIONAL HOSPITAL SERVICES COMMISSION

There shall be established a National Hospital Services Commission to monitor, control and standardize facilities and services at the tertiary and secondary levels in the private and public sectors.

MANAGERIAL PROCESS AT STATE LEVEL

- i. To permit them to develop and implement their strategies, Ministries of Health shall establish a permanent, systematic, managerial process for health development, which shall lead to the definition of, clearly stated objectives as part of the State strategy and, wherever possible, specific targets. They shall facilitate the preferential allocation of health resources for the implementation of the State strategy, and shall indicate the main lines of action to be taken in the health and other sectors to implement it. They shall specify the detailed measures required to build up or strengthen the health system based on primary healthcare for the delivery of state programmes. The managerial process shall also specify the action to be taken so that detailed programmes become operational as integral parts of the health system, as well as the day-to-day management of programmes and the services and institutions delivering them. Finally, it shall specify the process of evaluation to be applied with a view to improving effectiveness and increasing efficiency, leading to modification or updating of the State strategy as necessary. Health manpower planning and management shall be an inseparable feature of the process. For all the above, the support of relevant and sensitive information will be organized as an integral part of the health system.

STATE HEALTH ADVISORY COMMITTEE

- a. There shall be established, an advisory committee in each State known as the State Health Advisory Committee. The Committee shall advise the State Government on health policy and programmes and be chaired by the Commissioner for Health. The State Health Advisory Committee shall consist of representatives of:
 - i. State Ministry of Health;
 - ii. State Hospital Management Board;
 - iii. State Ministry of Local Government;
 - iv. State Ministry of Education (for school health);
 - v. Non-Governmental Organizations;
 - vi. Federal Health Institutions;

- vii. Health related Ministries;
 - viii. Professional bodies;
 - ix. Private Health Providers including Traditional Medical Practitioners;
 - x. Voluntary Health Agencies;
- b. A State Health Advisory Committee shall perform the following functions: -
- i. review and coordinate the medium and long-term as well as annual health plan of the State;
 - ii. review and revise as necessary (but at least annually) the State Health Plan which shall include the health plans of the Local Government Health Authorities within the state;
 - iii. review annually the budget of each such Local Government Health Authority;
 - iv. The Department of Planning, Research and Statistics shall coordinate the activities of the Committee and serve as the secretariat.

STATE HEALTH PLANNING FUNCTIONS

- a. Each Ministry of Health shall establish an appropriate mechanism for the implementation and planning of its development functions;
- b. The State Ministry of Health shall submit an annual health plan that shall outline the health problems, needs, goals and objectives, implementation and evaluation procedures for the State. It also shall submit medium and long-term plans to the Federal Ministry of Health after the approval of the State Executive Council;
- c. Each State Ministry of health shall perform within the State the following functions;
 - i. conduct the health planning activities of the State and help in implementing and coordinating the various components of the State Health Plan;
 - ii. prepare, review and revise as necessary (but at least annually) a preliminary State Health Plan which shall include the Local Government Health Authority plans;

- iii. assist the State Health Advisory Committee of the State in the review of the State health facilities plan and in the performance of its functions generally;
- iv. review on a periodic basis (but not less often than every three years) all institutional health services being offered by the State.

TECHNICAL ASSISTANCE FOR STATE HEALTH SERVICES

- a. The Federal Ministry of Health shall provide to the State Ministry of Health:
 - i. assistance in developing their health plans and approaches to the planning of various types of health services;
 - ii. technical materials, including methodologies, policies and standards appropriate for use in health planning;
 - iii. other technical assistance as may be necessary in order that such institutions may properly perform their functions.
- b. The Federal Ministry of Health shall include in the materials the following:
 - i. specification of minimum data needed to determine the health status of the nation and the determinants of such status;
 - ii. specification of the minimum data needed to determine the status of the health resources and services of the country;
 - iii. specification of the minimum data needed to describe the use of health resources and services within the state;
 - iv. planning approaches, methodologies, policies and standards which shall be consistent with the guidelines established for appropriate planning of health resources, and which shall cover the priorities as Listed in Chapter 4;
 - v. Guidelines for the organization and operation of the State Health Planning Units, and Local Government Health Committees.

STATE HOSPITALS MANAGEMENT BOARD

- a. The State Hospitals Management Board shall function under the general supervision of, and policies established by, the State Ministry of Health which shall maintain overall responsibilities for the health service of the State.

- b. The Board shall be responsible for the management of hospitals which come under the jurisdiction of the State;
- c. The Board shall collaborate with the Local Health Authorities and their respective health committees to ensure close integration and continuity of services from peripheral units (under the Local Health Authority) to the referral units, which are administered by the Board;
- d. The functions assigned to the Ministry, to the Board and to the Local Health Authorities shall be clearly demarcated with unambiguous delineation of responsibilities and powers;
- e. The composition of the Board shall include representatives of the:
 - i. Ministry of Health;
 - ii. Community leaders;
 - iii. Professional associations;
 - iv. Staff members of hospitals and institutions managed by the Board;
 - v. Federal Health Institutions, where appropriate; and
 - vi. Non-Governmental Organizations.
- f. The officials so the Board shall be selected with great care to ensure dynamic efficient management of the programmes.

LOCAL GOVERNMENT HEALTH COMMITTEE

- a. The Local Government Councils in consultation with the State Ministry of Health shall establish Local Government Health Committees covering each Local Government Area for the purpose of delivering health services to the communities. The Committee shall be chaired by the LGA chairman, while the Medical Officer of Health in charge of the PHC Coordinator in Local Government serves as Secretary to the Committee.

BACKGROUND

The planning, monitoring and evaluation of health services are hampered by the dearth of reliable data on a national scale. Until recently, the basic demographic data about the size, structure and distribution of the population were unreliable. The system for the registration of births and deaths on a national scale is not satisfactory. Also, the

system of collecting basic health data on births, deaths, the occurrence of major diseases and other health indicators on a countrywide basis is still developmental. The available estimates are obtained from some centres where such data are collected, from national surveys, from institutional records and from special studies.

A national health information system shall be established by Government of the Federation. It shall be used as a management tool:

- a. To assess the state of the health of the population, to identify major health problems and to set priorities on the local, state and national levels;
- b. To monitor the progress towards stated goals and targets of the health to provide indicators for evaluating the performance of the health services and their impact on the health status of the population;
- c. To provide information to those who need to take action, those who supplied the data and the general public.

DEVELOPMENT OF THE INFORMATION SYSTEM

- a. The development of the Information System shall be developed in a phased manner starting with the simplest data which can be collected at the peripheral institutions. Efforts shall be made to implement community based systems for the collection of vital health statistics of births and deaths. Such data shall be used for planning and monitoring of health services at the local level.
- b. The State Ministry of Health shall promote and support the collection of data by the Local Government Health Authority to improve the quality and quantity of the Information. The methods of collection and recording shall be standardized as far as possible to facilitate their collation and comparison.
- c. As and when feasible, State Health Authorities shall use simple electronic data processing equipment for storage, retrieval and analysis of the data.
- d. At the Federal level, in collaboration with the Federal Office of Statistics, the Statistics Branch of the Federal Ministry of Health shall be responsible for obtaining, collation, analyzing and interpreting health and related data on a national basis. The branch shall support the State Health Authorities in the development of their information systems.

MONITORING AND EVALUATION OF HEALTHCARE

For Comprehensive Monitoring and Evaluation of Healthcare, minimum categories of indicators shall be as follows:

- a. Health Policy Indicators,
- b. Health Status Indicators,
- c. Socio-economic indicators related to health and living standard,
- d. Provision and utilization of healthcare indicators.

The indicators to be selected shall be based on the available resources, relevance to the health policy and availability of the Information required. The four main indicators shall be as defined below:

a. Health Policy Indicators

- i. Political commitment for "Health For All"; especially enactment of any necessary legislation to effect the commitment;
- ii. financial resource allocation in terms of the proportion of the Gross National Product spent on health; the proportion of the total governments expenditure going to health and specifically to primary healthcare; and per capita government expenditure on health described by State and Local Government Areas;
- iii. distribution of health resources, financial, manpower, physical facilities to reflect the degree of equity by geography and by the urban/rural ratios;
- iv. degree of community involvement as indicated by the establishment of health development committees, community participation in health and health related programmes and contribution towards healthcare; and
- v. organizational framework for managerial process.

b. Health Status indicators

Health Status Indicators shall include:

- i. nutritional status as indicated by birth weight of babies, weight and height measurement of infants and children in relation to age:
 - Birth weight 500 gm of above,

Percentage of under -5 malnourished,

- ii. infant mortality rate,
- iii. child (1-4 years) mortality rate,
- iv. maternal mortality rate,
- v. crude death rate,
- vi. crude birthrate,
- vii. life expectancy at birth, and at 5 years of age,
- viii. Total fertility rate.

c. **Social and Economic Indicators**

Social and Economic Indicators shall include:

- i. rate of population increase,
- ii. gross national or domestic product,
- iii. income distribution,
- iv. work conditions,
- v. adult literacy rate by sex,
- vi. food availability,
- vii. housing condition,
- viii. basic sanitation.
- ix. school enrollment by sex.

d. **Provision and Utilization of Healthcare Indicators**

Provision and Utilization of Healthcare Indicators shall include coverage I primary healthcare and referral support:

- i. Information and education concerning health; proportion of population with access to mass media outlets and measurement of adult literacy activities to the community;
- ii. food and nutrition;
- iii. water supply and sanitation as above;
- iv. family health indicators including proportion of children receiving child health services; proportion of pregnant women receiving antenatal, post-natal care and proportion of eligible women receiving family planning advice;

- v. immunization indicators shall include the percentage of children at risk who are fully immunized against the major childhood diseases; the incidence of the six diseases in children under 5 years of age;
- vi. prevention and control of epidemic and endemic diseases indicators shall specify diseases; proportion of mortality rates from communicable diseases; proportion of leprosy and tuberculosis detected as well as under regular treatment; and lastly vector indices;
- vii. treatment of common disease and injuries indicators shall include proportion of cases of diarrhea in children under 5 years, proportion of fevers treated with chloroquine, proportion of respiration treated with supplementary feeds and proportion of injuries or accidents treated by first-aid or simple treatment;
- viii. provision of essential drugs indicators shall specify provision of essential drugs, vaccines and supplies, standard drug list and availability of such items;
- ix. coverage by referral system indicators shall state the proportion of population in a given area with access to the services within 5 kilometers or 1-hour travel time, the proportion of referred cases who made use of the services and the availability of referral services, e.g., pediatric, obstetric, surgical, medical, etc.
- x. promotion of mental health indicators;
- xi. promotion of oral health indicators; and
- xii. promotion of school health services.

SOURCES OF HEALTH DATA AND INFORMATION

Principal sources of health data and information shall include the following:

- a. Principal and household censuses as prepared and projected by the National Population Commission and Federal Office of Statistics; household censuses will produce data on health related services such as housing, water supply, toilet facilities, overcrowding;

- b. Vital Events Register-legal registration, statistical recording and reporting, of vital events such as births, deaths, marriages, divorces. These registrations of vital events are available at appropriate State authority;
- c. Routine health service data dealing with morbidity and mortality, immunization, disease treatment out-patient attendances, admissions, etc, these data should be obtained from the records of health services in both public and private institutions;
- d. Epidemiological Surveillance Data to cover immunization records, notifiable diseases, and indication of disease incidence and prevalence;
- e. Disease Registers for specific morbidity and mortality shall be kept such as for cancer, sickle disease, handicapped persons, etc;
- f. Budgetary Allocation Data to be obtained from the Federal and State Ministries of Finance, and Planning; as well as the Local Government Authority;
- g. Community Surveys shall be undertaken in collaboration with the National Population Commission, Federal Office of Statistics, University Departments and non-governmental organizations; and
- h. Other health data sources including registers of health institutions and of health personnel.

LEVEL OF FUNCTIONING

Level of functioning shall be as follows:

- a. Local Level:- The Local Government Health Authority shall be responsible for the collection of data in its area of jurisdiction;
- b. State Level: State Ministry of Health shall be responsible for collecting health information from the Local Government Areas and preparing State Health information data;
- c. National Level: The Federal Ministry of Health shall be responsible for:
 - i. the development, introduction and maintenance of an effective national health information system;
 - ii. the central coordination of the health information data; and
 - iii. collecting, processing and presenting relevant and necessary information required both for national health planning and for monitoring the

utilization of resources in accordance with national priorities and objectives.

NATIONAL HEALTH MANPOWER DEVELOPMENT

Ministries of Health shall ensure that medical, nursing, public health and other schools of health sciences under their jurisdiction include in their education programmes the philosophy of "Health for All", the principles of primary healthcare, and the essentials of the managerial process for national health development, and to provide appropriate, practical training in these areas. In a similar manner, efforts shall be made to involve technical workers in other sectors having a bearing on health. The selection, training and deployment of health manpower shall reflect the national objectives with particular emphasis of the primary healthcare approach. Appropriate policies shall be evolved to secure a more equitable distribution of health personnel throughout the country.

Ministries of Health, in collaboration with other Ministries, particularly Education, and educational bodies concerned, especially the Universities, shall take steps at the highest government level to introduce the policy of educating and training health manpower to perform functions that are highly relevant to the country's priority health problems. In fulfillment of this policy they shall review the functions of health personnel throughout the health system. and shall take the necessary measures to ensure their reorientation as necessary.

Ministries of Health, together with other Ministries concerned such as the Ministries of Labour, Employment and Productivity, National Planning, Education and Science and Technology, shall plan health manpower in specific response to the needs of the health system, with a view to placing at the disposal of the system the right kind of manpower, in the right numbers at the right time and in the right place.

TRAINING OF TRADITIONAL HEALTH PRACTITIONERS

- a. Traditional health practitioners shall be retrained in order to increase their skill sand effectiveness and to promote their integration with the primary healthcare system;

- b. As judged appropriate training programmes (courses, seminars, and workshops) shall be organized for traditional health practitioners. In particular, traditional health practitioners shall be encouraged to support priority programmes such as nutrition, environmental sanitation, personal hygiene, oral rehydration and immunizations. They shall be instructed on how to make effective use of the referral system of orthodox medical care. In particular, traditional health practitioners shall be encouraged to support priority programmes such as nutrition, environmental sanitation, personal hygiene, oral rehydration and immunizations. They shall be instructed on how to make effective use of the referral system of orthodox medical care.

NATIONAL HEALTH TECHNOLOGY

The most appropriate health technologies shall be selected for use at all levels of the healthcare system. Particular care shall be taken to identify the most cost-effective technologies and to maintain them at the highest level of efficiency. In order to reduce importation of supplies, indigenous manufacturing capabilities shall be fostered in the spirit of self-reliance.

The policy on national health technology shall be directed to ensuring the selection, development and application of appropriate technology at each level of healthcare. Appropriateness shall be judged on the basis of effectiveness, safety, the ability of the community to pay and the availability of expertise to utilize and maintain the technology.

A systematic assessment shall be made of health technology being considered for use in each priority programme. This shall include measures for health promotion, disease prevention, diagnosis, therapy and rehabilitation.

The process of determining health technology shall also entail specifying for each programme what measures shall be taken by individuals and families in their home and by communities; whether by individual or community behaviour or by specific technical measures. Measures to be taken by the health services at the primary, secondary and tertiary levels, as well as those to be taken by sectors shall be specified.

To arrive at appropriate technologies, mechanisms for consultations with other relevant government departments, institutions as well as communities shall be established.

Emphasis shall be given to:

- a. Devising and applying appropriate technology for providing safe water supplies and basic sanitation in different ecological zones of the country. Preference shall be given to systems, which can be adequately maintained, by communities and available expertise.
- b. Fostering agricultural programmes including home gardening and food distribution mechanisms, which shall promote and facilitate adequate nutrition of all segments of the population. Emphasis shall be placed on making the communities self-sufficient as far as possible with regard to essential food commodities.
- c. Developing and using health education and techno-biological information for the promotion of health practices and behaviour. Such technologies shall be made compatible with local cultures.

DRUGS, VACCINES, DRESSINGS AND QUALITY CONTROL

National drug programmes will be formulated to ensure the quantification of needs, procurement, production as necessary and feasible, distribution and management of essential drugs. Steps will be taken to:

- a. Draw up a list of essential drugs and vaccines and set up mechanisms to ensure that these drugs are available at all levels of the healthcare system;
- b. Develop local capability to produce essential drugs, vaccines and dressings and to reduce the dependence of imports by offering suitable incentives to firms, which are engaged in the local manufacture, research and development of drugs;
- c. Keep surveillance on the quality of locally produced and imported drugs, prevent malpractice and develop a system of monitoring drugs with adverse side effects;

- d. Establish efficient systems for the procurement, storage and distribution of drugs and vaccines including reliable "cold chain" for the latter;
- e. Allocate resources for relevant drug research including traditional remedies;
- f. Control the advertisement of drugs and other health related products.

EQUIPMENT

- a. The selection, ordering and maintenance of equipment (e.g., x-ray machines, anesthetic equipment, refrigerators, transportation) shall be rationalized so as to obtain savings in the cost of purchase and maintenance as well as ensuring reliable service,
- b. Ministries of Health shall cooperate by exchanging information, by standardization or specifications and by the sharing of facilities for the maintenance of equipment.

HEALTH CARE FACILITIES

Ministries of Health, in collaboration with relevant bodies shall review the distribution and types of existing healthcare facilities and their status and shall work out a master plan of re-equipment for health centres, dispensaries and first referral hospitals. These plans will include the repair, refurbishing, updating and equipping of facilities in accordance with established guidelines for each type of facility. Proposals for adequate maintenance, with community support and involvement to the extent feasible, shall also be included in this master plan.

NATIONAL HEALTHCARE

Priorities for health service and biomedical research shall be reviewed in collaboration with the Federal Ministry of Science and Technology Mechanism shall be devised to promote, support and coordinate research activities in the high priority areas and to strengthen the research capabilities of national institutions to enable them to undertake these essential tasks.

In collaboration with the Federal Ministry of Education and the Federal Ministry of Science of Technology, the Ministry of Health shall review:

- a. The priorities for health services and biomedical research in Nigeria. Particular attention will be paid to practical, problem solving activities including the assessment of health technologies that are being selected for use in the Health Services;
- b. The scope and content of activities in the field of biomedical and health services research at academic and other institutions;
- c. Mechanisms for promoting and financing research activities that are judged to be of high priority, and of coordinating the activities of the various scientists and institutions involved;
- d. The training of research scientists, technicians and other support staff especially in the priority disciplines where there are marked shortages, e.g. epidemiology, medical biologists, etc.
- e. The strengthening of Ministries of Health and other institutions to enhance their capabilities to undertake relevant research,
- f. The establishment and sustainability of an outreach programme that will encourage private sector participation in health research activities.

Government shall provide more resources for research in the health sector and encourage the private sector, especially companies that engage in health related activities to evolve and sustain research activities that enhance health.

Biomedical and health services research shall cover the following:

- a. **Epidemiological research:** to identify the major health problems and their determinants in different parts of the country and in different segments of the population;
- b. **Operational Research:** to test the efficacy of health technologies and various methods of applying them in the local situation;
- c. **Development Research:** to develop new and improved tools for the prevention, treatment and control of diseases of local importance. This will include traditional medical practices so that useful ones can be incorporated into the healthcare system and the practitioners can be persuaded to abandon

the use of any agents or procedures (including traditional surgical operations) which are shown to be unacceptably dangerous.

NATIONAL HEALTHCARE FINANCING

The Federal and State Governments shall review their allocation of resources to the health sector. Within available resources, high priority shall be accorded to primary healthcare with particular reference to under-served areas and groups. Community resources shall be mobilized in the spirit of self help and self-reliance.

In the light of the importance of health in socioeconomic development, all Governments of the Federation shall review their financial allocation to health in relation to the requirements of other sectors of the economy. High priority programmes for primary health care shall have the first consideration on any additional resources that may be available.

Within the healthcare system, efforts shall be made to redistribute financial allocation among promotive, preventive and curative healthcare service without compromising curative health service.

Government of the Federation shall explore additional avenues for financing the healthcare system especially health insurance schemes.

As a general policy, users shall pay for curative services, but preventive services shall be subsidized. Generally, public assistance shall be provided to the socially and economically disadvantaged segments of the population.

Government of the Federation shall encourage employers of labour to participate in financing healthcare services to employees

Within the right of individuals to participate in the economy of the nation, private individuals shall be encouraged to establish and finance private healthcare services in under-served areas.

Within the concept of self-reliance, communities shall be encouraged to finance healthcare directly or find local community solutions to health problems through contribution of labour and materials.

Mechanisms shall be established to undertake continuing studies on;

- a. the benefit of various health programmes in relation to the costs, as well as the effectiveness of different technologies and ways of organizing the health system in relation to the cost; and
- b. the inclusion of an analysis of needs in terms of cost, material and personnel in all consideration of health technology and of the establishment and maintenance of health infrastructures.

NATIONAL HEALTH CARE LAWS

The absence of a composite policy on healthcare laws relating to the protection or providers and consumers and the lack of organizational structures for its development would require the setting up of a suitable mechanism for the development of literature and strengthening of institutional basis to facilitate its development

The inadequacies in the health care sector have been further underscored by the absence of awareness of health care laws or ignorance of their existence, their importance and the benefits and interests they serve.

Government shall encourage the development of forensic medicine, medical jurisprudence and medical ethics, both in training institutions and practice.

The Federal Government of Nigeria in collaboration with, States, and LGAs and relevant private sector shall develop and promote healthcare laws through the adoption of the following instruments:

- a. Development of relevant organizational structure;
- b. Continuous research on activities to promote healthcare laws, and the utilization of findings to propose new areas of legislation;
- c. Integration of compulsory course in healthcare laws into the curriculum of all health training institutions;

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- d. Active collaboration of the following institutions on the issue of healthcare laws:
- i. Legal Unit, Federal Ministry of Health;
 - ii. Department of Planning, Research and Statistics, Federal Ministry of Health;
 - iii. Legal Unit, NAFDAC;
 - iv. Health Law Unit, Federal Ministry of Justice;
 - v. National Institute for Medical Research;
 - vi. Institute of Advanced Legal Studies;
 - vii. The law-making body;
 - viii. Colleges/Faculties of Medicine in Nigerian Universities;
 - ix. Faculties of Law in Nigerian universities;
 - x. Professional Regulatory Bodies;
 - xi. Legal Unit, National Health Insurance Scheme;
- e. Establishment of effective information, education and communication (IEC) system on Healthcare Law policy through:
- i. wide circulation of policy on Healthcare Laws, and
 - ii. periodic publication on Health Laws.

ANNEX I

ABUJA HEALTH DECLARATION

The maiden National Health Summit in Nigeria, meeting in Abuja this Ninth Day of September in the Year Nineteen hundred and Ninety Five (1995), and comprising representatives from various levels of government, private and public sector professionals in the healthcare industry, consumers of healthcare services, international agencies and non-governmental organizations (NGOs), having exhaustively reviewed the healthcare situation in Nigeria and recognizing the very low health status of the country, hereby makes following Declaration:

I

The Summit finds health services in Nigeria deficient in key aspects which have resulted in widespread consumer disaffection. The primary factors involved include poor intersectoral cooperation, poor management capacity, low community participation and weak political will to implement necessary changes.

II

Health care service in Nigeria shall be steered towards a new approach based on promotive healthcare to achieve health for all. Public enlightenment, community participation, consumer empowerment and emphasis on preventive healthcare shall be the key elements of this approach.

III

Primary Health Care shall remain the foundation of health care services in Nigeria.

IV

The National Health Policy of 1988 shall be reviewed and modified to include adequate provision for private sector participation in health policy development.

V

The gross inequality in the health status and the gross inequity in access to health services particularly between the rich and the poor, and between urban and rural

dwellers, are socially and economically unacceptable and shall be reduced by government intervention.

VI

Government leaders at all levels require a clear perception of health problems in order to give proper leadership for the improvement of health services. The Summit strongly desires that the national, state and local political leadership be continuously sensitized to the provision of adequate health services for all Nigerians.

VII

Poor management accounts for much of the waste in the health sector and is largely responsible for its ineffectiveness. The summit desires that formal and informal management training be made a necessary requirement for healthcare professionals in Nigeria.

VIII

Government has a responsibility to make essential drugs affordable and to achieve national self-sufficiency in the production of vaccines and the manufacture of essential drug.

IX

Government spending on healthcare and other related services shall be increased to produce a healthy population.

X

Government shall ensure that a Minimum Healthcare package is accessible, available and affordable to every Nigerian citizen.

ANNEX II

NATIONAL HEALTH STATUS

a.	Nutritional status as indicated by birth weight of babies, weight and height measurement or infants and children in relation to age:-		
	▪ Birth weight 500 gm or above	-	83%
	▪ Percentage of under-5 malnourished	-	36%
i.	Infant Mortality Rate:	-	90 per 100
ii.	Child (1-4 years) Mortality Rate:	-	191 per 1000
iii.	Maternal Mortality Rate:	-	8 per 1000
iv.	Crude Death Rate:	-	10 per 1000
v.	Crude Birth Rate:	-	45 per 1000
vi.	Life Expectancy at birth:	-	55 years
vii.	Total Fertility Rate:	-	5.8%
b.	Social and Economic Indicators:		
i.	rate of population increase:	-	3.0%
ii.	gross national or domestic product:	-	\$250/capital
iii.	income distribution:	Agriculture -	60.30%
iv.	work conditions:	Sales -	18.40%
		Production -	8.20%
		Professionals -	6.90%
		Others:	6.30%
v.	adult literacy rate by sex:	Total -	55%
		Males -	60%
		Females -	44%
vi.	food availability housing condition:		
vii.	Housing condition:	Electricity:	
		None -	66.29%
		Public only -	33.53%
		Private only -	0.17%
viii.	water and sanitation:	Water:	

ix. basic water and sanitation

Well Water	-	37.00%
Stream/Pond	-	31.30%
Pipe borne		
Bore Hole	-	24.70%
Pit toilet	-	7.00%
WC	-	63.30%
Pail	-	3.50%
Others	-	1.90%
Refuse Disposal:		
Within compound	-	49.43%
Govt Bins	-	1.81%
Private Bins	-	11.11%
Others Places-		37.66%
National	-	69.43%
Boys	-	71%
Girls	-	67%

x. School enrollment sex:

- Sources:
- i. The Nigerian Health Profile, Federal Ministry of Health 1994.
 - ii. National Integrate Survey of Households, 1995 (Federal Office of Statistics).

MORBIDITY PATTERN

The common causes of morbidity in Nigeria are still preventable infectious diseases. The common causes of visits at all clinics and outpatient departments of hospitals and the relative percentages of these causes are shown in the table below:

S/N	DESCRIPTION	Percentage (%)
1.	Infective and parasitic diseases	38.2
2	Nutritional and metabolic diseases	1.5
3	Respiratory diseases	12.7
4	Ill defined conditions	9.2
5	Skin diseases	8.4
6	Digestive system	4.7
7	Accidents	3.1
8	Muscles and skeletal diseases	2.9

9	Genito-urinal diseases	27
10	Blood diseases-anaemia, etc	2.5
11	Diseases of nervous system and organ	9.9
12	Others	3.9

The causes of admission into hospitals, and the relative percentages, are as follows:

1	Infective and parasitic diseases	31.3
2	Nutrition and metabolic related diseases	2.8
3	Pregnancy and childbirth	23.1
4	Respiratory diseases	9.8
5	Genito-urinary diseases	5.3
6	Accidents	5.0
7	Digestive system diseases	3.2
8	Disease of nervous system	3.3
9	Blood diseases	3.0
10	Ill-defined conditions	3.2
11	Skin diseases	3.4
12	Others	5.0

Common types of infective and parasitic diseases in order of occurrence are:

1. Malaria
2. Whooping Cough
3. Dysentery and
4. Schistosomiasis
5. Measles
6. Chicken Pox
7. Pneumonia
8. Tuberculosis
9. Gonorrhoea
10. Meningitis

Common types of infective and parasitic diseases in order of occurrence are:

1. Infective and parasitic diseases
2. Diseases of respiratory system
3. Accidents, poisons and violence
4. Diseases of circulatory system
5. Diseases of digestive system

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The five most common causes of death in hospitals in Nigeria are very similar to those causing high morbidity. They are as follows:

- I. infective and parasitic diseases,
- Diseases of respiratory system,
- Accidents, poisons and violence.
- Diseases of circulatory system,
- Diseases of digestive system.

ANNEX III

RESPONSIBILITIES OF THE VARIOUS LEVELS OF GOVERNMENT FEDERAL MINISTRY OF HEALTH

The Federal Ministry of Health shall be responsible for healthcare services and for training institutions or other services of common usage among the states or of national concern or character. Such services and institutions include:

1. Special Hospitals (Orthopedic, Eye, Neuropsychiatry),
2. Federal Medical Centres,
3. Teaching hospitals,
4. National laboratories,
5. Communicable and Endemic Diseases Control (Designated as National Programmes),
6. International Health and Quarantine,
7. Regulation and Surveillance of standard training of health
8. Personnel,
9. Regulation, Control and Surveillance of healthcare standards,
10. External health Relations,
11. Drugs and Poison Control,
12. National Intersectional healthcare Linkages,
13. Primary Healthcare Support (national planning, training, technical assistance, programme support).

STATE MINISTRY OF HEALTH

The State as required for the well being of the people of the state. To avoid overlapping of responsibilities, the State Government shall provide:

1. Specialist care in wards of general hospitals especially for acute service,
2. General hospital care services including outpatient care, Training institutions especially for sub-professional level such as technologist, technicians, assistant and aid levels,
3. Public health programmes,

4. Intersectional healthcare, linkages at State level; State public health laboratories.
5. Any health programme of particular relevance to the state, Primary healthcare support (state planning, training, financial programming and operational support).

LOCAL GOVERNMENT AREA: HEALTH AND ENVIRONMENTAL DEPARTMENT

The department is responsible for providing the following services to the community:

1. Primary Health Care services - including maternal and child welfare services,
2. Family Planning,
3. Immunizations against infectious diseases,
4. Adequate supply of basic sanitation,
5. General outpatient services,
6. Health Education,
7. Inspection of offices, food premises, homes, etc
8. Construction and care of public toilets and cemeteries,
9. Disposal of refuse,
10. Removal of corpses from the roads,
11. Registration of births and deaths

ANNEX IV

NATIONAL POLICIES IN THE HEALTH SECTOR

1. Abuja Health Declaration
2. Maternal and Child Health Policy
3. The National Drug Policy
4. The National Mental Health Policy for Nigeria
5. The National Adolescent Health Policy
6. National Immunization Policy and Standard of Practice
7. National Breast feeding Policy
8. National Acute Respiratory Infections Programme: National Policy and Plan of Actions 1991-1995
9. The National Nutrition Policy: Health Sector
10. National Policy on Population for Development
11. Nigerian Country Plan of Action for Implementing the Minimum District Health for all Package 1995-2000
12. Social Development Policy for Nigeria

ANNEX V

HEALTH PROGRAMME GUIDELINES

1. National Guideline on Community Development in Nigeria
2. Guidelines on Implementation of Primary Health Care
3. Guidelines for Drug Registration in Nigeria
4. Guidelines on Secondary HealthCare
5. Guidelines for the Registration of Food, Cosmetics, Medical Devices and Bottled water .
6. Procedure for Processing of Application for Regulated Product! Advertisement Promotion
7. Bottled water Labelling Regulation
8. Food Products Registration Regulation
9. Pre-Packaged Food (labeling) Regulation
10. Drug Products Advertisement Regulation
11. Bottled Water Advertisement Regulation
12. Cosmetics Product (Prohibition of Bleaching Agents etc) Regulation
13. Food Grade (Table Cooking) Salt Regulation
14. Guidelines on the Issuance of Patent and Proprietary Medicine Vendors Licence
15. Policy/Guidelines on Blood Transfusion

ANNEX VI

FEDERAL LEGISLATIONS RELATING TO HEALTH

1. The Constitution of the Federal Republic of Nigeria (Promulgation) Decree 1989, Decree No. 12 (Section IX sub-Section 3 of the 1979 Constitution).
2. S.17 (3) C&D of the 1979 Constitution of the Federal Republic of Nigeria states (S.3 I, 1 (a)(b).
3. The National Institute for Pharmaceutical Research and Development Order 5.1.13 of 1987. (Under National Science and technology Act 1980)
4. The Counterfeit and Fake Drugs (Miscellaneous Provisions) Act Cap 73 of 1990
5. The Factories Act Cap 126 of 1990
6. Food and Drugs Act Cap 150 of 1990
7. The Regulated and other Professions (Private Practice Prohibition) Act Cap 390 61 7 1990
8. The National Water Resources Institute Act Cap 284 of 1990
9. The Marketing of breast Milk Substitutes Decree No. 14 of 1990
10. Radiographers (Registration etc.) Act Cap 386 of 1990
11. Dental Technologist (Registration etc.) Act Cap 69 of 1990
12. Medical Rehabilitation Therapist (Registration etc.) Act Cap 222 of 1990
13. The Nursing and Midwifery (Registration etc.) Act Cap 332 of and Amended by Decree No. 83 of 1992
14. The Community Health Practitioners Registration etc. Decree No. 61 of 1992
15. The National Environmental Protection (Pollution Abatement in Industries and Faculties Generating wastes) Regulations 1991
16. The Medical and Dental Practitioners Act Cap 221 of 1990 amended by Decree 78 or 1992.
17. Dangerous Drugs Act Cap 91 of 1990, (ii) S.3 and (I) Dangerous Drugs Regulations Act Cap 91 of 1990.
18. Harmful Wastes Special Provisions Act Cap 165 of 1990
19. Health Records Officers (Registration etc.) Act Cap 166 of 1990

20. National Eye Centre Act Cap 25 8 of 1990
21. Criminal Code Act Cap 77 of 1990
22. Indian Hemp Act Cap 176 or 1990
23. Criminal Procedure (Disposal of certain exhibit) Act Cap 43 of 195 8
24. Counterfeit and Fake drugs (Miscellaneous Provisions) Act Cap 73 of 1990
25. National Drug Formulary and Essential Drug List Act Cap 252 of 1990
26. Nursing and Midwifery (Registration, etc.) Act Cap 332 of 1990
27. Psychiatric Hospitals Management Board Act Cap 3 74 of 1990
28. University College Hospital Act Cap 450 of 1990
29. Dental Therapist Registration Decree No. 81 of 1993
30. Drugs and Related Products Registration etc. Decree No. 19 of 1993
31. National Agency for Food and Drugs Administration and Control Decree No. 15 or 1993
32. National Primary Health Care Development Agency Decree No. 29 of 1992
33. Tobacco Smoking (Control) Decree No. 20 of 1990
34. Advertisement Practitioners (Registration, etc) (Amendment) Decree No. 116 of 1993
35. Pharmacists Council of Nigeria Decree No. 100 of 1992
36. Institute of Public Analysts of Nigeria Decree No. 100 of 1992
37. Orthopedic Hospitals Management Board Act Cap 341 of 1990
38. Optometrists and Dispensing Opticians (Registration, etc) Act Cap 340 of 1990
39. Pharmacist Act Cap 357 of 1990
40. Pest Control of Produce (Special Powers) Act Cap 349 of 1990
41. National Medical College Act Cap 266 of 1990
42. The National Environmental Protection: Effluent Limitation Regulations 1991 S.18 of 1991
43. University of Benin Teaching Hospital Act Cap 45 1 of 1990
44. University of Nigeria Teaching Hospital Act Cap 460 of 1990
45. University of Nigeria Teaching Hospital (Reconstitution of Boards, etc) Act Cap 463 of 1990
46. Lagos University Teaching Hospital Act Cap 201 of 1990

47. Institute of Medical Laboratory Act Cap 349 of 1990
48. Nuclear Safety and Radiation Protection Decree No.) 9 of 1995
49. Environmental Impact Assessment Decree No. 86 of 1992
50. Population Activities Fund Agency Decree No. 19 of 1994
51. Federal Environmental Protection Agency Decrees No. 58 of 1988 and No. 59 of 1992, as amended.
52. Import Prohibitions Decree No. 36 of 1989 (confiscations or release of contaminated food, vegetables, meat and dairy products).
53. Births and Deaths (Compulsory Registration) Decree 3901' 1979.
54. National Population Commission Decree No 23 of 1989

SOME FEDERAL LEGISLATIONS TRANSFERRED TO STATE LAWS

1. Leprosy Act Cap 104 of 1958 omitted under Federal Law now Lagos Law
2. Liquor Act Cap 105 of 1958 omitted under Federal Law now Lagos Law
3. Lunacy Act Cap 112 of 1958 omitted under Federal Law now Lagos law
4. Native Liquor (Township and Certain Areas Act Cap 127 of 1958 omitted under Federal Law now Lagos State Law
5. Private Hospitals Act Cap 160 of 1958 omitted under Federal Law now Lagos law
6. Public Health Act Cap 165 of 1958 Omitted under Federal Law now Lagos law
7. Vaccination Act Cap 208 of 1958 Omitted under Federal - Law now Lagos law
8. Venereal Disease Act Cap 209 of 1958 Omitted under Federal - Law now Lagos law
9. Pharmacy Act (Renamed Poison and Pharmacy Act Cap 152 of 1958) partly repealed by Decree No. 26 of 1964; Omitted in Lagos State Laws.

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SECTION SEVEN

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SECTION SEVEN

NATIONAL POLICY ON THE ENVIRONMENT

FOREWORD

The Federal Government of Nigeria has no doubt taken a number of steps to address various environmental problems in the country. Concerted efforts into this regard date back to the year 1989 following the unfortunate incident of the dumping of toxic hazardous wastes at Koko Port in the Delta area of Nigeria. This incident led to the establishment of the Federal Environmental Protection Agency (FEPA) through Decree No. 58 of 1988 as amended by Decree 59 of 1992.

In 1989, the Federal Government through FEPA formulated a National Policy on Environment with the overall goal of achieving sustainable development. As part of implementation strategies for the policy, environmental guidelines, standards and regulations for industrial pollution, effluent limitation and solid wastes management were formulated; in addition, the Environmental Impact Assessment (EIA) Decree No. 86 of 1992 was promulgated. The Decree stipulates that all development projects shall be subjected to Environmental Impact Assessment before the commencement of the project. In order to effectively implement this Decree, EIA Sectoral guidelines for major sectors of the economy and EIA procedural guidelines have been developed and are operational.

Almost a decade after, there has been the need to update and review the contents of the National Policy on Environment in response to advancement and development in science and technology and the necessity to integrate environmental concerns into the activities of all sectors of the economy. With regard to the latter, I wish to acknowledge contributions from the various sector and to express gratitude to all individuals, public and private sector agencies for their contributions to the review process that led to the production of the revised Policy Document.

I wish to acknowledge the financial support of United Nations Development Programme (UNDP) for the production of this policy under the UNDP supported Environment and Natural Resources Management Programme for Nigeria. It is my pleasure to present the Revised National Policy on Environment as an indication of

our readiness to uphold the tenets of sustainable development. It is hoped that this policy will serve as a guide to environmental responsibility at all levels.

Director General/Chief Executive

Federal Environmental Protection Agency (FEPA)

The Presidency

Abuja

PREFACE

Concerted effort by the Nigerian government to address environmental problems dates back to 1988 following the unfortunate incident of the dumping of toxic hazardous wastes at Koko in the then Bendel State. Prior to that, environmental matters were handled by the Environmental Planning and Protection Division (EPPD) within the Ministry of Works and Housing. Apart from the establishment of the Federal Environmental Protection Agency (FEPA) as a result of the incident, the Federal Government through FEPA, formulated a National Policy on the environment with the overall goal of achieving sustainable development.

The maiden edition of the National Policy on the Environment published in 1989 was evolved after broad consultations with relevant Federal and State Government organizations, selected experts from the Universities, Research Institutes, International Agencies (e.g. UNDP) and selected countries of Europe, U.K., USA and Canada and the few environmental experts and NGOs that were available at the time.

The Policy Goal (Chapter 2) and the Implementation Modalities (Chapter 6-12) that were articulated at that time are considered adequate even by today's strictest international standards.

The inauguration of the Policy was immediately followed by a number of implementation arrangements, including the establishment of guidelines, standards and regulations for effluent quality control. Another key issue in the implementation strategy is the promulgation of the Environmental Impact Assessment Decree in 1992. The Decree stipulates that all major development projects. Intensive awareness campaigns were also mounted through workshops, seminars, and symposia and through the encouragement of activities of conservation clubs and NGOs especially in the area of information dissemination and training.

In the course of implementing the National Policy on the Environment, it was discovered that environmental concerns relating to activities of some sectors of the Nigerian economy was not adequately addressed. The need, therefore, arose for the review of the policy document in order to achieve balanced cross sectoral linkages. In

this connection, FEPA sought and obtained the support of the United Nations Development Programme (UNDP) and commissioned a team of national and international Consultants to review the document and make necessary adjustments based on Terms of Reference jointly prepared by FEPA and the UNDP.

This revised edition of the Policy contains several innovations. A new subhead (Chapter 3) embodying the Conceptual Framework was added. It succinctly summarizes that framework within which five major policy initiatives are used to capture the essential linkages between environmental problems, their causes, effects and solutions. Chapter 4 on the Strategies for Implementation has been extensively rewritten and expanded Strategies have been articulated for twenty-one (21) sectors which are structurally aligned with the productive sectors of the national economy for many of which National Policies have since been officially prepared and released by the Federal Government of Nigeria. Besides, three specific non-sectoral as well as six cross-sectoral issues with environmental implications have been identified and discussed. The result is a very rich policy document that should successfully carry Nigeria to the 21st century and beyond.

1.0 INTRODUCTION

Nigeria is committed to a national environmental policy that will ensure sustainable development based on proper management of the environment. This demands positive and realistic planning that balances human needs against the carrying capacity of the environment. This requires that a number of complementary policies, strategies and management approaches are put in place which should ensure, among others, that:

- Environmental concerns are integrated into major economic decision-making processes;
- Environmental remediation costs are built into major development projects;
- Economic instruments are employed in the management of natural resources;
- Environmentally friendly technologies are applied;
- Environmental Impact Assessment is mandatory before any major development project is embarked upon;
- Environmental monitoring and auditing of existing major development projects are routinely carried out;
- This policy, in order to succeed, must be built on the following sustainable development principles.

The Precautionary Principle which holds that where there are threats of serious or irreversible damage, the lack of full scientific knowledge shall not be used as a reason for postponing cost-effective means to prevent environmental degradation;

- Pollution Prevention Pays principle (3P+) which encourages Industry to invest positively to prevent pollution;
- The User Pays Principle (UPP), in which the cost of a resource to a user must include all the environmental costs associated with its extraction, transformation and use (including the costs of alternative or future uses forgone);
- The Principle of Inter-generational Equity which requires that the needs of the present generation are met without compromising the ability of future generations to meet their own needs;
- The Principle of Intra-generational Equity which requires that different groups

of people within the country and within the present generation have the right to benefit equally from the exploitation of resources and that they have an equal right to a clean and healthy environment; and

- The principle of participation which requires that decisions should as much as possible be made by communities affected or on their behalf by the authorities closest to them.

This revised edition of the Policy contains several innovations. A new subhead (Chapter 3) embodying the Conceptual Framework was added. It succinctly summarizes that framework within which five major policy initiatives are used to capture the essential linkages between environmental problems, their causes, effects and solutions. Chapter 4 on the Strategies for Implementation has been extensively rewritten and expanded Strategies have been articulated for twenty-one (21) sectors which are structurally aligned with the productive sectors of the national economy for many of which National Policies have since been officially prepared and released by the Federal Government of Nigeria. Besides, three specific non-sectoral as well as six cross-sectoral issues with environmental implications have been identified and discussed. The result is a very rich policy document that should successfully carry Nigeria to the 21st century and beyond.

This new policy thrust is based on fundamental re-thinking and a clearer appreciation of the interdependent linkages among development processes, environmental factors as well as human and natural resources. Since development remains a national priority, it is recognized that the actions designed to increase the productivity of the society and meet the essential needs of the populace must be reconciled with environmental issues that had hitherto been neglected or not given sufficient attention.

In enunciating a national policy on the environment, cognizance must be taken of the various institutional settings and professional groupings, as well as the complex historical, social, cultural and legal considerations which have been and continue to be involved in the identification and implementation of measures designed to solve

national environmental problems. The provisions of the Policy have thus been informed by recent national policy initiatives in Science and Technology, Agriculture, Health, Industry, Oil and Gas, Population, Culture, etc., as well as the major international efforts in the field of environment. The Policy aims to provide a rational, practicable, coherent and comprehensive approach to the pursuit of economic and social development in a way that minimizes contradictions and duplications, while enhancing inter- and intra-sectoral cooperation and effectiveness at all levels. Since the health and welfare of all Nigerians depend on making the transition to sustainable development as rapid as possible, this National Policy on the Environment provides the concepts and strategies which will lead to the procedures and other concrete actions required for launching Nigeria into an era of social justice, self-reliance and sustainable development as we enter the 21st Century. The goal of the National Policy on the Environment is to achieve sustainable development in Nigeria, and in particular to:

2.0 POLICY GOAL

The goal of the National Policy on the Environment is to achieve sustainable development in Nigeria, and in particular to:

- a. Secure a quality of environment adequate for good health and well being;
- b. Conserve and use the environment and natural resources for the benefit of present and future generations;
- c. Restore maintain and enhance the ecosystems and ecological processes essential for the functioning of the biosphere to preserve biological diversity and the principle of optimum sustainable yield in the use of living natural resources and ecosystems;
- d. Raise public awareness and promote understanding of the essential linkages between the environment resources and development, and encourage individual and community participation in environmental improvement efforts; and
- e. Co-operate in good faith with other countries, international organizations and agencies to achieve optimal use of trans-boundary natural resources and

effective prevention or abatement of trans-boundary environmental degradation.

3.0 CONCEPTUAL FRAMEWORK

The National Policy on the Environment is basically a programme of actions rooted in a conceptual frame within which the linkages between environmental problems on the one hand and their causes, effects and solutions on the other hand can be discerned. This is achieved in the Policy Document through five major policy initiatives, viz:

- a. preventive activities directed at the social, economic and political origins of the environmental problems;
- b. abatement, remedial and restorative activities directed at the specific problems identified, and in particular: problems arising from industrial production processes; problems caused by rapid population growth and the attendant excessive pressure of the population on the land and other resources; and problems due to rapid growth urban centers;
- c. design and application of broad strategies for sustainable environmental protection and management at systemic or sub-systemic levels;
- d. enactment of necessary legal instruments designed to strengthen the activities and strategies recommended by this policy;
- e. establishment/emplacement of management organs, institutions and structures designed to achieve the policy objectives.

4.0 STRATEGIES FOR IMPLEMENTATION

The implementation of the National Policy on the environment depends on specific actions directed towards all sectors of the economy and problem areas of the environment. Consequently, the approach to problem solving adopted in this Policy is predicated on an integrated, holistic and systemic view of environmental issues. The actions envisaged will establish and/or strengthen legal, institutional, regulatory, research, monitoring, evaluation, public information and other relevant mechanisms for ensuring the attainment of the specific goals and targets of the policy. It is also expected that these strategies will lead to:

- a. improvement in the quality of life of the people;

- b. the establishment of adequate environmental standards as well as the monitoring and evaluation of changes in the environment and the adoption of appropriate restorative measures;
- c. the acquisition and publication of up-to-date environmental data and the dissemination of relevant environmental information;
- d. prior environmental assessment of proposed activities which may impact the environment or the use of a natural resource.

The proposed implementation strategies for the various sectors are as detailed below:

4.1 Human Population

The most valuable national resource is the human resource base-the people of Nigeria. Consequently, the protection and enhancement of the health and well being of the people constitute a major responsibility of government. By their individual and collective behaviour, humans make significant positive or negative impact on the natural resources and non-human environment of the country.

Environmental sustainability will be difficult to achieve unless human numbers and resource demands level of within the carrying capacity of the Earth. Since a major objective of the national environmental policy is to encourage measures which sustain a balance between population and environment, inter-sectoral cooperation, involvement all tiers of Government is envisaged. This policy will, therefore, be implemented with the National Population Policy in mind to ensure not only the survival but also the sustainable improvement in the quality of life of Nigerians.

The strategies to be adopted include the following:

- a. addressing the issues of population growth and resources consumption in an integrated way;
- b. setting goals fix the stabilization of national population at a sustainable level;

- c. integrating resource consumption and demographic goals with the other sectors and economic objectives;
- d. monitoring trends in population and resource consumption and assessing their implications for sustainability;
- e. encouraging and involving the private sector, NGOs and the public in the implementation of strategies and actions aimed at achieving stated goals:
- f. the prevention and management of natural disasters such as flood, drought and desertification that more directly impact the lives of the populace e.g. integration of population and environmental factors in national development planning;
- g. solving public health problems associated with rapid urbanization and squalid urban environments;
- h. prevention of depletion of forests through judicious search for and adoption of alternative energy sources;
- i. control of the demands and patterns of land resources usage.

4.2 Culture

The various communities living in the different ecological zones of the country have developed, over many generations, their individual and unique traditional strategies for understanding and exploiting their environments and the available natural resources. This is embodied in the culture of the people and consists of their social, economic, legal and political institutions; their beliefs and values; their creative abilities; and their habits and materials as manifested in their housing, food, clothing, medical practices, tools, etc. consequently, at every stage of a sustainable development plan. the interrelationships between culture, the natural environment and the rational utilization of available resources should be clearly comprehended.

To achieve and reinforce these objectives, appropriate machinery including participatory approach will be put in place to:

- a. enhance the understanding of the development of indigenous knowledge systems and technology and link these to established sciences in order to promote the sustainable management of natural resources;
- b. encourage communities to incorporate their values and traditional knowledge into community development programmes;
- c. promote and protect traditional intellectual and cultural property rights and customary practices with emphasis on traditional medicine and crafts;
- d. inculcate environmental awareness into cultural habits and entrench individual and collective responsibilities to protect the environment for the benefit of the present and future generations;
- e. identify and ensure the preservation of artifacts and areas of historical importance as part of the national heritage;
- f. encourage the traditional modes of leisure that can promote environmentally sound tourism activities;
- g. promote sustainable urban culture;
- h. promote proven traditional architecture that is compatible with sustainable development.

4.3 Housing and Human Settlements

The goal of the National Housing Policy is to ensure that all Nigerians own or have access to decent housing accommodation at affordable cost within the foreseeable future. The attainment of this goal as well as the provision of housing which satisfies the basic and environmental needs of the populace on sustainable basis would necessarily require that active participation of all tiers of government and the greater involvement of the private sector.

The Policy places human comfort and survival at the center of concerns for sustainable development as man strives to achieve a healthy and productive life in harmony with nature. Rapid urbanization reinforced by high rate of population growth and sprawl of cities into wider geographical development of human settlements effectively reinforce the creation of a dynamic economy in

an environmentally sustainable manner, governments at all levels (i.e. local, state and federal) should encourage the development of balanced and environmentally friendly settlement structures.

On housing, mechanisms would be put in place to:

- a. strengthen appropriate institutional framework to facilitate effective planning in housing development;
- b. ensure the development of housing that is functional and conducive for family development, decrease overcrowding both with respect to the number of houses per unit area and dwellers per unit of housing.

The strategies to achieve the objectives of sustainable human settlement shall include:

- a. provision of guidelines for appropriate planning, design, construction, maintenance and rehabilitation of shelters, infrastructures and other facilities;
- b. removal of barriers in the provision of shelter for all Nigerians;
- c. adoption of an acceptable land use policy for agriculture and other competing land uses to encourage productive investments in job creation and social infrastructural development in urban and rural areas;
- d. encouragement or research and studies to promote and develop indigenous planning and design techniques that are compatible with the actual needs of local communities;
- e. stimulating public participation in assessing real user needs especially gender needs as an integral part of the planning and design processes;
- f. promotion and support for the development of locally produced, environmentally sound, affordable and durable basic building materials in cooperation with all other interested parties;
- g. provision of advice and technical assistance to museums and other cultural institutions to establish parks, game reserves and other recreational facilities;

- h. identification and protection of holy places and places of cultural and historical importance;
- i. provision of guidelines for environmentally sound master plans for urban development, industrial and rural settlements;
- j. design and development of geographically balanced model cities and villages;
- k. application of modern urban planning and management techniques to housing, transport, employment opportunities, environmental conditions and community facilities;
- l. focusing attention on priority human settlements programmes and policies aimed at reducing urban pollution resulting especially from inadequate water supply, sanitation and drainage, poor industrial and domestic waste management and air pollution;
- m. development and implementation of a phased and systematic programme of urban renewal through enhancement of the aesthetic appeal and living conditions in Nigerian cities and villages through tree-planting and related anti-erosion landscape management measures;
- n. Mandatory Environmental Impact Assessment for all major human settlement projects;
- o. prevention of the use of contaminated and derelict lands as well as abandoned hazardous dumpsites and landfills for housing and other settlement purposes.

4.4 Biological Diversity

In Nigeria, economic development has not been sustainable partly because biological resources are improperly managed. The trends which manifest by the misuse of the underestimation of their benefits of biological conservation, the inclusion of the full costs or biodiversity losses in economic accounting must all be reversed. The following strategies shall be pursued:

- a. work out ways of using the ecosystems sustainably thereby improving their social, economic and cultural values;

- b. promote in-site and ex-site biodiversity conservation to maintain as large an area as possible of modified ecosystems to support diversity of sustainable uses and species;
- c. promote sustainable agro-ecosystems without compromising natural ecosystems;
- d. increase awareness and understanding of biodiversity to society;
- e. conserve and facilitate access to genetic resources that are important to agriculture, medicine and industry;
- f. support the sharing of the benefits and knowledge, expertise and technologies in the use of biodiversity in a fair and equitable manner;
- g. support the integration of biodiversity conservation objectives in sectoral policies, programmes, strategies, regulations and educational programmes at all levels;
- h. take the full economic and social costs and benefits of biodiversity into account when converting land to agriculture and urban systems;
- i. restore and rehabilitate degraded ecosystems;
- j. ensure implementation of biodiversity conservation status through monitoring and identification;
- k. assess periodically the national biodiversity conservation status through monitoring, and identification;
- l. strengthen centers for the exchange of data and information of relevance to the conservation of biological diversity.

4.5 Natural Resources Conservation

The nation is richly endowed with natural resources some of which have been over exploited due to prevalent poverty. Consequently their productive potential for present and future generations is threatened. Improvement in the quality of life for the people will require long-term economic growth which is itself dependent upon improved management and conservation of the natural resource base. Therefore, policy will aim to pursue the following strategies:

- a. Support, develop and promote technologies that use resources more efficiently;

- b. integrate economic policies and environmental considerations in every effort to increase the benefits obtainable from natural resources;
- c. ensure that development also maintains essential ecological processes and life support systems;
- d. ensure that resource users pay the full cost of the benefits from natural resources;
- e. eliminate constraints to the sustainable utilization of the resource base of the nation;
- f. upgrade and enhance the environmental management of natural resources;
- g. support the development of national income accounting systems which compensate for the degradation and depletion of natural resource sectoral policies;
- h. promote cooperation to harmonize various sectoral policies;
- i. promote resource mapping and the use of remote sensing technologies for land use planning;
- j. ensure the development of shared natural resources such as rivers or their basins to make them much more sustainable.

4.6 Land Use and Soil Conservation

Land is the basic resource upon which most development efforts are based. Activities utilizing this vital resource usually interact and are often conflicting. It is necessary, therefore, to plan the utilization and management of land in an integrated manner. Integrated management of land should be harmonized and coordinated at the various levels of government. Additionally, the impacts of the various social and economic activities on natural resources such as soil, water, air and biota should routinely be assessed at every stage of the development process. This is necessary for appropriate allocation and utilization of land and its resources that will ensure transition to sustainability.

Accordingly, suitable strategies shall be adopted to encourage the:

- a. compilation of detailed land capability inventories and comprehensive land classification;
- b. assessment of the current land use practices and the causes and extent of soil degradation;
- c. establishment and the strengthening of guidelines on the regulatory framework for sustainable land use;
- d. adoption of soil conservation principles in all construction activities to ensure sound management of soil through monitoring and control of changes in land use;
- e. ensure sound implementation of guidelines for traditional grazing;
- f. expansion of protected area system to meet IUCN requirement as reserves and parts for conservation purposes;
- g. promotion of afforestation programmes including community based agro-forestry for soil improvement;
- h. improved management of soil and water resources;
- i. coordination of the activities of the various agencies dealing with land management;
- j. intensification of public awareness of the causes, consequences and remedies of land degradation.

4.7 Agriculture

The viability or otherwise of the agricultural sector is crucial to the growth and development of a nation. The agriculture sector strongly impacts food security, industrialization efforts, quality of life, economic growth, political stability and, to a certain extent, a nation's position in international relations and trade. The sustainability of this important sector should, therefore, be of paramount importance. Consequently, it is essential to establish a balance between efficient agricultural enterprise and environmental protection.

The emphasis should be on the promotion of ecologically sound and profitable farming systems and suitable rural development programmes principally aimed at small-scale farmers. In order to increase agricultural productivity,

comprehensive programmes have to be established and supported to ensure proper use of natural resources and judicious application of agricultural inputs. In order to ensure the attainment of these objectives, strategies shall be put in place to:

- a. ensure that mandatory environmental impact assessment is carried out for all major agricultural development projects;
- b. support research aimed at developing farming systems that combine optimum production with land resources protection and which are compatible with the socio-economic conditions of all peoples;
- c. promote farming systems based on natural adaptations across ecological zones and ensure maintenance of soil quality and capability through sound management;
- d. develop, through research, sustainable agro-forestry techniques for the prevention and remediation of erosion and checking desertification;
- e. discourage the cultivation of marginal lands and encouragement of farm contributions;
- f. prescribe and regulate appropriate land preparation and agriculture mechanization techniques;
- g. encourage and support ecologically appropriate livestock and poultry production: develop and support efficient fish production, processing, storage and marketing through promotion of improved technology and management practices;
- h. encourage conservation of grazing reserves and enforce strict range resource management programmes; minimize agricultural product losses by promoting efficient processing techniques, improved transportation infrastructures, appropriate storage facilities and efficient marketing strategies;
- i. regulate the production, use, storage, transportation, marketing, sale and disposal of agricultural chemical;
- j. maintain an up-to-date register of approved agro-chemicals and provide "Safe Use of Pesticides" guides;

- k. encourage the production of high yield, early maturing crop varieties requiring minimum agro-chemicals input;
- l. monitor pesticide and agro-chemical residue levels in air, soil, water, sediments, flora, fauna and human, and document the environmental fate of such chemicals;
- m. promote farming using manures and other soil conditioners;
- n. promote integrated pest management.

4.8 Water Resources

Water is a vital resource governing the viability of all ecosystems and providing the basis for socio-economic development. The proper management of this vital resource through the incorporation of environmental concerns is essential to minimize supply shortages, pollution, land degradation and associated health hazards. To ensure sustainability, comprehensive, medium and long term national plans for water resources management and conservation should be put in place taking into consideration demand and availability. These will be achieved through:

- a. provision of water in adequate quantity and quality to meet domestic, industrial, agricultural, recreational and other needs;
- b. environmental impact studies of water resources development;
- c. increased support to promote efficient water use and management;
- d. specification of water quality criteria for different water uses;
- e. continuous monitoring of the public health implications of water resource development projects such as dams and irrigation schemes;
- f. control of point and non-point sources of pollutions;
- g. establishment of adequate controls and enforcement procedures to check contamination and depletion of water resources;
- h. adherence to the use of the sustainable "River Basin" concept in water management;
- i. improved Water management technology including the safe disposal of waste water, waste water reuse and recycling;

- j. provision of guidelines for water resources inventory, collection, treatment, flood routing and control as well as techniques for predicting and minimizing the impacts of natural disaster;
- k. improvement of water fronts for recreation;
- l. implementation of water allocation decisions through demand management, pricing mechanisms and regulatory measure;
- m. consideration of the impacts of climate change on water resources.

4.9 Forestry, Wildlife and Protected Natural Areas

It is true that there have in recent years been increasing deforestation, soil degradation, deterioration and desertification in Nigeria. All these have been due to the spread of agriculture, commercial timber felling and local cutting of wood for fuel. This is further aggravated by accidental forest fires as well as farming and game related bush burning. The need is, therefore, to secure development while at the same time sustaining the productivity of the natural vegetation, protecting wildlife, maintaining genetic diversity and avoiding forest and soil destruction.

The strategies for achieving these objectives include:

- a. promoting the rational exploitation of forest resources to meet domestic consumption needs and to achieve a significant export activity on long term basis;
- b. regulating forestry activities to enhance conservation and environmentally sound management practices;
- c. monitoring the quantitative and qualitative changes of forest cover and their effects using conventional means and modern technology such as multi-spectral satellite imagery, geographical information systems etc;
- d. providing data on the balance between the nation's forest biomass and the prevailing environment and changes in the forest biomass considered to have a significant impact on the environment;

- e. strengthening forest protection programmes to ensure adequate vegetation cover in critical areas and to discourage developments likely to cause harmful changes;
- f. assessing the state of natural vegetation resources and identifying endangered sites and species for priority action;
- g. protecting flora and fauna in danger of extinction as well as forest reserves for scientific, recreational and other cultural purposes;
- h. encouraging reforestation and afforestation programmes and activities with a view to rectifying forest losses and the adverse effects of deforestation;
- i. combining desirable features of traditional approach with modern scientific methods of conservation;
- j. increasing support for non-governmental organizations (NGOs) and communities in tree planting programmes;
- k. increasing the current area of forest estate from 10-25% of the total national land area and ensuring that the size does not diminish;
- l. reviewing State forestry laws and evolving a national forest and wildlife law;
- m. facilitating institutional development and manpower capacity building;
- n. undertaking continuous forest inventory for the acquisition of up-to-date data and information for strategic planning and forest management purposes;
- o. including the full cost of forest goods and services in their pricing in order to attract private sector participation and entrepreneurship in forestry development and management;
- p. promoting the development of alternative sources of energy while supporting programmes for the development of more efficient methods of wood energy use;
- q. protecting forest from bush and forest fires and taking measures to discourage wanton destruction of forest resources;

- r. strengthening programmes for the identification and study of the natural heritage in fauna and flora and for establishing a national inventory of forest resources;
- s. establishing germ plasm conservation programmes;
- t. establishing programmes for the efficient utilization of vegetation resources including reduction of wastes and improved technologies for product consumption;
- u. encouraging appropriate agro-forestry practices and the search for multipurpose plant species for achieving increased productivity for a unit area of land;
- v. developing and dissemination of scientific and technological information conducive to more efficient use of forest resources and wildlife;
- w. supporting the goals of the National Conservation Strategy for Nigeria;
- x. enforcing mandatory Environmental Impact Assessment for all major forestry and protected area management projects as well as projects involving large scale exploitation of forest resources.

4.10 Marine and Coastal Area Resources

In order to maintain and improve the quality of the unique environmental resource endowment and the physical characteristics of the coastal areas, Ecological Master Plans (EMP) will be prepared based on detailed baseline ecological data to guide the use of coastal areas for the diverse and often conflicting industrial and social needs of the nation so that continued viability of all aspects of the ecosystems will be secured. To achieve this objective, all applications for project development in the coastal and near shore areas must mandatorily be accompanied by Environmental Impact Assessments with strict adherence to public hearings before permission is given for such developments.

In addition, mechanism must be put in place to:

- a. study and highlight the vulnerable components of the marine and coastal ecosystems bearing in mind their limited stocks of living and non-living exploitable resources;
- b. identify and map critical and sensitive habitats (Environmental Sensitivity Index maps) to enable project planners and developers to incorporate appropriate measures to minimize damage and disturbance to breeding, nesting and feeding areas of estuarine and coastal water species;
- c. provide timely data and operational standards for project planning and implementation, especially for fishing, drilling, construction of offshore oil production platforms and loading terminals, dredging, pipe laying and seabed mining;
- d. study the prevalent coastal and near-shore geomorphologic processes and identify the land forms that are indicative of coastline changes over time especially with regard to coastal submergence/emergence, subsidence, sediment compaction and tidal and current erosion;
- e. monitor the rate of coastline pro-gradation or recession and establish coastal protection measures with a view to timely intervention to arrest irreversible negative changes;
- f. establish measures to discourage and prevent or at best minimize point and non-point pollution of the entire coastline and near-shore marine waters;
- g. prepare Ecological Master Plans for the management and control of coastal and near shore marine industrial and social development activities to minimize pollution and protect the resources;
- h. encourage the recreational use of coastal and near shore marine waterfronts areas for the enhancement of tourism;
- i. discourage upstream water use that can negatively impact estuarine and coastal habitats, water quality and quantity and thus endanger marine life which live and or reproduce in such habitats;

- j. establish measures against the trans-boundary movement of toxic and hazardous wastes, sewage and other domestic and industrial wastes in coastal and marine waters;
- k. create public awareness of the dangers of dumping toxic and hazardous wastes, sewage and other domestic and industrial wastes in coastal and marine waters;
- l. establish national and regional contingency plans for maritime tanker accidents, oil well blowouts and accidental oil spills in coastal and near shore waters;
- m. establish stringent standards for effluent discharge from mines, thermal nuclear plants and oil exploration and production operations in coastal and continental shelf waters;
- n. effect regular environmental audits of all development projects located in or bordering the coastal zone in order to promptly correct the undesirable negative environmental impacts of such projects;
- o. highlight vulnerable species in ecosystems bearing in mind the limited stocks of living and non-living exploitable resources;
- p. sustain ecological diversity and productivity;
- q. prepare controls for land-based sources, coastal and marine-based activities to minimize pollution and protect coastal and marine environments and associated resources;
- r. establish restoration, rehabilitation and mitigation and or compensation programmes for loss of marine and coastal resources;
- s. promote Integrated Coastal Area Management (ICAM).

4.11 Mining and Mineral Resources

The growing profile of the solid mineral extraction sector within the economy dictates that attention be focused on its tendency to cause extensive environmental degradation. Mining and associated beneficiation activities should, therefore, be carried out in an environmentally sound manner. In order to achieve this objective, the approval to initiate mining should mandatorily be

preceded by an Environmental Impact Assessment (EIA). In addition. Mechanisms shall be put into place to:

- a. facilitate orderly development of minerals for real economic growth, improvement of the living standards of the people and the creation of favourable investment climate through prudent use of the nation's mineral resources and the adoption of rational conservation measures;
- b. prevent haphazard opening of mines to minimize soil erosion, land degradation and uncontrolled damage to vegetation, wildlife and water resources;
- c. prescribe operational standards aimed at minimizing dust and noise pollution from open mines and to reduce the impact of dust on vegetation, surface and groundwater and humans;
- d. minimize environmental degradation associated with beneficiation and refining of minerals;
- e. prescribe minimum safety standards in the development of mines and the use of personal protective equipment (PPE);
- f. establish stringent standards for effluent discharge from mines and monitor compliance;
- g. ensure the existence and workability of mine safety contingency plans and provision of first-aid facilities at the mines;
- h. monitor the health of the workers involved in mining and mineral beneficiation and protect miners from excessive exposure to dust particulate matter, radioactive and toxic materials in and out of the mines and make provisions for adequate treatment of mining related diseases;
- i. prescribe stringent regulations for the stacking and ultimate disposal of mine and beneficiation tailings and dumps in a way to ensure their long term stability;
- j. stipulate and monitor compliance with approved procedures for the reclamation and the restoration of land, top soil and vegetation of mined out areas and monitor the recovery of such areas;

- k. maintain regular environmental audit to stimulate the adoption of environmentally sound practices and technologies in all mining operations;
- l. promote and strengthen small-scale miners in order to discourage illegal mining activities.

4.12 Industry

Sustainable industrial development can be achieved through policy initiatives that seek among others to ensure:

- a. availability of indigenous technological materials;
- b. availability of industrial raw materials;
- c. possession of a viable research and development base that is capable of selecting, adapting an developing technology, and
- d. creating awareness to promote and sustain technological and industrial growth.

As a result, all major industrial development projects should mandatorily be preceded by Environmental Impact Assessments.

Strategies to achieve these objectives include:

- a. preparation of a national classification/categorization of industries that will ensure optimal utilization of common services by industries that produce similar effluents;
- b. ensuring strict adherence to land use zoning and demarcation of industrial areas to encourage the optimal utilization of shared facilities;
- c. ensuring that major industry locations are selected on the basis of environmental considerations;
- d. preventing industries from being sited close to ecologically sensitive areas, historic and archaeological monuments, national parks, scenic areas, beaches and resorts, coastal areas and estuaries, bird and animal sanctuaries, natural lakes, swamps, floodplains wetlands etc;
- e. discouraging the trend to appropriate forest reserves and prime agricultural lands for industrial use;

- f. prohibiting the siting of industries close to residential areas;
- g. ensuring the rational and sustainable exploitation and use of industrial raw materials taking into consideration the best conservation practice and prevention of resource depletion;
- h. encouraging the use of state-of-the-art equipment and environmentally sound technologies in process operations to enhance in-plant safety and healthy out-plant environments;
- i. encouraging existing industries to produce Comprehensive Industrial Master Plans that will show novel and more effective methods for phased pollution abatement and waste management and compliance with set environmental standards;
- j. ensuring that production processes incorporate realistic programmes for cleaner production and waste minimization through material recovery, reuse and recycling;
- k. ensuring that sufficient space is provided on site for solid waste storage and primary effluent treatment;
- l. ensuring the establishment of specialized facilities for the handling and disposal of toxic and hazardous wastes from industries;
- m. considering the assimilative capacity of the environment before approving/ adopting any waste disposal system;
- n. enforcement of in-plant safety regulations and emergency procedures by compelling management to provide Personal Protective Equipment (PPE) and making it mandatory for workers to use them through their labour unions;
- o. ensuring workers' good health through periodic monitoring of their state of health and provision of emergency and first aid services;
- p. rewarding all existing industries that articulate viable programmes of environmental pollution, remediation, facility sharing, and with facilities for waste management through economic incentives such as tax holidays, soft loans, outright grants etc.
- q. prescribing strict adherence to the polluter-pay principle;

- r. ensuring that financial institutions insist on the execution of a mandatory ELA of projects prior to granting of loans;
- s. ensuring sustainable development through the maintenance of industrial infrastructural facilities particularly water, roads, electricity, telecommunications etc.
- t. initiating periodic, detailed environmental audits of major industries and compiling comprehensive inventory of pollutants;
- u. monitoring of effluents from factories and other non-point sources as well as leakages from approved industrial waste disposal sites to reduce/prevent contamination of air and groundwater;
- v. monitor, on continuous basis, the Quality Assurance Standards/Requirements (such as Eco-labelling) of potential foreign market blocks (e.g. EEC) and ensure that local products meet the set standards.

4.13 Energy

Energy sources are multi-various and the technical expertise for their harnessing and exploitation vary from very simple to very complex. Their impacts on the environment also vary markedly from low level environmental disturbances as in the case of peat and coal mining and burning to extremely severe environmental damage associated with nuclear power plant accidents. Thus, the specific environmental concerns will vary depending on the energy, type, source, the mode of exploitation and the technology employed in harnessing and transmission. In energy production and use, therefore, attention should be focused on the following:

- energy source;
- mode of procuring the energy fuel on sustainable basis;
- mode of power generation;
- energy transmission and use; and
- conservation.

Nigeria is blessed with an abundant variety of energy resources. The most important for development in the 21st Century are likely to be the conventional hydrocarbons (oil, gas and coal) and non-conventional sources particularly Tar Sands and solar energy which are expected to play increasingly more important roles in future years. As energy consumption increases with increase in industrialization, it is essential to ensure a more balanced mix of the various energy types used, their procurement and use. Their procurement and use must also be compatible with sound environmental practice and in tune with the principle of sustainable development through ensuring minimal negative impacts on the environment.

Strategies to achieve this objective include:

- a. implementation of detailed Environmental Impact Assessments (EIA) of all planned energy projects backed by detailed baseline ecological data against which subsequent environmental changes and/or impacts can be measured;
- b. developing rational national Energy Utilization Master Plan that balances the need for conservation with the utilization of premium energy resources for premium socio-economic needs;
- c. encouraging the use of energy forms that are environmentally safe and sustainable, particularly solar energy;
- d. establishment of stringent safety standards in all national energy production processes while promoting safe and pollution-free operations in energy production and use;
- e. prescribing and enforcing stringent standards for the disposal of radioactive and toxic wastes from energy production processes and controlling the level of human exposure to nuclear radiation at mines, power plants and reactors through periodic audit checks of ambient radiation levels at such environments;
- f. monitoring and controlling the levels of particulates, toxic chemicals and noxious gaseous effluents of energy production and use such as CO, CO₂, NO₂, and non-methane hydrocarbons;

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- g. monitoring the ambient temperatures and other physical and chemical properties of cooling effluents of energy plants to prevent or reduce their severe impacts on human health and the aquatic plants and animals;
- h. ensuring that site selection for energy construction projects emphasizes the right of way (R. O. W) of transmission lines in such a way as to ensure minimal loss or disturbance of;
- i. prescribe stringent regulations for the efficient collection, treatment and disposal of oil field wastes (drilling muds and additives, formation waters etc)
- j. monitor water quality in open drains, streams and other water bodies around oil and gas operations, as well as groundwater quality in all areas prone to pollution;
- k. inspect periodically pipelines, ships, barges, tanks and other oil field and refinery facilities for early detection of corrosion, fatigue leakages, damages etc. and ensure prompt maintenance;
- l. encourage all oil and gas operators to keep accurate records of crude oil and product spills as well as other accidents that impact environmental quality and report them promptly to the appropriate authorities;
- m. maintain an inventory of certified/approved oil spill control chemicals and document their toxicity levels and bio-degradability;
- n. monitor air emissions and gaseous wastes (CO_2 , CO , NO_2 , H_2S , CH_4 , SO_2 , etc.) discharged at production platforms, refineries, petrochemical and gas processing facilities through continual air quality sampling as well as through daily visual checks for leakages mound tanks, pumps, pipelines and transfer points;
- o. promote conservation and restoration of natural formation pressure through elimination of gas flaring and the re-injection of produced associated gas and formation waters;
- p. promote the complete utilization of produced associated gas, reduce gas flaring and the production of greenhouse gases;

- q. monitor regularly the functioning of well head and drilling platform devices to prevent blowouts, and install early warning electronic devices for their detection and prevention;
- r. install pressure monitoring gauges and automatic shut-off devices on pumps, pipelines and ensure their integrity through periodic inspection and testing;
- s. prescribe minimum standards of environmental safety in all upstream and downstream oil sector facilities and maintain regular environmental audits of all existing oil and gas production facilities to ensure the adoption of environmentally safe practices as well as compliance with set standards;
- t. prescribe minimum environmental and safety regulations for the protection of the health of workers, the general public and the environment and ensure compliance through teams of competent inspectors;
- u. prescribe a realistic Quality Control Assurance scheme for the adoption of all operators and monitor compliance;
- v. ensure the implementation of the National Oil Spill Contingency Plan;
- w. prepare a National Plan of Action for Awareness Preparedness for Emergencies at the Local Level (APELL);
- x. prescribe stringent penalties for deliberate sabotage of oil and gas installations; promote research aimed at accumulating baseline ecologic data on oil and gas production areas;
- y. encourage the establishment of waste/crankcase oil recovery and reuse systems;
- z. review and periodically harmonize existing laws to reflect new realities in environmental management in the sector.

4.14 Construction

The act of construction denotes more than the construction of mere buildings as its use encompasses the erection of various engineering (civil) projects such as

bridges, dams, highways, railways, airports and runways, canals, embankments, wharfs, jetties, moles, heavy energy facilities e.g. refineries and power generating works, steel complexes, smelters, etc. This wide range of engineering activities vary in size and technological complexity from those involving simple technology such as building construction with low level of environmental disturbance to the more highly complex activities such as the construction of refineries, power plants etc., with high levels of impact. The specific environmental concerns also vary and depend upon the nature of the project, the citing and the materials used. The processes of construction often involve the use of heavy machinery and equipment, with attendant large scale disturbance of the land. Construction wastes also include several materials (e.g. asbestos) of public health significance. Environmental concerns should, therefore, focus on the anticipated impacts of the following major aspects:

- the sustainable procurement of the construction materials;
- the adoption of processes/stages of construction that are environment friendly; and
- the effect of the completed structures(s) and the contained utility on the environment.

The strategies for ensuring sustainable development in the Construction Subsector of the economy include:

- a. the mandatory implementation of a detailed Environmental Impact Assessment of major construction projects;
- b. ensuring that remedial measures to mitigate the negative impacts of major construction projects on the environment are built into the project blueprint before permission is given for work to commence;
- c. initiating post-construction environmental audits that ensure that the in-built mitigating measures satisfactorily address the anticipated environmental concerns;
- d. the introduction, in collaboration with the Standard Organization of Nigeria and Society of Engineers, of stringent quality standards for

- various construction materials in order to guarantee the structural stability and durability of the construction works;
- e. enactment of environmental by-laws aimed at minimizing the negative impacts on the environment of the processes of material procurement, transport and utilization in construction industry especially with regard to:
 - noise abatement
 - reduction of vibrations,
 - reduction of dust pollution,
 - careful handling and disposal of spent oils, fuels etc.,
 - minimization of noxious gas emissions (CO, CO₂, SO₂, NO₂. etc.),
 - provocation of erosion, flooding, landslides, etc., and habitat destruction, and
 - conservation of local ecological resources.
 - f. ensuring the safety of workers in the construction industry either on land or water by the provision and insistence on the use of appropriate personal protective equipment (PPE), such as helmets, goggles, gloves, and the adoption of other safe practices;
 - g. ensuring the good health of construction workers through periodic monitoring of the state of their health and the provision of on-site emergency and first aid services;
 - h. establishment of contingency plans for rescue operations in case of accidents. ensuring that construction design and implementation are carried out in such a way as to minimize undesirable micro-climatic geological/geomorphologic and other man-induced impacts such as fires, landslides, earth flows, gulying, debris, avalanches, accelerated erosion, flood etc.
 - i. ensuring that quality control assurance mechanisms are integrated into the construction process such that work is stopped as soon as worker safety is no longer guaranteed;

- j. prescribing a minimum quality level of aesthetics around construction sites and built-up areas that ensures good drainage, landscaping, sound insulation, ventilation, easy accessibility for purposes of fire fighting, rescue operations, waste collection and emergency evacuation, etc;
- k. prescribing quality standards for the construction industry to ensure that construction does not radically and negatively alter the existing land uses, for example, through undue encroachment on valuable agricultural lands and does not detract from the beauty of the natural built-up environment;

4.15 Health

As there is no sustainable development without health, FEPA will work closely with health sector to ensure the environmental and health improvement of the peoples Nigeria.

Strategies to be pursued will include:

- a. cooperation with the health sector to improve environmental health within the framework and as a component of primary healthcare;
- b. placing a high priority on improving environmental services in support of public health programmes;
- c. improvement of environmental health services and conditions relating to water supply, sewages, solid wastes, pollution control and green areas housing;
- d. improving the health and quality of life of people in urban and rural areas by focusing on developments and the creation of physical, social institutions and economic conditions that support health and well-being;
- e. enabling rural populations and their leadership to maintain a sustained dialogue concerning health and environmental issues;
- f. strengthening local capacity of village, township, district and other local level authorities and institutions to promote health and environmental services for their populations;

- g. encouraging and promoting the use of appropriate technology and local expertise to raise community awareness of and standards of health and hygiene education;
- h. development network and information exchange on health and environmental issues; creating closer ties and contacts between activities and programmes relating to environment health, primary healthcare, nutrition, health of women and children and environmental hazards;
- i. supporting and maintaining priority programmes targeted at health and environmental problem solving;
- j. provision of support for the preparation of legislation to regulate production and disposal of toxic waste and for organizations and mechanisms that work to implement such legislation;
- k. compiling and disseminating information on health and environmental risks from various sources: supporting education and public awareness programmes in sanitation issues;
- l. supporting community participation in the preparation and implementation of health and environmental activities impact assessments of development project;
- m. ensuring that health impacts constitute a major component of environmental impact assessments of development projects;
- n. support for research in the use of local plants and animals for medical purposes.

4.17 Education

Education is a dynamic instrument of change. As the relationship of man and nature is necessarily complementary, appreciation and protection of the environment should be fostered at all levels of both formal and informal means of resources exploitation. Non-formal education and basic education provide the foundation for developing sound and strengthening attitudes values and actions that are congruous with sustainable development. It is also an effective means of encouraging popular participation in decision-making. It is necessary to develop and support the education sector to ensure its responsiveness to

changes and demands of all the other sectors. This will lead to the inculcation of environmental ethics, values and skills in the people and mobilizing them, individually and collectively, to accept the responsibilities of protecting the environment and ensuring rational utilization of the available natural resources.

To this end, Government shall:

- a. promote comprehensive curriculum reviews that integrate environment and development concepts in the educational systems;
- b. support the development of courses and programmes leading to the award of degree and diplomas in environmental education, environmental sciences, and environmental management and technology;
- c. encourage gender-sensitive education at all levels including continuing education opportunities and literacy programmes;
- d. encourage practical training programmes for graduates of tertiary institutions to prepare them for labour market requirements and creation of sustainable livelihoods;
- e. strengthen vocational training that facilitates the development and assimilation of environmentally sound, socially acceptable, appropriate technology and know-how;
- f. establish and support centers of excellence in interdisciplinary research and education for the reason of environment and sustainable development;
- g. emphasize training and retraining of teachers, administrators and educational planners in environmental education and development issues;
- h. assist schools to design and sustain environment related activities including establishment of environmental awareness clubs and associations;
- i. support educational institutions including NGOs and the private sector to develop and provide appropriate training programmes on environment

- and development issues to decision makers, business class, journalists, community leaders, etc.;
- j. promote research on and development of indigenous knowledge to facilitate sustainable adaptation of relevant technologies;
 - k. adopt community based approaches to public education and enlightenment through culturally relevant social groups, voluntary associations and occupational organizations;
 - l. collaborate with media, entertainment and advertising agencies in enhancing environmental awareness;
 - m. encourage the United Nations and other donor agencies to emphasize capacity building in all development programmes through adoption of the multi-disciplinary approach to skill transfer;
 - n. encourage research linkages and staff/student exchanges between Nigerian educational institutions and institutions abroad in the areas of environmental studies and sustainable development;
 - o. encourage public relations activities which tend to provide a forum and context for the debate on sustainable development and the articulation of the collective vision of the future;
 - p. support public participation activities through traditional and mass media and NGO participation structures to keep them informed about all aspects of the policy;
 - q. support public participation activities covering formal and non- formal education and training to help carry out needed changes or strengthen values, knowledge, technologies and institutions with respect to priority issues and also to support active concern for the quality of the environment;
 - r. support Environmental Information Systems at the national, regional and global levels

5.18 Transportation and Communication

Transport and communication systems are the key to the movement of goods, people, information and ideas as well as access to markets, employment,

schools and other facilities and land use both within and between cities and in rural and other remote areas. The transportation sector is a major consumer of non-renewable energy and land and is a major contributor to pollution, congestion and accidents. Integration of the transport, communication systems and land use policies and planning can minimize the negative impacts of current transport systems on the environment while yielding accessible, affordable, safe and efficient public transport modes.

Strategies for achieving this objective include:

- a. supporting an integrated transport policy that explores the full array of technical and management options and pays due attention to the needs of all population groups (e.g. the disabled, poor and the aged);
- b. coordination of land use communication systems and transport planning in order to encourage spatial settlement patterns that facilitate access to such basic necessities as workplace, school, healthcare, places of worship, goods and services and leisure thereby reducing the need to travel;
- c. encouraging the use of an optimal mode of transport including walking, cycling and public means of transportation, through appropriate pricing, spatial settlement policies and regulatory measures;
- d. introducing disincentives that discourage the increased growth of private motorized traffic and thus reduce congestion;
- e. providing and or promoting an effective, affordable, physically accessible and environmentally sound public transport and communication system, giving priority to collective means of transport with adequate carrying capacity and frequency that support basic needs and the main traffic flow;
- f. promoting, regulating and enforcing quiet, user-efficient and low-polluting technologies, including fuel-efficient engine and emissions controls and fuels with a low level of polluting emission;
- g. encouraging and promoting public access to electronic information services.

- h. bringing the private sector into the process of managing environmental pollution in the transport sector as one aspect of partnership in progress;
- i. establishing and enforcing emission standard;
- j. requiring new transport and communication projects to undergo environmental impact assessment;
- k. developing, where appropriate, criteria for maximum permitted and safe levels of noise exposure and promoting noise assessment control as part of environmental health programmes.

4.19 Trade

Reconciling the operation of a liberal trade regime with policies to conserve and protect environmental resources has emerged as a high priority issue on the international agenda. The overall objective is to seek ways in which the benefits of a liberal trade system can be reconciled with greater environmental protection. Nigeria, like many less-developed countries, is still heavily engaged in natural resources production and trade, and hence has a direct interest in natural resource-related trade questions. The main thrust of Nigeria's external trade policy objectives is to achieve economic development through the attainment of a healthy balance of payments, market expansions, net inflow of foreign exchange and the protection of infant industries. To attain these goals in the face of new and tougher environmental criteria confronting it in international markets, Nigeria will have to continually adapt to the environmental requirements of its major markets to remain competitive.

The attainment of the policy objectives of Nigeria's external trade would therefore, require the adoption of the following strategies:

- a. encourage the use of recyclable, reusable and returnable materials in packaging;
- b. Establishing the machinery for "eco-label" awards for products meeting prescribed environmental standards.
- c. providing relevant environmental information and advice to importers on the effects of Environmental Organization of Standardization (EOS);

- d. organizing in-house awareness seminars involving all the stakeholders on the effects of environmental standards aboard on Nigerian imports and exports;
- e. requiring industries to use chemicals with minimal toxic or polluting components in their production processes (e.g. tanneries to use butane instead of PCP);
- f. ensuring that all new export projects conform with (EIA) procedures;
- g. requiring agro-chemical industries to adhere to environmental standards with respect to storage, handling, packaging and disposal of its products;
- h. encouraging (in special circumstances) the acquisition of foreign certification from importers to ensure acceptable standards, e.g. the United States certification of foreign slaughter houses to ensure the quality of imported meats;
- i. imputing the costs of negative environmental externalities in the prices of goods;
- j. advising judicious use of trade measures as a way of uplifting environmental product standards;
- k. supporting the harmonization of product standards, including environmental product standards among ECOWAS member countries not only for the purpose of increasing trade among themselves but also with the rest of the world;
- l. ensuring that environment and trade policies are mutually supportive with a view to achieving sustainable development;
- m. encouraging exporters to adopt new practices that generate less pollution in line with international environmental standards, providing assistance to exporters on environmentally friendly product development and financing.

4.20 Tourism

Great potentials exist in Nigeria for the development of eco-tourism, hence it has become an integral part of the official development policy objective in this sector to promote sustainable and responsible tourism, encourage balanced

development to generate foreign exchange. To achieve this objective, strategies will be put in place to:

- a. Reconstruct, rehabilitate and modernize the country's infrastructural facilities, especially roads, bridges, air transport, water, electricity supply and communication systems with due concern for the environment;
- b. regulate large scale and consumption-oriented types of tourism with the objective of controlling areas;
- c. establish norms for the use of restricted natural areas for eco-tourism;
- d. Guarantee security of life and property;
- e. Strengthen the capacity of the Nigerian Tourism Development Corporation (NTDC) to effectively manage and develop eco-tourism;
- f. Identify, designate and develop environmentally friendly centers of attraction for tourism development;
- g. establish effective organs for the planning, development, promotion and marketing of tourism within and outside Nigeria including well-defined roles for the three tiers of government;
- h. ensure that the nation as a whole and the local populations on the fringe areas in particular truly benefit from eco-tourism development projects;
- i. evaluate the environmental effects and cultural impacts of major tourism development projects on local populations;
- j. ensure mandatory EIA of major tourism projects.

4.21 Science and Technology

In implementing this policy, it is important that every body from policy makers to the general public understands the roles that science and technology have to play in achieving environmental protection and human development. There is need, therefore, to work closely with the Science and Technology policy implementation programmes through the adoption of the following strategies:

- a. identifying how scientific and technological programmes could impact development to become really sustainable;

- b. providing and supporting full and open sharing of information among scientists and decision makers;
- c. supporting national advisory groups to help society develop common values on environmental and development ethics;
- d. supporting environmental technology research programmes including ways to enhance the soundness of new technologies;
- e. developing scientific quality of life indicators covering health, education, social welfare and the state of the environment and economy;
- f. supporting research to improve the understanding of the links between the state of ecosystems and human health and the benefits and costs of different development policies;
- g. supporting scientific studies to map out national and regional pathways to sustainable development as well as the attitudes and behaviours that lead to environmental impacts and how environmental degradation affects global and local economies;
- h. encouraging indigenous scientific knowledge and technical capability.

5.0 SPECIFIC ISSUES

5.1 Disasters

Nigeria has had a number of emergency situations arising from disasters - natural and man-made. The natural phenomena include tropical storms, land, erosion, windstorms. Floods, drought, desertification, human diseases, coastal erosion, livestock diseases, crop pests and diseases, wildfire, harmattan haze and landslides. Other potential hazards include earthquakes and volcanoes, The major man-made hazards include civil strife - road, water and air traffic accidents; and technological episodes such as oil spills, hazardous wastes dumping and industrial accidents. All of the above call for urgent action for the strengthening of our emergency preparedness to reduce our peoples' vulnerability and cushion the impact of disasters on our settlements, economy and environment. The following strategies are required to mitigate the negative impacts of natural and man-made disasters on the lives of the people:

- i. Prepare comprehensive hazard maps and vulnerability analysis for the country by:
 - a. compiling historical data of disaster occurrence;
 - b. analysis of meteorological, seismological, agricultural and environmental records;
 - c. employing satellite imagery and the GIS system to plot the hazard maps.
- ii. Establish very effective early warning systems for meteorological, geophysical, biological, social and industrial hazards by:
 - a. enhancing the meteorological services;
 - b. effective monitoring of pests and disease epidemics;
 - c. resuscitation of seismographic stations and the existing seismological centers;
 - d. development of reliable biological indicators;
 - e. building of a viable network for early warning information dissemination;
- iii. Develop and maintain prompt emergency responses mechanisms and contingency plans by:
 - a. Making an inventory of all existing resources for emergency response for easy marshalling at times of disasters;
 - b. establishing a body to coordinate emergency response to reduce duplication of efforts and enhance accountability;
 - c. formulating a national emergency policy and an emergency plan.
- iv. Mount a sustained public awareness and education programmes on hazard preparedness by:
 - a. engaging military and Para-military forces as well as voluntary organizations in drills on emergency response including search and rescue;
 - b. integrating emergency preparedness programme into school curriculum;
 - c. promoting capacity building for disaster management;
 - d. maintaining and regularly updating a Directory of in-country experts in disaster response.

5.2 Drought and Desertification

Drought and desertification are the most important environmental problems affecting the northern states of Nigeria. Government and at some instances in collaboration with donor countries, international organizations and institutions, has done a lot to combat desertification and mitigate the effects of drought since early 1970s. Efforts have been made through more efficient utilization of fuel wood and alternative sources of energy promulgation of State Edicts, afforestation and reforestation programmes. Despite all these efforts, desertification has continued its southward movement which currently renders the areas north of Latitude 120 either desertified or prone to desertification. This process coupled with the effects of drought have continued to cripple the socio-economic lives of the people living in the affected areas. The negative impacts on the lives of the people call for urgent actions to check the desert encroachment, rehabilitate affected areas and institutionalize drought ameliorating measures. The strategies needed to achieve this include:

- a. development of a National Action Programme to combat Desertification and mitigate the effects of drought towards the implementation of the Convention to Combat Desertification (CCD) in Nigeria;
- b. integrating public awareness and education on causes and dangers associated with drought and desertification. as well as the constraints of the CCD;
- c. strengthening of national and state institutions involved in drought and desertification control programmes;
- d. promoting sustainable agricultural practices and management of water resources including water harvesting and inter-basin transfers;
- e. encouraging individual and community participation in viable afforestation and reforestation programmes using tested pest and drought-resistant and/or economic tree species;
- f. encouraging the development and adoption of efficient wood stoves and alternative sources of energy;
- g. establishing drought early warning systems;

- h. involvement of the local people in the designing, implementation and management of natural resources conservation programmes for combating desertification and ameliorating the effects of drought;
- i. intensifying international cooperation and partnership arrangements in the areas of training, research, development and transfer of affordable and acceptable environmentally sound technology and provision of new and additional technical and financial resources;
- j. inventorying of degraded lands, and implementing preventive measures for lands that are not yet degraded or which are slightly degraded;
- k. adopting an integrated approach to address physical, biological and socio-economic aspects of desertification and drought;
- l. intensifying cooperation with relevant inter- and nongovernmental organizations in combating desertification and mitigating the effects of drought;
- m. strengthening of the nation's food security system;
- n. establishing, reviewing and enforcing cattle routes and grazing reserves.

5.3 Flood and Erosion

Flooding in one form or other affects at least 20% of the nation's population. [It cuts across the society from the urban residents to the rural dwellers. Flooding is a threat to physical infrastructures including residential accommodation, commercial and industrial properties, roads, rail lines, bridges, port installations etc. It also destroys farmlands, including standing crops. Losses due to flooding run into many billions of Naira per year. On the other hand, 8% of the total land area of Nigeria is under severe sheet, rill and gully erosion with over 2000 active gully erosion sites spread round the country. Erosion leads to impoverishment of the soil as nutrients are washed away, loss of livelihood as farmlands become wasteland thus increasing the menace as properties especially buildings are endangered as they collapse into gullies.

Coastal erosion is widespread along the nation's 800 km long coastline with estimated mean shoreline retreats of 2-30 metres per year. The worst affected areas include Victoria Beach in Lagos, Awoye/Molome in Ondo State, Ogborodo/Escravos and

Forcados in Delta State, Brass in Bayelsa State and Ibeno in Akwa Ibom State. To achieve effective management of urban, river and coastal flooding and stabilize all gully and coastal erosion sites and enforce management practices aimed at preventing/minimizing the incidence of erosion, the following strategies are required for the control of flooding:

- a. enforcing compliance with planning/urban laws/edicts;
- b. building embankments and levies along rivers and coastlines prone to flood;
- c. establishing rainstorm early warning system;
- d. establishing and monitor weather stations, river and tidal gauges,
- e. ensuring appropriate management of dams;
- f. ensuring provision and proper maintenance of functional urban drainage channels;
- g. enforcing environmental sanitation laws in towns and cities.

For the Management of Soil and Coastal Erosion it will be necessary to:

- a. prepare and implement a comprehensive national policy on soil and coastal erosion and flood control;
- b. formulate and enforce regulations for soil and water conservation especially in erosion-prone areas;
- c. carry out national watershed delineation and characterization for use as basis for the development of an aggressive management and enforcement programme to protect and maintain the quality of the nation's lands, water and coastal resources and implement the programme;
- d. Prepare periodic master-plan on the management of soil and coastline erosion and flood, and advise the Federal Government on the financial requirements for, the implementation of such plans;
- e. carry out public enlightenment campaigns on environmental degradation arising from poor land and water management practices;
- f. provide and promote training on environmental issues as they relate to flood, erosion, land degradation and water conservation;

- g. promote integrated ecosystem management with other agencies connected with agriculture, land use, soil and water conservation, rural development and coastal resources management including environmentally sound recreational use;
- h. strengthen national capacity through personnel development, provision of training facilities and research on combating climate- related ecological problems;
- i. strengthen capacity of the Environmental Management Support System (EMSS) for Remote Sensing data gathering, GIS facilities and development of disaster/environmental data bank;
- j. support agro-forestry and Integrated Coastal Zone Management;
- k. encourage planted fallow in abandoned farmland using soil enriching species;
- l. promote conservation farming and use of organic fertilizer and soil conditioners;
- m. establish viable contingency plans for tackling socio-economic and other problems resulting from coastal erosion and other forms of disasters;
- n. inventories of gully sites and update periodically as well as implement preventive measures.

6.0 CROSS-SECTORAL ISSUES

6.1 Sanitation and Waste management

Environmentally sound management of wastes requires an understanding of the range of treatment, disposal and re-use options available for sanitary and industrial effluents, raw domestic wastes and storm water. In order to ensure that improper handling and disposal of wastes do not lead to the spread of disease and the pollution of land, air and water; priority shall be given to the monitoring of the quality of industrial effluents as well as the variety of solid and liquid wastes generated in the various ecological zones of Nigeria. Appropriate guidelines shall be introduced for their collection and safe disposal.

These will be done through:

- a. Study of the most reliable treatment systems that are appropriate for domestic and industrial wastes;
- b. engineering design and specification of appropriate waste disposal and treatment systems that take into consideration the geological and environmental setting, encourage recycling and guarantee the safety of surface and underground water systems;
- c. setting up and enforcement of standards for sanitary facilities for the disposal of human and other solid wastes in dwellings, housing estates and public facilities in both urban and rural areas;
- d. establishment of monitoring programmes and stations for the control of the dispersal of leachates from dumpsites into surface and groundwater systems;
- e. establishment of an early warning system for the identification of potential waste disposal hazards;
- f. provision and utilization of information on the appropriate methods and technologies for the treatment, reuse and disposal of wastes;
- g. encouraging of source reduction, reuse, recycling of wastes as well as the recovery of valuable products from wastes (the 4Rs);
- h. Regulation, registration and licensing of all major land-based waste disposal sites and systems;
- i. Establishment of a mechanism for the identification and clean up of abandoned land-based waste dumps;
- j. Introduction of effective protective measures against the indiscriminate discharge of particulate matter and untreated industrial effluents into lakes, rivers, estuaries, lagoons and coastal waters, taking into account the following additional factors;
 - The establishment of baseline studies to ascertain water quality at various points;
 - The physical, chemical and biological characteristics of treated effluents;
 - The location and type of existing and projected uses of river water which will determine the acceptable/optimal location of waste water

treatment works and the level of treatment necessary, The assimilative capacity of the rivers;

- The establishment of relevant standards based on river/water quality objectives;
- Public health criteria; and
- The need for a comprehensive monitoring programme an early warning system for the down-stream users.

6.2 Toxic, Hazardous and Radioactive Substances Management

Necessary administrative rules and legislation will be operated to govern the monitoring, introduction, manufacture, import, sales, transportation, use and disposal of toxic, hazardous and radioactive substances in Nigeria. Toxic, Hazardous and Radioactive Substances include all categories of potentially toxic or hazardous industrial chemicals, pesticides, Chloro-fluorocarbons (CECs); toxic or radioactive wastes.

FEPA and other appropriate governmental agencies working in collaboration with FEPA shall therefore:

- a. maintain an up-to-date register of toxic, hazardous and radioactive substances;
- b. determine the categories of toxic, hazardous and radioactive chemicals, pesticides and CFCs to be allowed into or banned from Nigeria in line with internationally binding instruments to which Nigeria is party;
- c. control the generation/production of toxic, hazardous and radioactive chemicals and wastes and ensure that banned chemicals shall be stringently controlled;
- d. Determine, monitor, control and update the list of green wastes (recycle able wastes) for economic purposes;
- e. Establish a permitting and sanction system for the importation of toxic and hazardous chemicals and green wastes;
- f. Monitor the effects of and control and phases of the life-cycle of all substances likely to have an adverse impact on human health and environment;
- g. Set up appropriate handling, transportation and storage codes for toxic, hazardous chemicals and green wastes;

- h. Minimize the generation of toxic hazardous wastes through the adoption of clean technologies;
- i. Determine and use environmentally safe and technologically sound techniques for disposal of toxic, hazardous and radioactive chemicals and wastes;
- j. Develop and implement guidelines for the sound management for toxic, hazardous and radioactive substances;
- k. Set up regional framework and standards for "DUMPWATCH" against trans-boundary movement of toxic, hazardous and radioactive wastes and for the achievement of the environmentally sound management of hazardous substances;
- l. Adopt appropriate mix of the above permitting monitoring and control strategies of toxic, hazardous and radioactive substances for the enforcement of industrial compliance with pollution control standards;
- m. Establish legal and other mechanisms for the environmentally sound management of accidental release of toxic, hazardous and radioactive substances.

6.3 Air Pollution

The atmosphere is very vital for the survival of man and other living animals. It provides air for respiration and photosynthetic processes. It also provides the safe environment surrounding man and other living organisms by shielding them from dangerous particles and rays. It is also the habitat for varied flying organisms and the medium for air navigation.

Strategies for achieving a clean air situation include:

- a. designating and mapping of National Air Control Zones and declaring air quality objectives for each designated Air Control Zone; establishing ambient air quality standards and monitoring stations at each designated zone;
- b. licensing and registering of all major industrial air polluters and monitoring their compliance with laid down standards;

- c. Provision of guidelines for the abatement of air pollution; establishing standards for the control of fuel additives with respect to trace elements especially Pb and Zn;
- d. prescribing stringent standards for the level of emission from automobile exhausts and energy generation plants and station; monitoring and minimizing the incidence of acid rains;
- e. promoting regional cooperation aimed at minimizing the atmospheric transportation of pollutants across international boundaries.

6.4 Noise pollution

The reduction of noise levels and the control of noise pollution are requisites for the creation and maintenance of a comfortable and healthy living environment. In furtherance of these objectives, programmes will be established to:

- a. set up noise standards including acoustic guarantees;
- b. prescribe guidelines for the control of neighbourhood noise especially with respect to construction sites, markets, meeting places and places of worship;
- c. prescribe permissible noise levels in noise-prone industries and construction sites and ensure the installation of noise dampers on noisy equipment;
- d. Set up quiet zones especially within game parks, reserves and recreational centers;
- e. Provide guidelines for the control of aircraft noise by prescribing acceptable or permissible noise levels within the vicinity of airports;
- f. Ensure compliance with stipulated standards by conducting periodic auditory and audiometric checks.

Working Environment (Occupational Health and Safety)

A considerable portion of a worker's life is spent within his work environment. It is, therefore, essential to ensure that environmental factors in the workplace conform to generally accepted standards to ensure optimal productivity as well as the protection of the health and safety of the worker.

In this connection action will be taken to:

- a. establish appropriate regulations and standards to guarantee the protection of workers against hazards that threaten their health and safety within the working environment;
- b. monitor and update levels of various pollutants permissible within the working environment consistent with nationally set standards for human health and well being;
- c. institute training and enlightenment programmes for the management, union leaders as well as workers on the dangers posed by industrial operations including excessive exposure to industrial emissions and other health hazards;
- d. Establish minimum standards for recreational facilities and aesthetics within and around offices and factories for the enhancement of the comfort and productivity of workers;
- e. Specify and ensure the provision of contingency plans for emergencies within the work environment and establish an effective system for the reporting and monitoring of industrial accidents;
- f. Specify safety and health codes and guidelines based on the hazard levels of various industry types including vibration in the work environment.

6.6 Public participation

In order to secure the involvement of the citizenry and assure its commitment to the principle of sustainable development, action will be undertaken to enlighten various levels of society on the essential linkages between environment and development. Action shall be taken to:

- a. ensure public and community participation in the definition of environmental policy objectives and decision- making;
- b. engage mass and folk media at all levels in the task of public enlightenment;
- c. boost environmental awareness and education through the involvement of indigenous social structures, voluntary associations and occupational organizations;
- d. secure public confidence in the administration of the environment, by demonstrating the resolve of government to enforce the environmental

- information stewardship of government agencies and organs, corporate citizens and elite organizations;
- e. grant the citizenry access to environmental information and data thereby promoting the quality of environmental management and compliance monitoring;
 - f. support the role of cognate NGOs, professional associations and other civic groups in activities designed to propagate environmental protection information, techniques and concepts.

7.0 INSTITUTIONAL AND INTER-GOVERNMENTAL ARRANGEMENTS

A viable national mechanism for environmental management requires cooperation, coordination and regular consultation, as well as the harmonious management of the policy formulation and implementation process through the establishment of effective institutions and linkages within and among the various tiers and levels of government (Federal, State and Local).

For this purpose, Government will:

- a. Strengthen the consultative and advisory roles of the National Council on the Environmental Protection Agencies (FEPA); State Environmental Agency (SEFAs) and other institutions involved in environmental management;
- b. strengthen the consultative and advisory roles of the National Council on the Environment and the State Environmental Protection Agencies (SEPAs) particularly those relating to;
 - advising the President/Governor on environmental issues;
 - recommending and updating National/State policies to improve the environment;
 - encouraging the use of ecological information in the planning and development of the resource-oriented projects at all levels;
 - emphasizing their complementary role in ensuring the achievement of the overall objectives of the National Policy on the environment;

- c. Promote and strengthen research and development programmes in environmental technology;
- d. enhance cooperation among all tiers of government on environmental protection, planning, monitoring and enforcement clarify and reinforce the role of Local and State Government administrations in the management of wastes and other forms of pollution;
- e. ensure prompt payment of financial contributions and meet contributions to relevant international organizations such as the United Nations Environment Programme (UNEP);
- f. provide systematic and periodic briefing for public officials at all levels of government on environmental issues and legislation;
- g. ensure multi-disciplinary and inter-sectoral collaboration in environmental management, through institutions such as the National Resources Conservation Council and various other technical advisory committees;

8.0 LEGAL ARRANGEMENTS

The legal framework as a component of the national environmental policy should be designed as an instrument that recognizes the need to achieve a balance between environment, development and socio-economic considerations.

To ensure this role, action shall be taken to:

- a. periodically eventuate existing legislation with a view to ensuring their adequacy and effective implementation;
- b. streamline all legislation and regulations relating to the environment in order to reorganize them into a holistic and integrated compact that recognizes the cross-sectoral linkages of the environment;
- c. prescribe jurisdictional boundaries for law making on the environmental as well as provide clear responsibilities to promote coordination and eliminate overlapping of functions among the various tiers of government. Provide for the development of appropriate laws for environmental emergencies

9.0 INTERNATIONAL TREATIES AND OBLIGATIONS

Appropriate action shall be taken to incorporate into national legislation the international obligations which Nigeria has assumed under Conventions and Treaties for the purpose of implementation, Nigeria will continue to participate in the progressive development of international laws and guidelines on environmental protection. Nigeria shall ensure prompt payment of financial contributions and meet its other obligations to relevant international organizations such as the United Nations Environment Programmes (UNEP).

10.0 FINANCING ENVIRONMENTAL PROTECTION AND NATURAL RESOURCES CONSERVATION

Huge financial investments are needed to implement the various programmes and activities for Environmental Protection and Natural Resources Conservation. With the increasing pressure on the environment and natural resources, the cost of inaction would rise exponentially and manifest in the expansion of health of the citizenry, polluted surface and underground waters, expansion of coastlines into prime property and agricultural areas, etc. The financial requirements for environmental protection and natural resources conservation calls for the need to streamline the current funding level and to provide new and additional financial resources that are both adequate and predictable to halt and reverse the current menace of environmental and natural resources degradation.

Strategies/activities will be initiated to:

- a. Ensure adequate annual budgetary allocation for implementation of the provisions of the national policy on the environment and, the amelioration of the key environmental problems;
- b. access the 2% ecological fund set aside from the federation account for the amelioration of ecological problems for environmental protection, natural resources conservation and environmental remediation of degraded and abandoned mining sites and other identified derelict sites;

- c. ensure that about 25% of the 3 % Federation Account allocated to OMPADEC (Oil Mineral Producing Areas, Commission) is used for environmental protection, restoration, remediation and rehabilitation and natural resources conservation within the OMPADEC area of jurisdiction;
- d. take full advantage of bilateral and multilateral financial assistance in environmental protection and resources conservation measures at federal, state and local government levels as well as for the implementation of the conventions and protocols ratified by Nigeria;
- e. establish an Environment Endowment Fund from voluntary contributions by governments, individuals and corporate bodies as a sign of their commitments to the environmental protection efforts. This fund shall be revolving and be managed by FEPA for emergency environmental clean-up of oil spills, industrial pollution accidents and restoration of abandoned mining sites and desertified areas;
- f. mobilize additional finance through the imposition of approved taxes, fine and charges. where appropriate, on activities that deplete natural resources or degrade the environment;
- g. ensure government support for NGO activities in environmental awareness, sensitization, education and conservation;
- h. encourage State and Local Governments to set aside 2% of their annual budgets to tackle environmental problems and natural resources conservation within their areas of jurisdiction.

11.0 THE USE OF ECONOMIC INSTRUMENTS AND INCENTIVES IN THE MANAGEMENT OF THE ENVIRONMENT AND NATURAL RESOURCES.

Sectoral policies, environmental laws and regulations are important, but cannot, alone, be expected to deal with the problems of environment and development. Prices, markets and governmental economic policies also play a complementary role in shaping attitudes and behaviour towards the environment. Sustainable development requires that the exploitation of resources, the production of goods and services, the

direction of investments, the orientation of technological development and institutional change are all in harmony and enhance both current and future potentials to meet human needs and aspirations. Since our national development policy objective is to achieve rapid economic growth and improvement in individual welfare on a sustainable basis, a range of enabling policies, economic instruments and incentives are required to propel the development process in the desired direction.

The Strategies/Activities for achieving this objective shall include:

- a. Incorporation of environmental costs in the decisions of producers and consumers so as to reverse the tendency to treat the environment as a "free good" and to stop passing these costs on to other parts of society or to future generations;
- b. integrating social, environmental and other costs of negative environmental externalities into economic activities so that prices will appropriately reflect the true and total value of resource and contribute towards the prevention of environmental degradation;
- c. including, wherever appropriate, the use of market principles in the framing of economic instruments and policies to pursue sustainable development, and in particular, to consider gradually building on experience with economic instruments and market mechanisms by undertaking to reorient policies, keeping in mind national plans, priorities and objectives;
- d. institutionalizing the "Polluter Pays Principle" so that the polluter bears the cost of environmental degradation or pollution; thus providing the positive incentives to limit degradation or pollution of the environment;
- e. developing and implementing a mechanism for charging emission fees and fines for all pollutants and effluents (based on quantity, quality and detrimental effects), thereby internalizing costs and other negative externalities into the production process and output prices;
- f. imposing penalty taxes, fines, and charges for non-compliance to environmental standards and regulations so that violations to such regulation become costly to the violators;

- g. encouraging participation of all stakeholders in the management, harvesting and the utilization of revenue from the use of natural resources;
- h. adopting an appropriate pricing of natural resources and production inputs to encourage on optimal allocation, production and consumption of these resources;
- i. promoting tax relief that encourage investment in pollution abatements through:
 - grant of accelerated depreciation allowance on pollution abatement equipment;
 - the removal of import duty on abatement equipment;
 - the grant of tax holidays and pioneer status to environmentally sound new projects;
 - the use of other tax credit schemes;
- j. promoting market-based extraction charges and appropriate taxes on The extraction of resources to discourage their destructive exploitation and inefficient use;
- k. requiring the submission of performance bonds to insure that industries comply with resources extraction regulations and employee accident insurance schemes;
- l. allowing, where appropriate, the direct transfers of financial assistance (subsidies);
 - to compensate specific groups which may suffer additional costs or hardship in complying with standards;
 - to encourage groups to improve their environment especially where conservation initiatives affect their immediate income;
- m. developing a compensation framework for environmental damage which ensures that;
 - the polluted environment is adequately compensated by way of remediation and restoration;
 - persons affected are equitably compensated and the offender or saboteur is made liable;

- n. employing appropriate insurance schemes and other risks management processes in remediation and restoration of polluted or degraded areas;
- o. encouraging active participation and prompt payment of financial contributions to relevant international organizations charged with protecting the environment.

12.0 MONITORING

12.1 Monitoring

In keeping with the objectives of the National Policy on the Environment, shall be established:

- a. National Environmental Data Collection and Information System coordinated by the Federal Environmental Protection Agency (FEPA) which functions as a network involving, as partners, all relevant agencies at the Federal, State and Local government levels as well as NGOs, Universities and Research Institutes;
- b. A national environmental monitoring and information management network;
- c. The collection, analysis and distribution of data of relevance to environmental impact assessment. Policy analysis and environmental monitoring within the country as well as the preparation of periodic and national reports on the state of the environment.

Government responsibilities in this regard would include:

- a. the monitoring and enforcement of environmental quality standard and regulations;
- b. the regular assessment of environmental conditions and trends in rural areas and identification of programmes and actions needed to reduce or avoid further environmental degradation and pollution;
- c. the application of the national environmental assessment guidelines and procedures for all development polices and project likely to have adverse environmental impacts within state and local governments;

- d. the development of Contingency Plans and capabilities to respond quickly and effectively to environmental emergencies;
- e. the collection, analysis and distribution of data of relevance to environmental impact assessments, policy analysis and environmental monitoring within the State and Local governments;
- f. the preparation or periodic public reports on the "State of the Environment" in their area.

12.2 Analysis and Evaluation

Analysis and evaluation should be seen as problem solving opportunities not only for departments but also for task managers and project staff at all levels. To facilitate this, major programmes and policies affecting the environment would be carefully monitored and readily evaluated. Environmental standards and attainable targets will be set. Indicators for monitoring assessment of progress nationally, regionally and sectorally will also be worked out.



SECTION EIGHT

NATIONAL HOUSING POLICY FOR NIGERIA

Chapter One
INTRODUCTION

Shelter has been universally accepted as the second most important essential human need after food. Housing in all its ramifications is more than mere shelter since it embraces all the social services and utilities that make a community or neighbourhood a habitable environment. The problems of housing in Nigeria are enormous and complex, exhibiting apparent and marked regional differences. In Most of our urban centres, the problems is not only restricted to quantity but also to the poor quality of available housing units and the environment. The result is manifested in growing overcrowding in homes and increasing pressure on infrastructural facilities and rapidly deteriorating environment.

- 1.1 The scenario is only slightly different in the rural areas where the problems is primarily that of quality of housing and inadequacy of infrastructural facilities like roads, drainage, water, power supply, etc.
- 1.2 Another important characteristic of both the urban and rural scenes is the dominance of the poor and low income group. It has been estimated that over seventy percent (70%) of the country's population fall within this category.
- 1.3 **A review of past policies and programmes**

A review of past policies and programmes of both the public and private sector's involvement in the housing sector could be examined under three distinct phases:

- 1.3.1 During the early colonial period, the housing activities and policies of government focussed essentially on the provision of quarters for the expatriate staff and for selected indigenous staff in specialized occupations like Railways, Police, etc. This period saw the establishment of Government Residential Areas (GRAs) as well as "African Quarters". No effort was made by Governments to build houses either for sale or rent to the general public and little was done to order the growth of settlements outside the Government Ordinance (Cap

95), the Lagos Executive Development Board (LEDB) was created in 1928 and charged with the effective planning and development of Lagos. The creation of the LEDB was a result of the bubonic plague which ravaged Lagos in the early 1920s. After 1964 and with the approval of the Lagos Central Planning Scheme, the LEDB for the first time attempted to solve the problems of public housing in the metropolis. This effort resulted in the following schemes:

- i. Workers Housing Estate and Re-Housing Estate, Surulere;
- ii. Akinsemoyin and Eric Moore Housing Estate Surulere;
- iii. Workers Housing Estate (Phase II), Surulere;
- iv. Freehold Housing Scheme and Sites and Services Estate at Surulere, Apapa, South West and South East Ikoyi, Ilupeju and Isole.

1.3.1.1 In 1956, the National Building Society (NBS) was established to provide mortgage loans. However, their mortgage operations did not achieve much because of limited financial resources and the poor response of the public to the savings scheme operators by the NBS. During the same year, the colonial government introduced the African Staff Housing Fund which was meant to encourage African civil servants to own their own houses. Also prior to independence, various state housing corporations were established by the regional governments to provide housing for the general public. These corporations were unable to extend their services to the low income group, but they formed the nuclei of modern housing estates in Nigeria.

1.3.2 THE POST INDEPENDENCE PERIOD (1960-1979)

During the period immediately after Independence, emphasis was placed on the five early Development Plans as the vehicle for economic growth. The housing sector however suffered from near complete neglect in the first two plans. With the outbreak of the Civil War in 1967, the housing situation deteriorated further particularly in the war affected areas as

energies and resources were concentrated on the execution of the war. In the same period, more Housing Corporations were established in the newly created states. Their contributions were rather insignificant as their impact within the medium and upper income housing market remained low. In 1971, the National Council on Housing consisting of all State Commissioners responsible for housing was established. This marked the first significant and direct attempt by the Federal Government to intervene positively in the area of housing. It led in 1972 to the establishment of a National Housing Programme during the second National Development Plan period. The Federal Government through an enabling Decree intended to construct fifty-nine thousand (59,000) dwelling units with fifteen thousand (15,000) in Lagos and four thousand (4,000) units in each of the other eleven States Capitals. The Federal Housing Authority created in 1973 to coordinate Staff Housing Scheme was taken over by the newly established Staff Housing Board for the purpose of granting loans to Civil Servants to enable them build or purchase their own homes. The loans were subject to a maximum of forty thousand Naira (N40,000) but the limit has since been increased to eighty thousand Naira (N80,000).

1.3.2.1 It was the third National Development Plan (1975 - 80) that witnessed the most significant intervention by Government in the Housing sector. The Federal Government decided to participate directly and actively in the provision of housing rather than leaving it principally to the private sector. A total of N2.6 billion was earmarked for the implementation of the various projects. During this period, a total of two hundred and two thousand (202,000) dwelling units were programmed for construction comprising fifty thousand (50,000) units in Lagos and eight thousand (8,000) units in each of the other nineteen States. It is pertinent to note that by the end of the Plan period, less than fifteen percent (15%) of the houses were completed.

1.3.2.2 In 1975, a new Federal Ministry of Housing, Urban Development and Environment was created and charged with the responsibility of initiating and coordinating the policies in housing-related areas. Within this period, the following Panel and Committees were constituted specifically to deal with some of the problems of housing and housing delivery:

- i. The committee on Standardization of House Types and Policies (1975) was set up and this marked the first attempt by Government at recognizing the housing problems of the low income group who earned less than three thousand Naira (₦3,000) per annum. The recommendations of the Committee resulted in the acceptance of the Low Income Housing concepts and Strategies of the World Bank (IBRD);
- ii. The Anti-inflation Task Force (1976) was set up to examine among other things the current inflationary trends in the economy and identify their causes. Various fiscal and monetary recommendations were made which had significant effects on the housing sector;
- iii. Rent Panel (1976) was to review the structure and level of rent in the country. Their recommendations resulted in the establishment of State Rent Tribunals which have proved ineffective in controlling rent;
- iv. The Land Use Panel (1977) examined the various tenure and land ownership systems in the country and their recommendations led to the promulgation in 1978 of the Land Use Decree which was a major step in Land reform aimed at making land readily available for development.

The Nigerian Building Society was converted in 1976 to the Federal Mortgage Bank of Nigeria with a capital base of twenty million Naira (₦20m) which was later increased to one hundred and fifty million Naira (₦150m) in 1979. The impact of the Federal Mortgage Bank of

Nigeria during this period was not very significant and most of its loans went principally to the middle and high income groups.

1.3.3 . THE SECOND CIVILIAN ADMINISTRATION (1979-83)

The increasing deficit of urban housing as well as its continuous deterioration in the rural areas dictated the high priority rating given to housing by the defunct civilian administration. An elaborate National Housing Programme was embarked upon in 1980 based on the concept of affordability and citizen participation. The target group was the low income earners whose annual income did not exceed five thousand Naira (₦5,000) for the one bedroom core houses and also the medium income group with annual income not exceeding eight thousand Naira (₦8,000) for the three bedroom houses. A total of forty thousand (40,000) units were to be constructed annual nationwide with two thousand (2,000) units located in each State including the Federal Capital Territory (FCT). Out of the State allocation, eighty percent (80%) was ear-marked for the low income earners. However by June 1983, only thirty-two thousand (32,000) units had been completed while the overall achievement was only twenty percent (20%). It is pertinent to note that midway through the implementation, the second phase of the programme was commenced comprising twenty thousand (20,000) units of two bedroom core houses also for the low income group. This phase of the programme failed to take off in most States. Although about ₦1.9 billion was budgeted for housing by the Federal Government in the fourth National Development Plan (1980-85), an estimated of six hundred million Naira (₦600m) was expended on the implementation of the National Low-Cost Housing Programme. In spite of this very high level of investment, the impact of the programme on the overall housing market was extremely negligible. The following factors were responsible for the failure of the direct construction programme:

- i. The adoption of a single design for the entire country irrespective of the varied cultural and climatic differences.

- ii. The distribution and choice of sites bore little or no relationship to the effective demand for housing. The sites for the programme numbered over four hundred, and this was clearly beyond the executive capacity in our construction industry.
- iii. Most States politicized the whole affair and therefore offered land to the Federal Government in very remote areas with poor terrain. This singular fact delayed implementation and increased the cost of infrastructural development considerably.
- iv. The appointment of contractors was based principally on party patronage rather than on capability and experience. The issue of "Nominated Suppliers" did not have the desired effect of making building materials readily available and cheap to contractors. The whole concept was bedeviled with fraud and non-performance by these "Nominated Suppliers."
- v. The Chairmen of States Allocation Committees were politicians who allocated the houses to party members who neither had ed for them nor could be classified as low income earners.

1.3.4 In addition to The Federal Government Direct Construction Programme, the Federal Housing Authority (FHA) was mandated to construct houses on commercial basis for the medium/high income groups. About three hundred and fifty (350) units were to be built in each State including Abuja. Most of these units are at various stages of completion. However, most of the sites were located in remote parts of the country a factor which greatly affected the demand for the houses. The State Governments through their Housing Corporations also embarked on the construction of low/medium income houses with sectoral allocation of ₦1.1 billion in the Fourth National Development Plan. Very few States made significant impact in implementation.

1.3.5 In 1979, the World Bank-Assisted Nigerian States Urban Development Programme (NSUDP) was negotiated. The major objective of the scheme was to lay the foundation for a National Low Cost Housing

Programme and to set in motion, broader urban renewal schemes. The seven newly created States of Bauchi, Gongola, Niger, Ogun, Ondo, Benue and Imo were expected to benefit from The programme, Lagos State, was also included in the programme because of its dual status as a Federal and State Capital.

- 1.3.6 The scheme has taken off impressively in Bauchi State at an estimated cost of ₦24.6 million while the contract agreement for the Imo State project had been signed at a cost of ₦63.8 million.

GOALS AND OBJECTIVES OF HOUSING POLICY

2.0 From available statistics, the magnitude of the housing problem in the urban areas of the country is such that 5 million new housing units will be required to meet existing and future needs up to the year 2000 A.D. The housing situation in the rural areas where about 70 percent of the Nigerian populace reside is even more unsatisfactory. Available statistics show that about 32 million new housing units are required to meet the housing needs in the rural areas of Nigeria by the year 2000 A.D. However, it is realized that the housing problem in the rural areas is mainly that of qualitative improvement in terms of sanitation and infrastructure for the existing housing stock in these areas. The amount of the essential services may be approximated to the equivalent cost of producing about 3 million new housing units. This brings the total housing needs of the country in urban and rural areas to some 8 million housing units.

2.1 In setting the goal and objectives of the Housing Policy, housing must be seen in the context of overall national development in relation to:

- i. Social development;
- ii. Generation of employment opportunities;
- iii. Geographical distribution of population; and
- iv. Location of industrial, commercial and agricultural activities.

The goal should be concise, achievable and acceptable to the generality of the populace. It must include a time-frame or target date in relation to which adequate evaluation of performance or lack of it could be made. Considering that Nigeria cannot isolate itself from the international community, the goal of the National Housing Policy must reflect the United Nations resolution which calls for shelter for all by the year 2000 A.D. Consequently, Nigeria must produce some 700,000 housing units per annum, if the country is to meet the target of 8 million units by the year 2000 A.D.

2.2 GOAL

The ultimate goal of the Nigerian Housing Policy shall be to ensure that all Nigerians own or have access to decent housing accommodation at affordable cost by the year 2000 A.D.

2.3 OBJECTIVES

In order to achieve this goal, Government shall pursue the following policy objectives:-

- i. Encourage and promote active participation in housing delivery by all tiers of government;
- ii. Strengthen institutions within the system to render their operations more responsive to demand;
- iii. Emphasize housing investments which satisfy basic needs;
- iv. Encourage greater participation by the private sector in housing development;

2.4 STRATEGIES

- i. Establish appropriate institutional framework to facilitate effective planning in housing development.
- ii. Restructure all existing Public Institutions involved in housing delivery at the Federal and State Government levels with a view to making them more effective and responsive to the needs of Nigerians.
- iii. Revive existing laws and regulations such as Land Use Decree, Planning Laws etc., in order to facilitate housing delivery.
- iv. Improve the finances and strengthen the executive capacity of local Governments to enable them contribute more effectively in housing delivery.
- v. Mobilize private sector participation in the provision of housing.
- vi. Produce adequate cadastral and topographical maps to facilitate land use planning and administration.
- vii. Produce and update Regional Development Plans and Urban and Rural Master Plans.

- viii. Up-date low quality house in urban areas as a step towards improving the quality of the environment.
- ix. Provide sites and services to facilitate home ownership and orderly urban and rural development.
- x. Improve the quality of rural housing, rural infrastructures and environment.
- xi. Restructure the Federal Mortgage Bank of Nigeria to serve as an apex Housing Finance institution.
- xii. Mobilize savings through the establishment of a National Housing Fund (NHF).
- xiii. Ensure continual flow of funds from various sources into the apex Institution for on-lending to other mortgage institution.
- xiv. Encourage research into and promote the use of locally produced building materials as a means of reducing housing costs.
- xv. Adopt functional design standards to reduce costs and enhance socio-cultural acceptability, safety and security.
- xvi. Increase the quantity and improve the quality of man-power needed in the housing sector.
- xvii. Utilize housing location as an instrument for a balanced population distribution in order to minimise associated problems of transportation and services.
- xviii. Ensure the preparation of a National Housing Plan to spell out the details and strategies for achieving the objectives of the Housing Policy.

INSTITUTIONAL FRAMEWORK FOR HOUSING DELIVERY

3.1 Institutional framework forms the basis of the entire housing delivery system and as such greatly influences the success of housing delivery. Institutional roles begin at the initial stages of policy development and continue through the implementation and review stages. A major factor on which the fundamental relationship between the various actors in the housing delivery can be achieved is the flexibility to adjust to dynamic socioeconomic and political changes without unnecessary disruption to the system. It is therefore desirable to centralize policy and programme control while decentralizing activities. Given the socioeconomic and political significance of housing and housing facilities all the three levels of government in the country must be involved and assigned specific roles in housing delivery.

3.2 FUNCTIONS OF THE FEDERAL GOVERNMENT

The Federal Government shall initiate, define and coordinate the policy options and instruments for achieving the objectives in the housing sector while the actual implementation shall be undertaken by appropriate agencies at Federal, State and Local Government levels.

3.3 The Federal Government shall formulate policy to coordinate, construct and monitor housing programmes.

3.4 In order to ensure a more virile housing delivery system, the following strategies will be pursued:

3.4.1 Concentrate on policy formulation, coordination, construction, monitoring, evaluation as well as preparation of guidelines on building codes and regulations for housing development;

3.4.2 Review, the various Town Planning, Survey and Land Laws to make them more responsive to the requirements of housing delivery;

3.4.3 Ensure proper implementation of the Employees Housing Decree No. 54 or 1979;

- 3.4.4 Effect the transformation of the Federal Housing Authority into a Commercially Oriented Organization;
- 3.4.5 Reorganize the Federal Mortgage Bank to function as an Apex Mortgage Institution;
- 3.4.6 Promote the establishment of Building Societies and other primary lending agencies in the country;
- 3.4.7 Assist the States and the Local Governments in the preparation of Regional and Master Plans in their respective areas of jurisdiction;
- 3.4.8 Facilitate home ownership for all workers;
- 3.4.9 Provide adequate funding particularly for:
 - i. Facilitation of low income housing
 - ii. Development of Sites and Services
 - iii. Research into housing issues
- 3.4.10 Encourage philanthropic organizations and private developers through adequate incentive packages to produce low cost housing units.
- 3.4.11 Promote research into building techniques, materials and methods of construction. Government will also encourage the National Building Research Institute to establish regional centres in the country.
- 3.4.12 Promote the use of local building materials in its building programmes. Promote the establishment of building materials industries both in the public and private sectors of the economy.

3.5 **FEDERAL HOUSING AUTHORITY (FHA)**

The Federal Housing Authority (FHA) was set up in 1973 to perform three principal functions:

- 3.5.1 The preparation and submission from time-to-time, to the Federal Government of proposals for National Housing Programmes.
- 3.5.2 The making of recommendations to Government on such aspect of urban and regional planning, transportation, communications, electricity, sewage and water supply development as may be relevant to the

successful execution of housing programmes approved by the government.

- 3.5.3 The execution of such housing programmes as may be approved by the Government.
- 3.6 Since 1979 to the present time, the Federal Housing Authority has been minimally involved in the Federal Housing Programme. Until recently, the Authority was not able to discharge effectively the functions of providing affordable housing for all income groups in the country due to:
- a. Over-dependence on subventions from the Federal Ministry of Works and Housing;
 - b. Inability to recover outstanding mortgage repayments from the beneficiaries;
 - c. Administrative and Financial Mismanagement.
- 3.7 In the circumstance, the role of the Federal Housing Authority in housing delivery will be redefined to enable the Authority perform the following functions:
- 3.7.1 Develop and manage real estates on commercial and profitable basis in all States of the Federation;
- 3.7.2 Provide sites and services for all income groups with special emphasis on the low income group, in the major cities of the country.
- 3.7.3 Provide low income houses in all States of the Federal from funds allocated by the Federal Government.
- 3.8 **FEDERAL MORTGAGE BANK OF NIGERIA (FMBN)**
The Federal Mortgage Bank of Nigeria shall be made to function as the sole institution at the Federal level for encouraging the flow of funds from various sources to the housing industry. To this effect the Federal Mortgage Bank of Nigeria (FMBN) shall be reorganized to function as an Apex Mortgage Institution in the country. Details of this reorganization are contained in Chapter Five of this Policy.

3.9 **FUNCTIONS OF THE STATE GOVERNMENT**

Each State shall formulate its housing policies and programmes in line with the overall National Housing Policy.

- 3.10 State Governments shall perform the following functions:
- 3.10.1 Establish appropriate agency to execute public housing programmes;
 - 3.10.2 Establish State Committee of the National Housing Facilitation Councils as provided for in the Employees Housing Scheme (Special Provision) Decree 54 of 1979;
 - 3.10.3 Transform Housing Corporations into Commercially Oriented Agencies to build houses for sale or letting to the general public;
 - 3.10.4 Ensure that Local Governments play more active roles in housing delivery by strengthening their executive capacity;
 - 3.10.5 Strengthen the existing Planning Authorities and establish same for all Local Government Areas where there is none;
 - 3.10.6 Promote the formation of Building Societies;
 - 3.10.7 Promote and facilitate the development of Sites and Services Scheme through Metropolitan Planning Authorities;
 - 3.10.8 Provide Low Income Housing through the appropriately designated Ministry/ Agency;
 - 3.10.9 Carry out redevelopment or upgrading of existing residential areas, Facilitate home-ownership for its workers;
 - 3.10.10 Prepare regional and urban Master Plans;
 - 3.10.11 Plan an active role in the identification, production and use of building materials from local resources in order to ensure availability of cheap building materials for housing development.

3.11 FUNCTIONS OF LOCAL GOVERNMENT

In view of serious problem of funding and executive capacity, Local Governments have not been able to perform effectively in housing delivery. However, being the closest level of Government to the people, Local Governments have a key role to play in housing. Accordingly Government shall provide adequate funding to Local Governments to perform the following functions:

- 3.11.1 Provide residential layout for low income housing through local Planning Authorities within its areas of jurisdiction;
- 3.11.2 Assist in the formation of housing co-operatives;
- 3.11.3 Provide infrastructure through loans from the Infrastructure Development Fund;
- 3.11.4 Maintain urban and rural infrastructure and be responsible for environmental sanitation;
- 3.11.5 Determine the housing needs of the rural population; and
- 3.11.6 Upgrade existing residential areas in collaboration with State Governments

LAND AND SETTLEMENT DEVELOPMENT

- 4.1 Land is the basis for all development and a major source of wealth for all Government and the people. Its inaccessibility therefore constitutes a great obstacle to development in both the public and the private sectors of the economy.
- 4.2 In Nigeria, there are very large expanses of unused land throughout the country even though their sizes vary from place to place depending on population density. The main problem therefore is not that of land availability, but ownership and rational use.
- 4.3 Until the promulgation of the Land Use Decree in 1978 there was no attempt to provide a uniform measure to regulate the use and ownership of land in the country. In spite of the Decree, there are still major obstacles to the provision of land for housing programmes. The defects in the Land Use Decree and the absence of up to date cadastral and topographical maps contribute to the problems.

4.4 THE LAND USE DECREE OF 1978

The Land Use Decree is intended to facilitate availability of urban and rural land for development. The Decree is, a bold step amongst others, aimed at;

- 4.4.1 Protecting and preserving the rights of all Nigerians as beneficiaries, to hold, use, and enjoy land in Nigeria,
- 4.4.2 Performing and harmonizing various land tenure systems in existence in the country before 1978,
- 4.4.3 Regulating and controlling the use of land,
- 4.4.4 Facilitating the process of land acquisition by individuals, corporate bodies, institutions and governments, and
- 4.4.5 Eliminating land speculation.

4.5 GOAL AND OBJECTIVES

The goal and objective of Land Use and Settlement Development Policy shall be to ensure easy access to, and efficient utilization of land for public and private use and promote balanced regional development and growth.

4.6 SOME CONSTRAINTS OF THE LAND USE DECREE

The noble objectives of the Decree are yet to be realized as a result of the following constraints:

- 4.6.1 Lack of follow up action in promulgating supplementary legislation for effective implementation of the Decree,
- 4.6.2 Failure of the Land Use Decree to spell out rights and powers of the Federal Government as trustees of land, seriously hampers Federal Government efforts to acquire suitable land in the States, Cumbersome procedures for obtaining Certificate of Occupancy and letter of consent,
- 4.6.3 Failure of the Decree to set up realistic yardstick for determining compensation payable by Government for improvements on acquired land, and
- 4.6.4 Delay and non-payment of compensation for improvements on acquired land.

4.7 STRATEGIES

To achieve The goal and objectives as aforementioned, Government has inaugurated a Committee to look into those constraints which seem to hamper the smooth operation of the Decree.

4.8 SURVEY CADASTRAL AND TOPOGRAPHICAL MAPS

Cadastral and topographical maps are very essential for efficient and effective development efforts. The total lack of such maps or their inadequacies has continued to be a major obstacle to the effectiveness of the housing delivery system. The inadequacies have also affected very adversely urban upgrading and renewal programmes and have allowed for conflicts between various government agencies and between include the following:

- 4.8.1 Production and up-dating on a continuous basis of cadastral and topographical maps in relevant development scales,
- 4.8.2 Densification of National Frame-work survey/control to such density that they are readily available for cadastral mapping and property surveys,
- 4.8.3 Reviewing the existing survey Laws to ensure that such Laws are tied to the National grid,
- 4.8.4 Introduction of a uniform system of compulsory Land Registration by title within the frame-work of a National Land Information System.
- 4.8.5 Enforcement of the provision of survey (Amendment) Decree No. 22 of 1977, with a view to ensuring compliance with requirements for prompt deposit of survey plans and pillar returns,
- 4.8.6 Removal of impediments in the supply of qualified manpower for surveying activities.

4.9 LAND USE PLANNING DEVELOPMENT CONTROL AND SETTLEMENT POLICY

To promote balanced regional development and growth and achieve a stable and qualitative environment, Federal, State and Local Governments shall ensure the preparation of master/structure plans for all cities and major settlements. In this regard, Government shall adopt the following strategies:

- 4.9.1 Provide infrastructural facilities in layouts prior to allocation for development,
- 4.9.2 Encourage Estate Developers and Housing Co-operatives to create and undertake development of residential layouts so as to make serviced plots readily available on specified terms and conditions,
- 4.9.3 Require large scale developers and Government agencies throughout the country to submit Environmental Impact Statements for review by the appropriate Government agency prior to development approval,
- 4.9.4 Coordinate the location of residential housing development with the location of employment and public transportation network.

4.9.5 Review the Town and Country Planning Ordinance Cap 155 of 1946 in order to ensure efficient and orderly urban and rural development.

Chapter Five
HOUSING FINANCE

- 5.1 Of the major pillars of National Housing Policy finance constitutes a fundamental centre-piece. Without a well organized and efficient housing finance system, it is difficult to mobilize substantial financial resources for channeling funds into the housing sector.
- 5.2 The key characteristic of housing finance is the ability to combine three partially conflicting objectives of afford ability for households, viability for financial institutions and resource mobilization for the expansion of the housing finance sector within the framework of the national economy. It is important to also note that the financing of housing presents a number of specific problems.
- 5.2.1 It involves individuals and developers requiring long term lending as against business on short term basis,
- 5.2.2 It requires significant intermediation efforts because housing finance institutions are expected to lend on a long term, even though their funds may be mobilized on a short term basis,
- 5.2.3 Given the long-term nature of lending for housing development, intermediation in housing finance is extremely sensitive to inflationary environments,
- 5.2.4 Perhaps the most serious weakness of housing finance institutions is their limited ability to mobilize resources effectively for low-income housing.

5.3 REVIEW OF THE PRESENT HOUSING FINANCE SYSTEM

Nigeria's present housing finance system is severely under-developed and ill-equipped to mobilize and channel savings to the housing sector. Although a Federal Mortgage Bank has been created to essentially serve as a wholesale and apex institution, the other institutional components of the finance market in terms of primary mortgage institutions (such as Building Societies, Housing

Associations, Credit Unions, Housing Co-operatives, etc.) have not developed. Thus, the Federal Mortgage Bank has concentrated largely on retail functions of lending to individuals.

- 5.4 From the commencement of its operations in 1977 to date, the Federal Mortgage Bank has granted loans valued at ₦442.6 million to only eight thousand, eight hundred and seventy-four (8,874) Nigerians. On the whole, the Bank has concentrated its operations on social loans which account for about ninety percent (90%) of its total loan portfolio while wholesale lending to housing corporations and estate developers constituted only ten percent (10%). The Bank's lending practice does not favour low-income households. As such, ninety three percent (93%) of loans granted to individual mortgagors has gone to middle and upper income households. Thus, in effect, the objective of assisting low-income groups to own houses through subsidized mortgage loans has not been realized.
- 5.5 Given the absence of primary mortgage institutions and the greater competition from commercial banks for resource mobilization, the Federal Mortgage Bank of Nigeria has been unable to mobilize adequate funds for the housing sector. Apart from the equity capital of ₦150 million, the Bank's major sources of funds have been loans from the Federal Government and the Central Bank of Nigeria. Between 1979/86 such loans totaled ₦25.7 million from the Central Bank. Funds from saving deposit rose from ₦21.4 million in 1979 to ₦131.2 million in 1986. However, funds available from all these sources have proved grossly inadequate to meet the high demand for mortgage loans as shown in table 1.

TABLE 1: MORTGAGE LOAN APPLICATIONS/FUNDS

YEAR	OUTSTANDING APPLICATIONS FOR FUNDS (₦ Million)	AVAILABLE FUND
1979	223.8	127.0
1980	350.9	239.5
1981	584.5	193.5
1982	676.8	153.5
1983	535.0	154.5
1984	318.6	109.8
1985	373.7	95.9

1986	456.8	105.3
TOTAL	3529.1	1178.5

It is clear from these figures that other sources of funds must be found if the Bank is to make any meaningful impact on the housing sector.

- 5.6 Other relevant financial institutions that contribute funds into the present housing system are Commercial Banks, Merchant Banks, Insurance Companies and the National Provident Fund (NPF). In previous years, Commercial and Merchant Banks, were directed by Central Bank of Nigeria (CBN) Credit Guidelines to treat the housing sector as preferred sector and to allocate at least seven percent (7%) of their loanable funds to this sector. The guidelines further stipulated that where the total housing loans granted by the banks in any year was lower than the level prescribed by the Central Bank, the shortfall be taken from the banks and on-lent through the Central Bank of Nigeria to the Federal Mortgage Bank. The main problem faced by banks in granting mortgage loans derives from the constraint imposed by the maturity structure of their deposits which are largely short term. In other words, banks are expected to give long-term mortgage loans with predominantly short-term deposits. There was also the problem of differential interest rates for the housing sectors as compared with such sectors as Commerce and Industry. As a result, the participation of Commercial and Merchant Banks in housing delivery was and has remained limited.
- 5.7 Insurance companies form a special category of financial houses. A substantial proportion of their Life funds is of long term duration, and as such they can be made more active and effective in mortgage businesses than Commercial Banks. At present, however, the Central Bank of Nigeria Credit Guidelines do not require them to invest a certain minimum percentage of their funds in the housing sector as is the case with Commercial and Merchant Banks. In fact Section 18 of the Insurance Decree No. 59 of 1976 provides that Insurance Company shall NOT invest more than ten percent of its non-life investment

fund in real property. The restrictive limit in the case of investment of Life funds in real property is put at twenty-five percent (25%) by the same Decree.

- 5.8 The National Provident Fund as at presently constituted, plays a very insignificant role in housing finance. For instance, of its total investment portfolio of ₦336.3 million in 1980, 96.9% (or ₦325.9 million) was invested in Government development stocks as required by law. By comparison, similar institutions in Brazil and Jamaica utilize their funds exclusively for the purpose of providing housing for workers. There is a need therefore to revise the investment patterns of the National Provident Fund in the new housing finance system.
- 5.9 In view of the above, Government has two distinct roles to play in the area of housing finance. The first is to encourage innovations that would facilitate the provision of funds to high-income households on a financially viable basis. The second role relates to the development of specific programmes that would ensure effective financing of low income housing.
- 5.10 Typically, a housing finance system is expected to:
- 5.10.1 Mobilize savings into mortgage institutions,
 - 5.10.2 Allocate the supply of loanable funds among households to include self-employed and low-income earners,
 - 5.10.3 Provide incentives for the Capital Market to invest in property development,
 - 5.10.4 Provide policy controls over the allocation of resources between the housing sector and other sectors of the economy,
 - 5.10.5 Stimulate the adoption of realistic designs for the construction of houses,
 - 5.10.6 Facilitate the flow of domestic and international resources into the priority housing areas, such as low-income housing.

5.11 CREATING A NEW HOUSING FINANCE SYSTEM

The above review of the present system of housing finance in Nigeria has clearly revealed the severely under-developed nature of housing finance

institutions. There is therefore an urgent need to create a vigorous and effective housing finance system for the country.

- 5.12 Accordingly, a two-tier financial structure, with the Federal Mortgage Bank as an apex institution and a decentralized network of Building Societies, Housing Cooperatives, Housing Associations, Credit Unions and Savings Banks forming the second tier at the grass root level~ shall be established. Within this structure; the Federal Mortgage Bank shall concentrate on wholesale mortgage lending to Primary Mortgage Institutions who in turn shall perform retail mortgage lending. The Federal Mortgage Bank of Nigeria (FMBN) shall also guarantee loans stocks floated by the primary mortgage institutions. The Mortgage Institutions Decree No. 53, 1989 now in force shall facilitate the establishment and regulate the operations of primary mortgage institutions as well as ensure that the Federal Mortgage Bank of Nigeria, as an Apex Institution divests itself of all its retail mortgage loan Portfolio.

5.13 STRATEGIES FOR EFFECTIVE MOBILIZATION OF FUNDS FOR HOUSING FINANCE

For a housing finance system to be successful, a continuous flow of funds must be guaranteed. Therefore, adequate attention shall be paid to this crucial area of resource mobilization. The following strategies shall be pursued by Government.

5.13.1 Voluntary Schemes.

5.13.2 Mandatory Schemes.

5.13.3 Government Budgetary Allocations and Financial Transfers.

5.14 VOLUNTARY SCHEMES

To encourage mobilization of funds through voluntary schemes, Government shall any given time now or in the future.

- 5.14.1 Encourage individuals to save at low interest rates and also borrow at the same low interest rates to build or buy their houses at any given time now or in the future.

- 5.14.2 Introduce appropriate fiscal measures to protect the assets and liabilities of individuals.
- 5.14.3 Stabilize individual deposits through contractual Savings schemes. Such contractual programmes generate a financing system where the guarantee of a future housing loan at low cost encourages personal Savings at low deposit rates.
- 5.14.4 The Central Bank of Nigeria through Guidelines and active participation shall encourage Commercial and Merchant Banks to set Lip subsidiaries that would specialize in primary mortgage institutions.

5.15 MANDATORY SCHEMES

Given the need for long term financing of housing development, mandatory savings schemes are attractive for housing financing policy. Indeed, such schemes have been implemented in many developed and developing countries. In view of its great potential for mobilizing cheap funds for low income housing finance, Government shall:

- b. Establish a mandatory home savings scheme within the framework of a National Housing Fund (NHF) with the following terms/conditions:
- i. Participation in this scheme shall be by workers earning ₦3,000.00 (three thousand Naira) or more in both the public and private sectors of the economy,
 - ii. Such participants shall be required to contribute (2.5%) two and half percent of their monthly salaries to the Housing Fund,
 - iii. An interest rate of (4%) four percent shall accrue to such savings/contributions made under (ii) above,
 - iv. The savings/contributions can be withdrawn as retirement benefit plus accrued interest at commercial rate, by contributors who for any reason could not utilize the Housing Loan facilities available under this scheme,
- c. The Federal Mortgage Bank shall simplify the procedure for the refund of any contribution under this scheme in order to encourage full participation in the scheme,

- d. The proposed National Housing Fund shall be administered by the Federal Mortgage Bank, who shall utilize the fund in financing the housing sector of the economy. An accurate record of each workers contributions shall be maintained by the Bank,
 - e. To ensure the participation of self-employed workers in the scheme; a strategy similar to the requirements of tax clearance certificate or receipts for the payment of a special levy prior to any dealings with either the appropriate Federal, State or Local Government Departments may be adopted,
- 5.15.2 (1) Direct Commercial and Merchant Banks through Central Bank's Credit Guidelines to invest ten percent (10%) of their loans and advances in the Federal Mortgage Bank at an interest rate of (1%) one percent chargeable on current account,
- (2) This transfer of funds into the Federal Mortgage Bank of Nigeria for The Housing Sector through a properly devised system will free Commercial Banks from the burden of Mortgage Loans. This is because within the present framework, prudent commercial banking practice does not allow the banks to approve substantial long-term loans for the housing sector,
- 5.15.3 Direct Insurance Companies to invest a minimum of 20% of Their non-life funds and 40(% of their life funds in real estates development of which not less than 50% must be channeled through Federal Mortgage Bank of Nigeria at an interest rate not exceeding 4%,
- 5.15.4 1 Relax the present restrictive provisions as contained in the Insurance Decree No. 59 of 1976 and the Trustee Investments Act No. 13 of 1962 so as to allow the Insurance Industry and Pension Funds to invest greater resources in housing development.
- (2) The removal of such restrictive provisions will make huge funds available to mortgage banks from insurance companies.

5.16 INTEREST RATE STRUCTURES AND LOAN CEILING

Given the need to expand home ownership and facilitate the access of individuals to housing finance: Government shall:

5.16.1 Direct that funds flowing from the Federal Mortgage Bank of Nigeria to Building Societies, Housing Co-operatives and other primary Mortgage Institutions shall be at an interest rate which will enable the primary institutions lend to individuals at a rate not exceeding 50% of the chargeable or prevailing interest rate in the economy.

5.17 LOAN CEILING

Loan ceiling for individual borrowing shall be five times the taxable income of the beneficiary, supported with three years tax clearance certificate and subject to a maximum of eighty thousand Naira (₦80,000.00) repayable over a period of not more than twenty-five (25) years.

5.18 GOVERNMENT FINANCIAL TRANSFER TO HOUSING

Both the Federal and State Governments shall continue to make budgetary allocations to the housing sector to finance low income housing schemes.

5.18.1 In this respect, the Federal, State and Local Government shall direct budgetary allocations of a sum not below (2.5%) two and half percent of their revenue to the housing scheme.

5.18.2 The Federal Government shall expand the Infrastructure Development Fund (IDF) from which State and Local Governments can borrow to provide basic infrastructural facilities.

BUILDING MATERIALS AND CONSTRUCTION COST

6.1 Building materials and components constitute between fifty and sixty percent (50%-60%) of the total cost of construction input. Consequently this sub-sector cannot be left to develop haphazardly. To stem the current indiscriminate importation of building materials, local capabilities and resources must be developed.

6.2 **TRENDS IN BUILDING MATERIALS AND CONSTRUCTION COSTS**

The upward trend in the cost of basic building materials began after the civil war and other major increases coincided with the Udoji award and the mismanagement of the economy during the last civilian administration. During these periods, sharp rises were recorded for all categories of building materials. In more specific terms, the major causes of high construction cost can be identified as follows:

- 6.2.1 High demand for building materials arising from post civil war reconstruction, creation of states and the oil boom,
- 6.2.2 Adoption of high space standards, costly specifications and over design
- 6.2.3 Massive importation of building materials.
- 6.2.4 **Over priced contract costs**
- 6.2.5 Inefficient distribution system aggravated by middlemen and high transport costs.
- 6.2.6 Insufficient building materials.
- 6.2.7 Absence of programming of award of building projects and inadequate pre-planning by developers leading to excessive variations and attendant price increases.
- 6.2.8 Massive intervention of governments in direct housing construction, Use of incompetent and inexperienced contractors and consultants.

6.3 GOAL

Nigeria should gradually and systematically develop appropriate capabilities to reduce construction cost and achieve self sufficiency in the production of basic building materials and components from local resources at affordable cost by the year 2000.

6.4 STRATEGIES FOR BUILDING DESIGN, MATERIALS AND METHODS

To achieve the above goal, government shall pursue vigorously, the following strategies:

- 6.4.1 Develop simple, imaginative and functional designs, realistic Specification and space standard to facilitate cost reduction, affordability and acceptability;
- 6.4.2 Develop and promote tested prototype building plans which reflect cultural and regional peculiarities and can be purchased at nominal costs;
- 6.4.3 Develop appropriate technology to facilitate production and use of local building materials;
- 6.4.4 Develop effective manpower training programme to raise the output of the building industry;
- 6.4.5 Promote and encourage housing co-operative societies as a mechanism for housing at the local government level;
- 6.4.6 Ensure that adequate financial provisions are made before project commencement;
- 6.4.7 Re-examine, with a view to streamlining, the tender procedure for building construction;
- 6.4.8 Ensure the appointment of competent consultants to design projects as this will lead to savings on construction cost;
- 6.4.9 Ensure that the Register of Contractors for capital projects contains technical personnel registered by any of the recognized professions in the building industry;

- 6.4.10 Provide adequate funding and up-to-date facility for the Standard Organization of Nigeria to enable it function effectively;
- 6.4.11 Encourage and support originality and creativity in housing projects. The product of such initiative shall be made available to users;
- 6.4.12 With a view to expanding building materials production; Government shall:
- i. Determine, on a continuous basis the consumption pattern in the country to reduce construction cost and achieve self-sufficiency in the production of basic building materials and components from local resources at affordable cost by the year 2000.
 - ii. Consciously promote the establishment of cottage and small-scale industries producing building materials and components from local sources such as clay, brick, concrete products, timber, etc.
 - iii. Encourage, through fiscal measures, the expansion of existing industries producing building materials and components from local sources;
 - iv. Identify new local raw materials available for manufacture of required building materials;
 - v. Collaborate with other developing countries in the development of technical know-how for building materials manufacture;
 - vi. Encourage regional spread of building materials industries in order to stabilize cost and widen distribution;
- 6.4.13 Enforce standardization and adopt modular coordination in the production of all building materials and components.
- i. Housing Standards and house types Housing Layouts and patterns;
 - ii. Functional requirements of building such as structural stability, dimensional stability, thermal comfort, sound insulation, ventilation, lighting, durability, tire protection, safety, privacy, etc;
 - iii. The effect of climate on housing design and performance;
 - iv. Building techniques and construction management, including productivity and cost studies;

- v. Development of housing Co-operatives and self-help methods; and
- vi. Housing needs through collection, analysis and publication of vital housing and building statistics.

6.5 MANPOWER DEVELOPMENT AND TRAINING

To facilitate further manpower training and development for the building industry, Government shall:

- 6.5.1 Restructure the apprenticeship system and expand Vocational Training Centres for the training of site personnel such as masons, plumbers, carpenters, electricians, welders, bricklayers, and other artisans in the building industry;
- 6.5.2 Upgrade and provide structured training of indigenous contractors through short term programmes in project management, construction management, building methods, etc;
- 6.5.3 Continue to encourage the supply of high level technical manpower for the building and construction industry;
- 6.5.4 Ensure that all co-operative colleges in the country shall offer programmes in housing co-operatives.

Chapter Seven
LOW INCOME HOUSING

7.1 DEFINITION OF LOW INCOME GROUP

It is difficult to satisfactorily define the low income group. However, for the purposes of this policy, the low income group has been defined as all wage earners and self employed people whose annual income is ₦5,000.00 or below as of 1988 or whose annual income is twenty percent (20%) or below the maximum annual income of the highest salary Grade Level within the Civil Service structure at any given time, whichever is higher. Current statistics indicate that about 70% of Nigerians fall into this category.

7.2 While noting the interest of past Government in the provision of houses for the Nigeria masses, the strategies adopted were of little benefit to the low income group. The direct construction of low income houses was a failure; the various loan schemes did not adequately cater for the needs of the low income group; the machinery for the implementation of housing programmes was inefficient; the conception of housing need was narrow; the sincerity behind some of the targets set was questionable; the rural housing problems were virtually neglected; and the various housing policy and programmes were introduced and implemented without adequate knowledge of the nature, scope and dimension of the respective housing problems in the urban and rural areas.

7.3 Lack of adequate finance constitutes an important factor inhibiting the access of low income Nigerians to decent housing due in particular to the following:

7.3.1 The inability to provide reliable guarantors acceptable to the mortgage institutions;

7.3.2 Their inability to afford the necessary down payment or equity; High rate of inflation;

7.3.3 High interest rates;

- 7.3.4 Their low earning power which makes it impossible for the people to afford the monthly repayment rates;
- 7.4 In addition to finance, there are other problems and difficulties which constitute a barrier to low income housing~ they include:
- 7.4.1 High rate of population growth and rapid urbanization;
- 7.4.2 Inadequate infrastructural facilities;
- 7.4.3 Limited access to serviced land and difficulties in obtaining Certificate of Occupancy.

7.5 STRATEGIES FOR LOW INCOME HOUSING

- 7.5.1 In view of the problems highlighted, the Federal, State and Local Government shall:
- i. make concerted efforts to eliminate the problems associated with finance as highlighted in Chapter Five;
 - ii. encourage private and public sector involvement in the direct construction of housing for letting and for sale in the urban areas;
 - iii. encourage the establishment of co-operatives for direct constructions of houses and distribution of building materials;
 - iv. ensure that a substantial proportion of the proposed National Housing Fund shall be made available to the low income group at Low interest rates;
 - v. encourage the establishment of appropriate institutional machinery in all communities for efficient collection and disposal of solid waste;
 - vi. require urban planning authorities to prepare appropriate sanitation plans for all areas where centralized sewage is not available;
 - vii. encourage co-operative efforts at local levels in the provision and maintenance of low income housing;
 - viii. ensure and actively encourage the systematic implementation of the concepts and programmes of the United Nations International Year of Shelter for the Homeless (IYSH).
- 7.5.2 In addition, the Federal Government shall:

- i. encourage Mortgage Institutions and Building Societies to grant soft loans to low income groups to renovate and upgrade their houses;
- ii. direct that the amortization period for mortgage loans be extended for a period up to thirty years for the low income group;
- iii. encourage State and Local Governments to make available to prospective home owners technical services and professional advice during construction and subsequent improvement and maintenance of homes;
- iv. extend the concepts of Site and Services and Slum upgrading to all the States of the Federation.

7.6 RURAL HOUSING

A review of Government housing policy and programmes shows that public attention regarding housing was directed towards the urban area almost to the exclusion of the rural communities. Recent studies by NISER and the Obafemi Awolowo and Ahmadu Bello Universities, revealed that in the provision of social amenities, the direct construction of houses, the granting of mortgage loans, the redevelopment and rehabilitation of infrastructure and communities in general, the emphasis of government actions favour the urban areas more than the rural areas.

- 7.6.1 The National Housing Policy shall give serious attention to shelter and habitable environment for the rural dwellers. In fact, recent research findings show that the rural population have a clear idea of the type of help they expect and would appreciate from public authorities. Most families are opposed to the idea of government built houses; rather, rural families expect aid in form of mortgage loans and easier access to building materials at reasonable prices.

7.7 STRATEGIES AND RECOMMENDATIONS ON RURAL HOUSING

To alleviate the problems of housing and promote orderly development of rural areas, Federal Government shall:

- 7.7.1 Direct financial and Mortgage Institutions to recognize collective guarantee schemes under the aegis of co-operative societies as a support collateral for individual member or joint application for facilities for housing;
- 7.7.2 Develop guidelines and provide incentives to financial and mortgage institutions to branch out into rural communities and direct substantial portions of their portfolio on housing and ancillary projects to the rural areas;
- 7.7.3 Provide through established government agencies essential social and physical infrastructure so as to ensure the upliftment and improvement of the living environment of rural communities;
- 7.7.4 Extend the benefits of new technological findings on building materials and construction to the rural communities so as to improve the quality and reduce cost of rural housing.

7.8 State Governments shall:

- 7.8.1 Support and further develop existing local thrift credit and mutual finance associations as vehicles for financing rural housing;
- 7.8.2 Ensure that all relevant strategies earlier formulated with regards to low income housing are vigorously pursued in the rural areas.

7.9 URBAN HOUSING

Although government housing schemes have in the past been concentrated in the urban areas, the specific needs of the low income group, for access to habitable and affordable accommodation have not been adequately addressed. The scenario of existing urban low-cost housing presents the following characteristics:

- i. high density and over-crowding,
- ii. inadequate infrastructural services particularly sanitation facilities.

In addition, statistics indicate that at least seventy percent (70%) of the urban low income group live in rented rather than owner occupier houses, a trend which will continue in the foreseeable future.

- 7.9.1 i. Since it has been established that the low income groups are not in a position to provide adequate shelter for themselves, the National Housing Policy shall among others:
- ii improve the existing housing conditions of the low income group.

7.10 STRATEGIES AND RECOMMENDATIONS ON URBAN HOUSING

In order to alleviate the problems of housing and ensure orderly physical development of the urban low-income area, Government shall:

7.10.1 Encourage massive private sector investment in provision of cheap habitable rental accommodation by:

- i. providing access to building finance at favourable terms to developers of low income accommodation;
- ii. providing serviced land at subsidized rates for development;
- iii. giving appropriate tax incentives to investors involved in providing housing for low income earners;
- iv. ensuring that employers of labour assist their workers in the provision of shelter;
- v. determining the short-fall in supply of major building materials and meeting same by appropriate fiscal and economic measures so as to substantially reduce the cost of building materials.

7.10.2 Directly provide facilities and houses for urban low-income earners by:

- i. re-organizing and funding the various Federal and State housing agencies and encouraging them to develop and make available subsidized rental housing for the urban low-income group; extending necessary infrastructural facilities to vacant lands in order to make such areas developable and habitable;
- ii. reviewing the existing building bye laws to ensure that their provisions are brought within affordable limit of the low income group.

7.10.3 Ensure that the Federal Housing Authority improves on its present decentralization efforts by creating zonal offices to coordinate their services in

major cities in the country. These zonal offices shall complement State and Local Government efforts at providing affordable housing in urban areas.

7.10.4 National Building Research Institute should in association with relevant State and Local Government Departments encourage the growth of cheap and locally sourced building materials to support rural housing.

MOBILIZING PRIVATE SECTOR PARTICIPATION

Both the formal and informal private sectors have consistently been providing over ninety percent (90%) of the housing stock in this country. In view of the past and current contribution of the private sector, and in order to substantially increase the nation's housing stock, the sector needs to be mobilized, organized and motivated.

For this purpose, the private sector shall be defined to include all Financial Intermediaries (both Banking and non-Banking) Industrial and Manufacturing Organizations, as well as private and Individual Investors.

FACTORS MILITATING AGAINST PRIVATE SECTOR PARTICIPATION

The factors which have militated against the effective participation of this sector or housing delivery include:

- problems of land acquisition;
- lack of access to adequate housing finance; difficulties in the operation of the Land Use Decree;
- difficulties posed by the enforcement or non-enforcement of Planning laws and Regulations;
- disincentive posed by rent control and regulations: and excessive cost of building materials.

STRATEGIES

To encourage the private sector to further participate in the provision of accommodation for different income groups, Government shall adopt the following strategies:

- Grant capital allowances on residential buildings and exempt interest on loans from tax;

Exempt from capital tax for the first five years and thus provide an incentive tax for investment in houses for estate development;

Exempt investments by employers' development staff housing from tax during the construction period.

Treat for the purpose of personal income tax on the employee, rent or rent allowance by his employers in excess of fifty percent (50%) of the employee's annual salary. In addition, such rent paid by the employer shall not be treated as expenses for Company taxation. This will encourage Companies to invest on owner occupied staff housing schemes rather than the current practice of paying exorbitantly for rental accommodation.

Continuously review the concept and operations of rent control measures to encourage the private sector in the provision of rental accommodation.

Streamline the procedure and speed up the issuance of Certificates of Occupancy and Consent to Mortgage.

Regulate the charges on consent to mortgage and registration of deeds, Encourage non-profit making organizations to build hostels and similar accommodations for young school leavers, students, the aged, the destitutes, the infirm and the motherless, by facilitating access to land and providing matching grants.

Review and ensure effective enforcement of the provisions of the Employee's Housing Scheme (Special provisions) Decree No. 54 of 1979 as amended.

Encourage employers of labour in the private sector to set up Building Societies to provide housing loans to their staff including low-income earners.

MONITORING AND EVALUATION

MONITORING AND EVALUATION:

Government is aware that the failure of the past housing delivery systems has been due to lack of adequate monitoring and evaluation of policy implementation. To avoid a recurrence of such failure, greater emphasis is to be placed on monitoring and evaluation functions. These functions are particularly important in view of the large number of institutions involved in the implementation of this policy.

STRATEGIES FOR EVALUATION AND MONITORING

There shall be created a National Council on Monitoring and Evaluation of Housing Policy, which shall be an independent body, charged with the responsibility of monitoring and evaluating the implementation of the National Housing Policy. The Council shall report to the National Council of States.

There shall be created a similar Monitoring and Evaluation Council for each State of the Federation, who shall act in advisory capacity to the State Executive Council. The Chairmen of the States Council shall be members of the National Council. The Council shall amongst other things perform the following functions:

- i. Examine the performance of relevant Agencies and Institutions involved in Housing as determined by the National Housing Policy, especially in the area of Rural/Low Income Housing as detailed in Chapter Seven (7) Section 7.5.1;
- ii. Take prompt action to effect remedial measures where necessary in the interest of an orderly and effective implementation of the National Housing Policy;
- iii. Collaborate with the National Building Research Institute, the Federal Office of Statistics, the Nigerian Institute of Social and Economic Research (NISER) and relevant Research. Departments in Institutions of

Higher Learning in Nigeria, in the collection, storage, processing and dissemination of Housing data;

- iv. Examine and monitor the participation and performance of the Private Sector in the provision of accommodation.

It shall be the responsibility of the Federal Ministry responsible for Housing to facilitate the promulgation of: or amendments to the appropriate Decrees to make the implementation of the National Housing Policy functional.

The Decrees shall include

- i. Mortgage Institutions Decree No. 53 1989.
- ii. Supplementary Legislation on Land Use Decree 1978.
- iii. Town Planning Law, Building Regulations bye-laws Decree
- iv. Infrastructural Development Fund Decree (IDF)
- v. National Housing Fund Decree
- vi. Housing Co-operatives Decree
- vii. National Provident Fund (amendment) Decree No. 35 1978
- viii. Insurance Decree No. 59 1976
- ix. Trustee Investment Act. No. 13 of 1962
- x. Employees Housing Schemes (Special Provisions) Decree No. 54 of 1979.



SECTION NINE

NATIONAL YOUTH POLICY

MESSAGE FROM
PRESIDENT OLUSEGUN OBASANJO

...ion of a society. Their energy, inventiveness, character and
... power, a nation makes giant strides in economic
... attainments. In their dreams and hopes, a nation
... she builds her vitality and purpose. And
... future of a nation is assured. It is for this
... imperative for any well-meaning
... attempted to address the issue of
... of youth for overall national
... of some of those policies
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needs, problems and aspirations of our youth and, in so doing, build for Nigeria a lasting legacy of consistent development and ensure, for all, the great future of our dreams.

CHIEF OLUSEGUN OBASANJO

President, Commander-in-Chief of the Armed Forces Federal Republic of Nigeria

Chapter One
INTRODUCTION

1.1 BACKGROUND

Youth are one of the greatest assets that any nation can have. Not only are they legitimately regarded as the future leaders, they are, potentially and actually the greatest investment for a country's development. They serve as good measure of the extent to which a country can reproduce as well as sustain itself. The extent of their vitality, responsible conduct, and roles in society is positively correlated with the development of their country.

Nigeria's population is predominately young. Therefore, the present Administration, having given due consideration to the significance of the youth in socio-economic and political development, has found it most desirable, necessary and urgent to initiate this National Youth Development Policy so that there will be a purposeful, focused, well articulated and well directed effort aimed at tapping the energy and resourcefulness of the youth and harnessing them for the vitality, growth, and development of the country well into the 21st Century. This resolve and commitment to the development of the youth has been reinforced. by resolutions of various international organizations which draw attention to the need to concretely address the problems of the youth and empower them, (e.g. Commonwealth Plan of Action for Youth Empowerment approved in May 1998).

The National Youth Development Policy is an official declaration of the importance of the youth in national development. It is indicative of the readiness of the Federal Government to meet the needs and aspirations of the youth as well as seek solution to their problems. It sets guidelines for all stakeholders to empower the youth to realize their potentialities and take advantage of the opportunities available to make positive contributions to the well-being of their communities and the society as a whole.

The policy takes into account the range of problems faced by the youth, anticipates the challenges that they are likely to confront and outlines appropriate objectives, policies,

programmes and implementation plans which will be put in place so as to empower the youth to take charge of their own destiny as well as make them active participants in the shaping of the political and economic destiny of our nation. The policy also recognizes that youth are not a homogeneous category and that differences exist among them. Therefore, the policy contains provisions that address the specific and special needs of each of several identified target groups.

Furthermore, the policy is informed by the provisions of chapters 11 (Fundamental Objectives and Directive Principles of State Policy) and IV (Fundamental Rights) of the 1999 Constitution of the Federal Republic of Nigeria, provisions which demand the involvement of all Nigerians as equal partners and stakeholders in the task of building and developing our nation.

Finally, the administration recognizes that the youth are a particular segment of the national population, that is sensitive, energetic, active and in the most productive phase of their life as citizens. Hence, the Government is committed to this progressive, creative and all-inclusive National Youth Development Policy to generate maximum expression of youthful creativity and productivity, ingenuity and freedom in the context of an appropriate environment for self-expression, self-sustenance and self-actualization by the youth.

1.2 DEFINITION OF YOUTH

The way in which a nation defines its youth is related to the objective conditions and realities that exist on the ground especially historical and contemporary socio-economic and political issues that need to be addressed. That is why nations use difference parameters and variables in defining their youth. For the purpose of execution of Nigeria's National Youth Development Policy, the youth comprises of all young persons of ages 18 to 35, who are citizens of the Federal Republic of Nigeria. This category represents the most active, the most volatile, and yet the most vulnerable segment of the population socio-economically, emotionally and in other respects.

1.3 YOUTH PROFILE

The 1991 Population Census puts Nigeria's population at 88.9 million. At growth rate of 2.8% per annum, this was projected to be around 115 million in the year 2000. The country's population is predominately young. For instance, six out of every ten Nigerians are under 25 years of age. The total population of those between the ages of 15 and 34 was about 30 million in 1991, equivalent to one of every three Nigerians; and of these, 14 million (47%) were males while 16 million (53%) were females. It was projected that by the year 2000 the total population of this category of young persons would be about 38 million, with the male/female ratio almost one to one.

The 1991 Census indicates that the total population of those defined as youth in the Policy is 22.5 million, or one out of every four Nigerians and it was estimated to be around 28 million in 2000 (see Appendix I and III). This represents over 70% of all youth and adolescents of the ages 15-34. Forty-four percent (44%) of these are male while fifty-six percent (56%) are females. About 17 million of these, or 61 %, live in the rural areas, while 11 million (or 39%) live in the urban areas, defined as settlements with a population of over 20,000. Of those who live in the rural areas, 62% are females while 38% are males in the urban areas, the gender distribution is fifty-fifty (see Appendix II).

However, being a vulnerable group with peculiar but un-met needs and aspirations, a majority of the youth face problems, the highlights of which include the following:

- Inadequate parental care;
- Non availability of suitable sports and recreational facilities;
- Moral decadence in the society;
- Lack of appropriate role models;
- Religious fanaticism;
- Cult activities;
- Political manipulation of youth organizations;
- Unemployment and under'-employment;
- Poor education;
- Breakdown of family values; and
- Indiscipline.

To these can be added mounting health and social welfare problems. For example, although between 43% and 53% of youth are sexually active, most lack adequate information and services to promote and protect their reproductive health.

There is also the rapid rate of increase of sexually transmitted diseases (STDs). HIV/AIDS. Youth are the most vulnerable to infection and to inadequate care and treatment. Similarly, quite a number of the youth are afflicted by all kinds of disabilities. The 1991 census data indicate that one out of every three disabled persons is a young person. These range from the deaf, the dumb, the blind, the crippled, to the mentally handicapped. Rehabilitation and vocational training centres for the disabled are grossly inadequate and ill-equipped. In terms of formal education, approximately 33% of all youth have no formal education. When differentiated according to gender, 45% females have no formal education, while 55% of males have no formal education. Many of these youth without formal education are vulnerable to unemployment and under-employment as well as to socioeconomic exploitation and deprivation. About 50% of all those in the age category of 15 to 34 years are not gainfully employed. Most of those with same semblance of gainful employment are involved in informal sector, low-level economic activities e.g. street hawking of wares and commission of remuneration. Consequently, they are the pool from which youth labour is exploited, and they are susceptible to crime, delinquency, and other vices.

The range, extent and magnitude of the problems which confront the Nigerian youth require a committed and determined effort on the part of all stakeholders in order to help them achieve their potentiality and make them appropriate partners in the task of national development. And the problems need to be urgently addressed so that they can be adequately empowered and enabled to play active roles as participants in the shaping of their own destiny as well as in the building and development of the Nigerian nation.

1.4 ISSUES IMPINGING ON THE NIGERIAN YOUTH

It is the responsibility of the Government and other stakeholders to constantly identify and address the needs and problems of the youth with the full participation of the youth themselves. They need to be mobilized, engaged, enlightened, conscientised,

reoriented, trained and involved. In spite of attempts by successive regimes to improve their lot, the condition of the Nigerian youth still leaves a lot to be desired. A lot more needs to be done to empower them, reenergize them and get them seriously involved with the task of nation building and socio-economic development. Past attempts at addressing the problems of the youth were characterized by much rhetoric and little in terms of concrete action. Even the little that was being done lacked focus such that the result was marginal, when not counter productive.

The nature of the socio-political and economic environment which had prevailed in the country imposed serious constraints in terms of meeting the needs and aspirations of the youth. Indeed, historically, it can be said that Nigerian youth have suffered more neglect than encouragement and purposeful involvement by the Government. Contemporarily, they suffer from different kinds of socioeconomic deprivations and affliction which have been intensified with prolonged military rule and acute economic crisis. Thus, Government's efforts, when made, have generally tended to be too little, too late. The institutional framework for, and plan implementation mechanisms of public policy have been very weak, inefficient and ineffective, such that they hardly ever facilitated the actualization of desired policy goals.

1.5 BRIEF HISTORY OF THE DEVELOPMENT OF YOUTH POLICY IN NIGERIA

Since independence in 1960, successive Nigerian governments have initiated programmes and projects aimed at the youth. These range from in-school education programme for physical and mental development to out-of-school programme aimed at shaping the character and behaviour of the youth, as well as promoting competitive spirit and national unity and integration. In-school programme include the formation of clubs, encouragement of sporting activities and other out-door activities, with discipline instilling organizations such as Boys Scouts, Girls Guide and Man O'War. Out of school efforts include facilitation of the emergence and development of voluntary self-help associations which contribute to community development, skills and vocational training programmes, competitive activities and cultural festivals.

In the decades of 1970's and 1980's, the Federal Government elevated programme of youth development by the establishment of a Ministry of Youth and Sports for instance. Expanded revenue base of the state, arising from increased petroleum export earnings, resulted in the allocation of substantial resources in the funding of such programme. State Governments 'were encouraged to establish similar Ministries at their own level and to initiate their own youth, sports, cultural and community development programmes.

At the Federal level, the National Youth Service Corps programme was launched in 1973, to promote national unity and integration and expose graduates of tertiary institutions to leadership roles and community development projects before joining the job market. The Citizenship and Leadership Training Centre, Shere Hills, Jos, was developed and made to intensify its short-duration programmes and courses for youth with potentials for leadership. National sports and cultural festivals were also organized in the 1970's and 1980's for the research, identification and encouragement of talent amongst the youth.

However, the first attempt to introduce a National Youth Policy was in the 1983. This was followed with the drafting of an inclusive Social Development Policy for Nigeria in 1989, providing the basis for a review of the first Policy on Youth. Regrettably, by the early 1990 's, these commendable efforts aimed at Youth Development started to suffer tremendous neglect. Besides, the policy attempts hardly provided a concrete framework for addressing the heightened problems confronting the youth. This was partly because the implementation mechanism of the policy were weak and ineffective, and also partly because of the macro-economic and socio-political environment was not conducive.

Thus, in the 1990's youth development came to be increasingly equated with sporting activities and competitions. Even then, **these** were not given the necessary policy and material support that they required. Programmes for civil education and leadership training suffered a serious set back. The issue of empowerment was hardly addressed. The Federal Government dismantled the Ministry of Youth and Sports, and many State Governments followed suit. Consequently, by the late 1990's it had become

evident that Nigerian youth were probably the most neglected by their government. This gave rise to the heightened involvement of youth in crimes and delinquency, an increase of preventable diseases and other health related problems among the youth, declining school enrolment and drop-out rates and so on.

Clearly, the prevailing situation should not, and cannot, be allowed to continue, as a nation can only afford to neglect the growth and development of its youth at its own peril. With the return of power to a democratically elected civilian government, some of the constraining factors which have prevented a serious effort at policy formulation and implementation have been reduced and a conducive atmosphere now exists for the development of a new policy for our youth hence the Administration embarked on a review of the previous policies, and the development of this new National Youth Development Policy.

1.6 OVERVIEW OF THE NATIONAL YOUTH DEVELOPMENT POLICY

In causing to be prepared a consensus blue print for youth development, the administration recognizes the youth of the nation as constituting the most vital resources for national development. If correctly guided, adequately mobilized and fully integrated into the fabric of society, they will bring to national development a great reservoir of energy, resourcefulness, creativity and dynamism; they can also constitute a threat to national stability and even survival, if left to drift, remain unemployed and misguided.

The administration also recognizes that the ability and capacity of the youth to derive benefits from, and contribute to national development depend essentially on the political will of Government, the legitimacy and credibility of its National Youth Development policy, as well as the appropriateness and adequacy of the institutional arrangements it puts in place to administer the policy and programmes. Thus, this policy recognizes the inadequacies and failure of previous youth policies; benefits from far-reaching consultations and studies involving a wide spectrum of the youth, their organizations, administrators, nongovernmental bodies, and other stakeholders nationwide; and attempts to fundamentally address the needs of all Nigerian youth.

With definitive vision and mission statements, the policy outlines the guiding values and clearly specifies the objectives to be achieved. The rights and obligations of the youth, as well as the obligations of government and parents, are enumerated. Also stated are key strategic areas of thrust of the Policy, such as youth empowerment, youth socialization/education/training, youth recreation/sports, youth employment, and youth organizations. Priority target groups of youth are identified and appropriate priority programme areas firmly indicated.

Finally, unlike in previous attempts, this policy provides for appropriate enabling legislative, "institutional, budgetary/funding and monitoring and evaluation framework for its effective implementation.

VISION, MISSION, VALUES, SCOPE AND OBJECTIVES

2.1 VISION STATEMENT

The vision of this policy is one of a future role of the youth in national socioeconomic development. It is the vision of empowered Nigerian youth to fully realize their potentialities and positively contribute to the overall development of Nigeria.

2.2 MISSION STATEMENT

The mission of the policy is to build a youth with a sense of hope, self-confidence, imagination, creativity and pride in the nation's heritage; youth who represent hope in the future of Nigeria; youth who are disciplined, well focussed~ law abiding and good citizens; youth full of the spirit of entrepreneurship, self reliance, mutual cooperation, understanding and respect; youth who are not corrupt and self-serving; youth with equality of opportunity, free from gender and other forms of discrimination, exploitation and abuse; youth who imbibe a culture of democracy and good governance; youth who take pride in our diverse cultural heritage and geographic conditions; and youth committed to the ideal of national unity and development as enshrined in the 1999 Constitution of the Federal Republic of Nigeria.

The National Youth Development Policy is guided by the following value systems which are enshrined in the 1999 Constitution of the Federal Republic of Nigeria.

- Social Justice
- Equality of Opportunity
- Transparency and Accountability
- Self-reliance and Selfless
- Hard-work and Entrepreneurship
- Unity and Cooperation
- Respect for Human Rights
- Democracy and Good Governance

2.3 SCOPE

As a set of clear, firm and formal statements of objectives, targets, programmes and plans of action on the general status, role, well-being, growth and development of the youth as a distinct socio-economic category in contemporary Nigerian society, this policy encompasses the processes of continuous improvement of the structures, institutions and programmes designed to create conditions for the propagation, protection and advancement of the rights of the youth, the enhancement of their welfare, and the provision of opportunities for their self-actualization.

2.4 OBJECTIVES

The National Youth Development Policy will pursue and seek to fulfill the following objectives:

- Ensure that all youth are given equal opportunities and guided to reach their full potentials;
- Recognize the right of youth to choose, to make decision and accept the consequences of their actions;
- Foster appropriate values and positive attitudes among youth;
- Inculcate in the Nigerian youth the virtues of patriotism, discipline, selfless service, honesty and integrity;
- Inculcate in the youth leadership and followership values and make them socially responsible and accountable;
- Develop and implement a comprehensive programme for youth socialization so that they can become good and productive citizens;
- Provide opportunities for youth whether in, or out of school, for vocational training geared towards self-employment and self-reliance;
- Seek and offer solutions to youth problems such as drug abuses and addiction, teenage pregnancy, sexually transmitted diseases, HIV/AIDS, cultism, examination malpractice's, etc;
- Inculcate in the youth the spirit of resourcefulness and inventiveness and of adventure;
- Promote the development of individual talents and infuse the youth with a keen sense of inquiry and achievement;

- Organize and harness the energies of the youth in the service of their neighborhoods and communities
- Encourage youth to join voluntary, community oriented youth organizations and participate actively in - their programmes;
- Facilitate interaction between organizations and similar regional organizations;
- Establish and sustain the operations of appropriate structures that will create a healthy and responsible youth for a better Nigeria;
- Advocate, provide and protect the legal, constitutional and legislative instruments as well as the framework for the implementation of the policy's programmes.

RIGHTS AND OBLIGATIONS OF THE NIGERIAN YOUTH

The policy recognizes that Nigerian youth have rights as well as obligations, just as the government and parents have obligations towards, their youth, all of which need to be taken together, nurtured and promoted in the overall interest of national development.

3.1 RIGHTS OF THE YOUTH

The rights, responsibilities and obligations of Nigerian youth are contextualised in the provisions of chapter four of the 1999 Constitution of the Federal Republic of Nigeria which itemizes the fundamental human rights of Nigerian citizens as well as in the Universal Declaration of Human Rights and the African Charter of Human and Peoples Rights. This policy subscribes to all the rights guaranteed by the 1999 Nigerian Constitution and other International Charters, Covenants, and/or Conventions to which Nigeria is a signatory.

Among the most important of these rights which the youth shall equally enjoy are the following:

- Freedom of opinion and expression,
- Freedom of thought and religion,
- Freedom of association,
- Freedom of movement,
- Right to security of life and property,
- Right to proper education and training,
- Right to leisure, cultural and sporting activities,
- Right to equal opportunities in employment and access to social services,
- Right to adequate shelter, healthcare, social and food security.
- Right to be protected from any harassment and degrading, crude and inhuman treatment, and torture,

- Right to protection against the dangers of substance abuse, alcoholism, sexual harassment and exploitation, HIV/AIDS, secret cults and gender discrimination.
- Right to participate in decision making in matters that affect them,
- Right to privacy, family life and non-interference in personal matters such as correspondence,
- Right to a good and clean environment,
- Right to equal protection under the law,
- Right to participate in National Development including matters that affect them,
- Rights to be protected against harmful traditional practices,
- Right to survival and social, economic and cultural development,

In the case of the disabled, the right to be provided with the special treatment which his/her condition requires.

3.2 OBLIGATIONS OF THE YOUTH

Every set of rights that a person enjoys has corresponding set of obligations. In order to make Nigerian youth tolerant, caring, responsible and productive citizens, the policy outlines the following set of obligations to define participation of the youth in the collective task of improving the living and working conditions of the Nigerian people:

- Promotion and defense of democracy and civility in the governance of the country and in interpersonal relations with fellow citizens.
- Eschewing ethnic and religious bigotry,
- Eschewing all acts of violence and crimes, such as cultism, armed robbery, street violence, alcoholism, substance abuse, prostitution and
- so on,
- Promotion of the principles of gender equality,
- Active involvement in the promotion of national unity, national reconciliation, peaceful co-existence and good neighborliness,
- Promotion of self-help, self-respectability, cooperation and community development,

- Promotion of values of tolerance and responsible conduct,
- Conservation and promotion of the environment against pollution and degradation,
- Respect for and promotion of all symbols of national unity, such as the flag, the national pledge and the national anthem,
- Promotion of a healthy, responsible and respectable lifestyle free from communicable diseases, alcohol and drugs.
- Strive to be law abiding respectable and enlightened citizens, knowledgeable about their rights as well as duties and obligation~
- Active involvement in the promotion of national unity and national development,
- Strive to be actively involved in matters that affect them,
- Be good ambassadors of Nigeria abroad and promote international peace and harmony.

3.3 OBLIGATIONS OF GOVERNMENT, PARENTS AND GUARDIANS TOWARD THE YOUTH

The government, parents and guardians have obligations to ensure that youth are empowered to discharge their obligations to society. The policy accepts that they have a responsibility to create the enabling environment for the right kind of orientation, education and psychological conditioning for the youth. Their obligations include the following:

- Provide conducive atmosphere for the mental, emotional and physical development of the young persons,
- Nurture the youth in warmth and affection in an atmosphere of peace and harmony,
- Constantly provide counseling, support and guidance in accordance with their specific and peculiar needs,
- Provide shining role models for the youth through responsible and ethical conduct and leadership by example,
- Create opportunities for the youth to be involved in making decisions that affect them, the environment and society.

- Teach human rights values, social justice, equity, fairness and gender equality,
- Recognize their capacities, their individualities, according to age maturity, and allow whenever possible their choice of educational fields and careers
- Provide adequate funding for education and equal opportunities to be educated,
- Provide adequate funding for sustainable youth development projects.

KEY AREAS FOR POLICY ON YOUTH DEVELOPMENT

4.1 INTRODUCTION

The formulation of this National Youth Development Policy is predicated upon a proper identification of priority areas of concern which would remedy the peculiar problems that the youth face satisfying their needs as well as, empower them to achieve self-realization, positively contribute to national development and be patriotic.

These priority areas of policy concern are categorized into three:

- Pathways (i.e. issues that prepare the youth to become useful and active citizens in adulthood);
- Personal development (i.e. issues that pertain to personal well-being of the youth); and
- Public Participation (i.e. issues that relate to the empowerment of youth for active participation in national decision making process).

4.2 PATHWAYS

4.2.1 EDUCATION AND VOCATION

The provision of educational opportunities for youth is a fundamental prerequisite for building a strong, just, equitable state, viable and vibrant nation. This is in respect of both formal and non-formal education, basic, as well as technical and vocational education, as learning take place in and out of school environments. A significant percentage of Nigerian youth is illiterate, and their educational needs should be adequately and urgently catered for, particularly in the Educationally Less Developed States.

Furthermore, there is the need to expand enrollment, and significantly increase the percentage of transition from primary to secondary, as well as from secondary to tertiary levels of the education sectors. Given the importance of education, the policy places emphasis on quality and relevance of education; as well as, on accessibility and equity in educational provision. The Universal

Basic Education (UBE) programme will actualize these and make it possible for education to be compulsory and free for all youth up to secondary school level. Other important areas of youth education which the policy addresses include the following:

- Provision of specialized educational programmes and institutions to cater for the needs of those with disabilities.
- Provision of qualitative education in schools” which should enhance creativity, self development and prospects for self and gainful employment for the youth,
- Provision of vocational training for the youth to make them self-reliant and employable citizens,
- Expansion of non- formal literacy programmes to capture young persons as well as adults,
- Guarantee of equitable access to educational opportunities irrespective of sex, ethnic background, religious belief, geographical location or social and economic circumstances”
- Reform of the curricula of secondary schools and tertiary institutions with a view to establishing an appropriate symmetry between formal education and the requirements of the job market, as well as establishing appropriate linkage between tertiary institutions and industries,
- Introduction and/or expansion of career guidance and counseling in both secondary schools and tertiary institutions,
- Promotion of health education and family planning techniques,
- Elimination of child labour and early parenthood,
- Promotion of basic and compulsory literacy programmes at all levels.

4.2.2 GAINFUL EMPLOYMENT AND ENTREPRENEURIAL DEVELOPMENT

Empowering the capacity of youth for gainful employment is another area that is given priority by the Policy. Gainful employment is one of the most important avenues through which the youth add value to the development of their country. The transition from adolescence to youth and to full adulthood will be circumscribed by the principle of creating job opportunities for them, so that they can become productive and useful adults. Thus, the policy is anchored on the efficacy of preparing the youth for accessibility to gainful and sustainable self-employment and other employment opportunities in the country.

- Establishment of Health Education Clubs
- Establishment of Drug-free Clubs
- Establishment of HIV/AIDS Awareness Clubs.

4.2.3 SPORTS AND RECREATION

Sports and recreation greatly facilitate and enhance both physical and mental growth and development of the youth. The objective of the policy on these issues is to develop and promote a mentally fit, alert and physically strong and agile Nigerian youth that can favourably compare with any group in the world; it is also aimed at promoting competitive spirit and the value of team work, through sporting competitions. Therefore, the policy places emphasis on the development of teamwork, through sporting competitions, the development of sports and other recreational activities, the provision of infrastructure and facilities for these, and the creation of conducive environment for healthy competitive sports both within the country and abroad. In particular, the policy will pursue the following:

- Expansion and development of sporting and recreational facilities and related infrastructure in educational institutions and in the community,
- Promotion of sporting competitions to motivate the youth with and drive them towards excellence in educational institutions and in the community,

- Encouragement of sporting events and facilities for youth with disabilities,
- Inculcation of the value of sports and leisure as productive alternatives to aimlessness, idleness, drug abuse and crimes .

4.2.4 ARTS AND CULTURE

The promotion of arts and culture is an important vehicle for appreciating and respecting the good aspects of our heritage since no society could afford to discard its cherished past and traditional values; they represent the sense of identity, self-respect and path through which generations learn the skills and techniques of social relations, survival, and societal regeneration. On this issue, the policy will introduce programmes aimed at inculcating in our young ones the need to appreciate and respect the good aspects of our cultural heritage, such as respect and concern for the elderly, being our brothers' keeper, concern for the disabled, the disadvantaged and the less fortunate in the society, as well as the values of self-help, hard work, cooperation and respect for one another. In this respect, the Policy seeks to do the following:

- Promote the teaching of our cultural heritage in schools,
- Encourage artistic and cultural activities among the youth of Nigeria and other countries,
- Promote understanding of, and respect for our diverse cultural differences,
- Encourage the utilization of the good aspects of our cultural values to serve as the ingredients for national integration and unity,
- Promote competition among the youths so that their artistic talents can be nurtured and developed,
- Encourage the establishment of schools of music and theatre arts.

4.2.5 ENVIRONMENT

The National Youth Development Policy is environment friendly. It provides for the inculcating of the virtues of environmental preservation, protection and conservation among the youth. The aim is to encourage them to play active

leadership roles in improving the environment and the ecosystem. The policy will:

- Promote programmes and projects that create awareness among the youth of the dangers of pollution and environmental degradation.
- Encourage the participation of the youth in programmes that are aimed at cleaning the environment of pollutants such as polythene bags and rubbish dumps.
- Encourage the participation of youth in dealing with the problem of desert encroachment and soil erosion, through tree planting and other effective and creative methods.
- Encourage the establishment of environment protection clubs by the youth.

4.3 PUBLIC PARTICIPATION ISSUES

4.3.1 CIVIC AND CITIZENSHIP TRAINING

The need for civil and law abiding citizens as a necessary condition for societal development cannot be overemphasized. Such citizens are not only aware of their rights and obligations, they also become actively engaged in the political affairs of their country, both in building and in national economic development. This National Youth Development Policy places emphasis on the training of youth for leadership and citizenship responsibilities for national unity and development. Specifically, the objectives of the policy with regard to civics, citizenship and leadership training are to:

- Produce a purposeful and well focused youth who internalize the virtues of the positive aspects of our societal values, ethics and culture,
- Nurture youth that will have a deep sense of responsibility, civility and discipline, and the capacity for self-sacrifice, hard work, creativity and originality in dealing with public and national issues,
- Promote the emergence, growth and development of youth with good leadership qualities, sense of equity and social justice, and a disposition towards active participation and cooperation with respect to public and national issues,

- Inculcate the universal values of democracy and good governance among the youth, in order to systematically undo the damaging impact of militarism on their psyche arising from prolonged military rule,
- Devote a significant proportion of the period of the National Youth Service Corps (NYSC) programme to leadership and citizenship training and community development activities.

4.3.2 PARTICIPATION IN SELF-HELP AND COMMUNITY DEVELOPMENT

One of the good pillars of our traditional societies have is a long and cherished tradition of mass participation in decision making and implementation on matters that affect our collective well-being. The youth have occupied unique position in this endeavour. As the youth clearly represent a core asset in our effort to improve the living and working condition of our people; this policy will promote the spirit of youth involvement and participation in decision making in all matters that affect their well-being as well as encourage and support all programmes that are aimed at involving them in the task of national development, promoting national unity and community development using voluntary self-help associations.

Chapter Five
TARGET GROUPS

INTRODUCTION

Nigerian youth broadly experience similar problems and share similar aspirations and concerns. However, it is also a fact that there are different categories of youth with different and peculiar sets of concerns and problems. Similarly, there are some categories of youth with special circumstance or problems, which require concerted, focused, and well targeted attention. Accordingly, and having due regard to current socioeconomic and political realities, the policy identifies target groups for particular attention: students in post-primary schools; students in tertiary institutions; out of school, unemployed youth; female adolescent youth with disabilities; youth with the health problems; youth engaged in substance abuse, cultism, crime and delinquency.

STUDENTS IN POST-PRIMARY SCHOOLS (THE PRE-YOUTH)

The focus of the policy with respect to those who are of the age category of 12-17 years, is to provide equitable access to relevant and qualitative education for them so that by the time they attain the age of 18 years, they would have been adequately prepared to face the challenges of youth proper. This entails expansion of enrolment and adequate provision of classrooms, trained teachers, instructional materials and curricula that can produce well-informed, enlightened, responsible, intellectually able, vocationally skilled, mentally sound and physically competent young citizens. It also entails, in the short and medium term, compulsory and free educational opportunities at this level, to prepare them adequately for entry into tertiary institutions and/or for gainful employment. Additionally, there is recognition of the need to create an enabling environment to facilitate and enhance the learning process in the critical fields of humanities, science and technology and the environment. For this pre-youth group, the Policy will achieve the following:

- Promotion of extra-curricular activities through voluntary associations and clubs, such as societies for Debating, Current Affairs, Historical and Cultural

Affairs and established organizations such as Boys Scouts, Red Cross and Crescent, Girls Guide, Boys Brigade, etc.

- Promotion of games and sports, both recreational and competitive, for healthy mental and physical development,
- Re-introduction of moral instruction, civics and civility in the curricula. Promotion of teaching of science and technology, as well as the teaching of vocational skill in agriculture and technical trades.
- Promotion of the career guidance and counseling.
- Promotion of quality education and discipline for both staff and students with the involvement of parents.
- Enforcement of enrolment and retention of girls in schools.
- Introduction of reproductive and health education, especially for female students who have to cope with problems peculiar to them.
- Encouragement and promotion of gender sensitive curricula for the achievement of national goals, especially in a rapidly changing world in the context of globalization.
- Establishment of HIV/AIDS Awareness Clubs and encouragement of membership therein.

STUDENTS OF TERTIARY INSTITUTIONS

With respect to this category of youth, who are predominantly in the age category of 18-35 years, the policy seeks to prepare them for gainful employment and significant leadership and citizenship roles in social, political and economic development. The current state of tertiary education is a matter of major concern, which the policy addresses. The absence of a conducive teaching and learning environment has to some extent compromised the standard of education in our tertiary institutions. Thus the policy focuses on improving the quality of education and existence for this category of students. Highly skilled and well educated and trained manpower in all fields of human endeavour is an important asset that no nation can do without. Hence the curricula must keep pace with the ever changing modern information technology in this era of globalization to enable the country gain a competitive advantage in the global economy. Hence, the following policy provisions:

- Provision of assistance to indigent students,
- Promotion of the use of new information technology in all aspects of teaching and learning in tertiary institutions,
- Development of critical fields of knowledge in basic and applied science and technology,
- Reforming the teaching of General Studies programmes so that they place necessary emphasis on imparting good citizenship and leadership values and skills,
- Introduction of effective schemes to deal with the problems of cultism, gang related violence and other vices in these institutions on a continuous basis, Promotion of democratic student unionism to serve as launching grounds for the training of youth in leadership roles and democratic culture.

OUT-OF-SCHOOL, UNEMPLOYED AND UNDER EMPLOYED YOUTH

For this category of youth, regardless of age, the policy provides the opportunity to acquire skills needed for gainful employment and be productive persons, who will add value to the development of the society. It will also introduce programmes and projects that can empower this category of youth, for both self-employment and other modes of gainful occupation. Specifically, the Policy will:

- Establish data bank of all out-of-school, unemployed and under-employed youth,
- Promote programmes for skill acquisition for the unemployed youth, organized by such government institutions as the National Directorate for Employment, as well as by voluntary non-governmental organizations,
- Promote programmes that provide financial and/or material assistance to trained but unemployed/underemployed youth so that they can become gainfully self-employed,
- Create public works programmes through which the government can provide work experience and skills training, as well as temporary employment opportunities for youth,
- Create a social security programme to assist unemployed youth, lessen their burden of meeting basic needs for a specified period, as well as prevent them

from resorting to activities to cope with the burden of unemployment and under-employment.

The right of the girl-child has long been a major problem of concern and deserve priority attention. Many of this category of young persons have been victims of sexual harassment, physical violence and abuse, labour exploitation, gender discrimination, as well as negative attitudes and cultural practices. The Policy therefore seeks to protect and promote the interest and aspirations of the female adolescent-youth so as to restore their dignity and motivate them to contribute as equal partners in the task of national development. Specifically, the Policy will achieve the following:

- Establishment, improvement and promotion of both in-school and out-of school programmes that are aimed at ending gender-based discrimination and promoting the rights and dignity of the female adolescent youth,
- Promotion of programmes that are aimed at addressing the peculiar social, educational, health and reproductive problems of women in general, Elimination of harmful traditional practices that affect women generally and in particular the female adolescent youth,
- Encouragement of female enrolment and education, especially in science and technology, using a scheme of incentives and rewards, as well as legally punitive measures for non-compliance by parents or guardians,
- Promotion of skills and leadership training aimed specifically at empowering female youth for self and gainful employment as well as for greater participation in, and contribution to community and national development,
- Provision of packages of financial and/or material assistance to female youth, who have undergone training and have acquired skills for self and sustainable employment,
- Elimination of all forms of discriminatory practices against employment of females in all sectors of the national economy.

YOUTH WITH DISABILITIES AND/OR HEALTH PROBLEMS

All persons with disabilities have fundamental rights that need to be protected by government and the society. The society owes a special responsibility towards those

with mental and physical disabilities but particularly to youth with such disabilities or with chronic, terminal, and communicable diseases. The policy creates opportunities for taking care of the special needs of this category of youth, so that they may not feel left out, abandoned, useless, and hopeless. The opportunities are to be provided in the following ways:

- Promotion and adequate funding of programmes,
- Promotion of programmes that can empower the youth with disabilities to positively contribute to national development,
- Promotion and adequate funding of programmes to provide the healthcare needs of youth with serious health problems, such as TB, WF, STD, HIV/AIDS and cancer,
- Establishment of healthcare institutions and rehabilitation centres to provide for the needs of this category of youth and the encouragement of such establishment of non-governmental organizations,
- Promotion of public enlightenment programmes which provide knowledge and awareness about the dangers of STDs and HIV/AIDS,
- Encouragement of indigenous researchers to come out with creative solutions aimed at addressing the problems of this category,
- Encouraging avenues for the marketing of products for the disabled youth .

YOUTH IN CRIME AND RELATED PROBLEM AREAS

The increasing involvement of the youth in substance abuse, violent crimes, cultism and armed robbery, is a disturbing phenomenon. These social vices are, to a considerable extent, products of our depressed economy, political repression and instability under military rule, and the systematic abandonment of the positive aspects of our cherished cultural values and traditions. To reverse this trend, the policy provides opportunities and incentives which can discourage and dissuade the youth concerned from such social vices and criminal conduct and motivate them towards law-abiding conduct and greater responsibility.

Thus, the policy provides for the following:

- Enlightenment programmes on the dangers of chronic substance abuses, cultism, other forms of crime and delinquency,
- Establishment of rehabilitation centres for chronic substance abuses and drug addicts, as well as for juvenile offenders,
- Promotion of guidance and counseling for the youth especially using Youth Development Centres to address the needs of out-of-school youth. Provision of education, skill-training and gainful employment opportunities for youth in juvenile correctional institutions.
- Provision of after care facilities for ex-inmates of correctional institutions. Observers of the UN standard minimum rules for the treatment of offenders. Ensuring speedy trials for youth offenders.

TALENTED/GIFTED YOUTH

There are many creative, gifted and talented youth, whose vast potentialities are not being adequately harnessed and utilized for national development. The policy therefore, provides encouragement for this category of youth:

- Development of an effective process of identifying talented youth,
- Encouragement of all talented youth through adequate incentives and facilities to assist them actualize their potentials.

POLICY REVIEW PROCESS

The National Youth Development Policy will be reviewed every five years with a view to making necessary improvements. The review process will be democratic and inclusive, and involve wide-range consultations and discussions with all the stakeholders, especially the youth.

Chapter Six
CONCLUSION

6.0 CONCLUSION

Nigerian youth have great aspirations and expectations. They also have great frustrations with the ineffective manner with which the successive governments they looked up to with anticipation have mishandled the actualization of their aspirations. Indeed~ the Nigerian youth have been experiencing profound crisis of rising expectations. A depressed and oppressive socio-economic and political environment engendered by prolonged military rule has greatly contributed to poor policy formulation and execution in all aspects of national life~ particularly as it concerns the youth. With a new democratically elected civilian government and a liberalized political context~ the necessity for designing concrete policies and implementing them has become a matter of urgent concern. It has particularly become necessary to consciously and systematically address the serious problems that have bedeviled disoriented and disempowered our youth. It is in this context that the administration conceived and designed this National Youth Development Policy.

The policy has attempted to set broad guidelines as well as general and specific objectives for meeting the needs of the Youth, resolving the problems affecting them, and empowering them to become active participants in the task of socio-economic development and national unity. It has also designed programmes and set out appropriate institutional mechanism for their implementation. It has taken a long time for the problems to pile up and become compounded and for the condition of our youth to deteriorate to the present observable level. It will thus take time, patience and a lot of hard work before all the constraints can be removed and the problems solved. But, this time around, with this National Youth Development Policy in place, the government is taking its obligations to the youth, and to the Nigerian people with regard to the general improvement of the living and working conditions of all Nigerians very seriously. The administration is especially mindful of the critical role

of an empowered and contented youth in national development and will therefore, strive to bring the objectives of this policy to fruition.

APPENDIX I

DISTRIBUTION OF POPULATION BY SINGLE YEAR AGE 18-30
YEARS AND SEX (1991 CENSUS)

Age	Male	Female	Total
18	1,113,204(2.50%)	1,338,325(.01 0:0)	2,451,565
19	552~167(1.24%)	600,245 (1.35%)	1,152,412
20	1,447,212(3.25%)	2,236,469(5.03%)	3,683,681
21	454,202 (1.02%)	480,196(1.08%)	934,398
22	565,521 (1.27%)	702,509 (1.58%)	1,268,035
23	467,561(1.05%)	520,213(1.17%)	987,774
24	378,502 (1.05%)	417,949 (.094%)	796,451
25	1~416,042 (2.18&)	2,045,280 (4.6%)	3,461,322
26	405,219(0.91%)	449,072(1.01 %)	854,291
27	525,449 (1.18%)	520,213(1. 17%)	1,045,662
28	636,773 (1.43%)-	715,848(1.11 %)	1,352,621
29	320,613 (0.72%)	275,668 (0.62%)	596,281
30	1,678,766(3.77%)	2,214,238(4.98%)	3,893,00422
TOTAL	9,961,272 (22%)	(12,516,225 (28%))	

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SECTION TEN

NATIONAL COOPERATIVE DEVELOPMENT POLICY

1.0 PREAMBLE

1.1 The Role of the Co-operative Society In Nigeria's Development

- a. Political stability is a precondition for economic growth, prosperity and general development. Political stability requires good governance, selflessness, adherence to democratic principles, respect for the rule of law, for human rights and dignity, transparency, accountability and participation by the people in the political and economic affairs of the nation.
- b. The cooperative movement is a great adherent to these cherished universal human values. For, due to the nature of cooperation, it provides the avenue for peaceful coexistence, service to others and self-help in the various sectors of the economy. When cooperatives are encouraged and efficiently operated, they could take care of most of the needs of their members/patrons and in the process could also take care of the needs of the general public. There are productive cooperatives in all the branches of agriculture (crops, livestock, fisheries, forestry), the inputs, supply and distribution, the marketing of agricultural produce and other essential commodities. The all important financial needs of large numbers of small producers and non-agricultural small-scale industrial sectors are easily provided through cooperative thrift and credit operations. The cooperative movement presents one of the most potent means of capital accumulation through savings by members.
- c. Cooperatives therefore play a pivotal role in the task of nation building and general development. Hence, given the economic weakness and small scale nature of the economic activities of most Nigerians, co-operatives need to be empowered through an effective cooperative policy that creates an enabling environment for them to operate profitably.

- d. Approximately 5 million families are actually participating in cooperatives at various levels (society, union and apex). The movement is touching every sphere of the people's lives, especially the poorer segments of the populace. As such the movement stands a great chance to assist the government in reducing the problems of mass poverty, thereby ensuring political and economic stability of Nigeria. If cooperatives should play leadership roles in inputs supply, primary production, processing and distribution, the impact will be felt nationwide. If they are in the forefront in the marketing of agricultural and industrial goods, the effects will be dramatic since their purpose is to make life easier for all the citizens, including non-cooperators.
- e. The vision for Nigerian Cooperative sector is to promote the members' entrepreneurial capacities so that they can generate adequate surpluses for themselves and create opportunities for economic progress for the public.

1.2 The Political and Economic Environment

Following the termination of fifteen years of disastrous military dictatorship on 29th May, 1999, Nigerians resolved to build a new democratic order and a stable polity that could guarantee national economic development, equal opportunity and prosperity for all. With its population of 140 million people, a well-endowed land area of 923, 768km Nigeria is determined to build a solid foundation for its future greatness and prosperity. The main political orientation of the Government which under-pins its economic policy, is the provision of good governance in all its ramifications, by upholding the sacredness of constitutional processes, democratic principles, rule of law, respect for human rights and human dignity, transparency, accountability and a clear and principled stand against corruption and corrupt practices. The Government is also determined to cleanse its own operations in such a way that its institutions are free of corruption and operate under the law, with clear procedures and guidelines for orderly change and succession.

The government is determined to build a strong economy which is market oriented, private sector-led, technology-driven and highly responsive to the needs of our people and the competitive standards of the international community. In order to attain this noble objective, government is currently implementing its economic programmes making major investments in infrastructural development, job creation and poverty reduction. This is designed to create, and up grade enhance the enabling environment for our people to utilize their immense creative energies and realize their full potential.

1.3 The Principles and Objectives of Cooperative Development

- a. Cooperative are unique organizations (associations) with both social and economic objectives. As a social unit, the cooperative is made up of a group of persons who voluntarily agree to come together and utilize their resources for the attainment of common objectives and fulfillment of common felt needs. As an Economic Unit, a cooperative aims at promoting and protecting the economic interests of its members. As socio-economic organizations, cooperatives are different from other Non-Governmental Organization (NGOs) and Community Based Organizations (CBOs), which ones have purely socio-cultural goals.
- b. Cooperative are regarded as one of the most important means of attaining economic and social development in developing countries. For this reason, the movement is regarded by International Organizations, especially the UNDP and the ILO as the most important institution for job creation and poverty reduction in Africa.
- c. The 1993 Act of Nigerian Cooperative Societies has provided for registration and operation of Cooperatives in the Federation. This is with a view to fostering the achievement of the national objective of socioeconomic development in the country, especially in the rural areas. The expectation is in conformity with the national policy of using Cooperatives as reliable vehicles for the attainment of national development. The cooperative programme is designed to promote Cooperatives as participatory institutions contributing to employment

creation, poverty alleviation, income generation and improvement of socio-economic conditions in both urban and rural areas.

- d. The basic principles and sacred value system, which characterize the cooperative movement, focus on self-help, democracy, equality, equity, solidarity, honesty, openness, social responsibility and empathy. The seven universal principles that guide cooperatives operations as provided by the International Cooperative Alliance (ICA) are:
- i. Voluntary and open membership;
 - ii. Democratic member control;
 - iii. Members economic participation;
 - iv. Autonomy and Independence;
 - v. Education, Training and Information;
 - vi. Cooperation among Cooperatives;
 - vii. Concern for the Community.
- e. These principles are kept in mind by government, cooperative movement and all cooperators in the country. There is, nevertheless, a need to operationalize them as has been done in this document to accommodate socio-cultural and socio-economic peculiarities of the Nigerian people. Cooperatives are private, member-oriented enterprises that operate on the principles of democracy and market economy. They are established as voluntary associations of like-minded people to:
- i. pursue mutually beneficial, social and economic interest;
 - ii. provide goods and services to each other and the general public in the most cost effective way;
 - iii. prevent exploitation of the weaker members of the society by bringing them together to help themselves;
 - iv. protect the rights of the people as producers and consumers of goods and services; and
 - v. promote mutual understanding and peaceful co-existence among the people of Nigeria.

1.4 The Performance of the Cooperative Sector

From the inception of formal cooperation in Nigeria in 1935, the movement has achieved several landmarks viz:-

- a. The development of export crops production in quality and quantity leading the way in foreign exchange earnings from cocoa, palm produce, groundnuts, cotton and rubber. In the Western Region, Cocoa Producers Cooperatives catered for inputs supply and distribution. They handled more than 40 percent of the cocoa marketed in the 1950s and 1960. In this way, the Cooperative touched the lives of practically all farmer families in the Region. The involvement of cooperatives in palm produce processing and marketing in the Eastern Region was equally impressive while cooperatives handled substantial proportions of groundnut and cotton trade in Northern Nigeria.
- b. The minimization of exploitation of producers by middlemen and traders. Again in Western Region, cocoa spraying equipment and chemicals were channeled through cooperative societies which existed in virtually every village.
- c. The development of indigenous banking which favourably competed with the foreign banks and broke their monopoly in financial intermediation. Starting with the Agbonmogbe Bank, the Western Region established the Cooperative Bank through Cooperative Investment Trust Fund. The bank is currently one of the most successful in Nigeria with capital assets running into billions of Naira. The Eastern Region similarly established the Bank of Cooperative and Commerce.
- d. The mobilization of enormous financial resources from small cooperative savers thus thrift and credit systems that have helped millions of small-scale individuals to establish business and to become house owners.
- e. The formation of strong viable cooperative societies in urban and rural areas throughout the country. In 1990, there were 29,900 societies having 2.6 million members. A 2% annual increase in number would mean 36,500 societies in the

year 2000 while membership would rise to 3,2 million. If the cooperatives formed under national Agricultural Land Development Authority' (NALDA) programme, Better Life Programme (BLP) and Family Economic Advance Programme (FEAP), are added, the number of societies would be more than 50,000 while membership would increase to over 5 million people in 1999, the World Bank estimated that there were 30,000 societies. The financials of the cooperative movement is currently more than ₦5 billion with the combined National Association of Credit Unions owning more than 40% and actively lending to the small individual members out of their collective savings.

- f. The creation of mass enlightenment and inculcation of democratic principles and practices through membership education and cooperative management. Every registered society maintains democratic methods of decision-making,
- g. The creation of many cooperative apex bodies such as Cooperative Federation of Nigeria (CFN), Cooperative Finance Agencies (CFAs). National Association of Cooperative Credit Unions of Nigeria (NACCUN), State Cooperative Federations through voluntary coalescing of societies to form unions and unions to form the apexes. There is the National Cooperative Insurance Society of Nigeria (NCIS), the Kaduna Federation of Milk Producers Cooperative Association Ltd (KFMPCA). All of these unions and apexes are important forces to reckon with in the Nigerian private sector economic activities. They strengthen the Cooperative Movement, making it a distinctive alternative method of doing business in the country,
- h. The linkages with the government, the non-governmental organizations, further strengthen the cooperatives and assist them in fulfilling their objectives of creating economic opportunities for their members and helping to lift the poor out of their poverty. In appreciation of the great potentials of cooperatives, the Federal Government of Nigeria created a Ministry of Cooperatives and Supply in the mid 1970s though it later discontinued the ministry.

2.0 THE CONSTRAINTS AND OPPORTUNITIES OF THE COOPERATIVE SECTOR

2.1 Organizational Problems

- a. The cooperative sector suffered from internal weaknesses, which were due to the chequered history of its performance and effectiveness. There were differences in the formation of the societies at the former regional levels. For example, the former Western Region had, in addition to the primary societies and unions several apex organizations such as the Association of Nigeria Cooperative Exporters (ANCE), the Cooperative Transport Ltd, the Cooperative Press [Jet the Nigerian Cooperative Wholesale Association (NCWA), several of which attempted to metamorphose into national apexes. Such groupings were not found in the other regions. But they demonstrate potential opportunities for strengthening the movement through voluntary association of lower level societies and unions to give new associations with stronger voice to negotiate businesses with other private sector enterprises and governments at the state, national and international levels. The grassroots cooperators, the true owners of the apex bodies would benefit enormously through such effective representation at high levels. A good example of positive gain from these cooperation of cooperatives is the Nigerian National Cooperative Insurance Society which is a formidable avenue for cooperative financing. The premium gathered from millions of insured cooperators throughout the Federation would become the invested basis for funding cooperative claims and credit activities.
- b. The second constraint is due to the smallness of primary societies, which have few members and contribute very little in share capital and savings. Such small accumulated capital is too small for executing meaningful, viable business. Many primary societies could competently take advantage of economics of scale. But renewed efforts to educate the members and build their capacities should lead to the formation of optimally sized societies which would carry out viable business throughout the country. As groups voluntarily come together due to proper enlightenment carried out by the movement, they will be better

placed to attain greater economic cooperation and fulfill the movement's objectives.

- c. In the past, the attempts to encourage the small societies to form unions sometimes failed because the felt needs of several societies did not coincide. In particular, in the Northern Region, fewer primary societies existed within a local government and Government officials tried to help by bringing all societies under a small union at the LGA level. A union formed in this way tended to bring together strange groups whose needs were at variance and/or in conflict. There are great potentials for the formation of many more so cities with similar, if not the same, objectives in that region. Thus there will be sufficient number of primary societies, which can then unite to form unions that cater for their own interest.
- d. Beyond the primary societies and unions there is a plethora of apex organizations, which do not handle sufficient volumes of business to remain viable. While the Cooperative bank, the Nigerian Association of ~~Cooperative~~ Exporters (NACE) and a few others could stand profitably on their own, the Cooperative Federation of Nigeria and its state affiliates as well as several other apexes appear to depend heavily on subscriptions or grants, which, if denied, lead to poor performances, hence their viability is questionable. In future, such apexes would need to justify their existence by meeting the felt needs of their grassroots members who will then feel obliged to support them financially and to patronize them. The era of imposed top-down "cooperative" apex bodies should be done away with if the movement is to become truly independent and viable.
- e. The cooperative sector has not sufficiently attracted government and donor support due to its lack of capacity to bring under its fold a substantial number of small- scale producers of goods and services. It does not presently appear to have the legal guarantees for the pursuit of development goals with the formal and other private sectors of the economy. This obstacle should be removed through the current policy formulation effort. The ultimate goal is to see that

the Movement is treated in no less equal terms than any other public and private enterprise in the Nigerian economy.

- f. The cooperative movement has not clearly demonstrated the capacity to canvass, sensitize, mobilize and organize producers into viable cooperative groups because of its weak financial and operational support base. This policy document proposes to create the necessary enabling environment, and a dynamic financing arrangement for the cooperative sector such that it can function properly and independently. A Cooperative Development Fund that will have substantial reserves and guarantee loans to cooperators at competitive interest rates will be established and managed by the movement and other stakeholders.

2.2 Institutional Linkage Problems

a. Within the Sector

- i. Linkages between any two institutions are expected to strengthen both. As described earlier, the primary societies are linked to form unions while unions link up to form state apexes or federations of unions. The Cooperative Federation of Nigeria (CFN) is regarded as the ultimate apex as it links all state Federations together. Unfortunately, the linkages as they stand presently are weak because cases are common where primary societies default in their obligations to their unions and unions in turn fail to fulfill their responsibilities to the apexes. A glaring example is the National Association of Cooperative Credit Unions of Nigeria (NACCUN) to which member unions are reluctant to pay their annual subscriptions. Thus the unions remain financially strong while their apex (NACCUN) remains starved of funds and incapacitated. The Unions accuse NACCUN of ineffectiveness, irrelevance and lacking in national outlook in its composition, whereas they did not provide enabling subscriptions to make NACCUN national and viable. Yet NACCUN was reported to have played vital roles in the education and mobilization of cooperative thrift and credit societies and to receive its

duces from member unions, it must stay relevant to and serve the felt needs of the unions and societies like NACCUN should return to the drawing board.

- ii. Similar problems exist with the CFN to which only a few affiliated State Cooperative Federation pay their annual subscriptions, yet all state apexes are demanding greater impact from CFN.
- iii. The problems of weak linkages within the movement have been traced to the failure of various apexes to ensure that they took proper care of the felt needs of their affiliated societies or unions. No society would contribute funds to its apex or union if it could not expect some economic returns.

b. Between the Cooperative and other Types of Enterprises in the Private Sector

- i. There is almost no formal linkages between the cooperatives and other business in the private sector. This is, to some extent, understandable in view of the mutual suspicion among them. Yet there are many advantages and opportunities for collaboration between the two. The success stories of the Nigerian Tobacco Company (NTC) out-grower scheme where farmers were organized into groups for input delivery and sale of cured tobacco leaves have been told. The same is true of African Cotton Company (AFCOT) in Adamawa State where credit and inputs (fertilizer, farm implements) are provided for the farmers at predetermined prices while the cotton is sold to AFCOT.
- ii. So far there are no stories of linkages of cooperative consumer groups with textile manufacturers or soft drink producers that could lead to collaboration and mutual gains. The creation of sales depots to be managed by cooperatives to serve their members would bring mutual benefits. Such positive links should be encouraged.

iii. Apart from government sponsored linkage with banks through guaranteed agricultural credit in which more individuals than cooperative groups participate, there have been very few initiatives in the area of linkage of the vibrant cooperative thrift/saving and credit with the banking industry. The failure of the Cooperative Movement to explore these linkages with the private sector in the past has contributed to its weakness and unsatisfactory performance. The cooperatives should hence-forth be free to do business with any other group. They should be able to sue and be sued where necessary.

c. Between Cooperative and Governmental Institutions

- i. The historical development of the Nigerian cooperative sector necessarily linked it up closely with the Federal and State Governments. The movement was supervised and is still being supervised by a department within a Ministry at both levels of government. Unfortunately, the linkage has been mainly legal and patronizing with government dictating the modus operandi without much commercial linkage despite the fact that in Nigeria, government business is big business.
- ii. It is uncommon these days to find government activities channeled through the cooperatives. For example, fertilizer distribution, credit delivery, produce procurement and marketing, take place without any advantage to the Cooperative Movement. Rather private contractors bid for and execute many of the very lucrative businesses on behalf of governments at Federal and State levels. In future, the cooperatives should be able to participate in these activities through competitive bidding.
- iii. There are linkages through subventions and grants or assistance in meeting international obligations. Unfortunately, these forms of assistance tend to increase the dependency of cooperators on government and hence their inability or unwillingness to take initiatives to generate resources for their own programmes and projects. An independent cooperative movement is called upon to plan its own membership education and capacity building in the future.

If government assistance is given it should be taken but should not be the only means of operation.

2.3 Financial Problems

- a. The financial problems of cooperatives arise from several angles. The organizational problems earlier highlighted imply that the individual group, being too small, could not assemble substantial funds for their businesses. The thrift and credit societies run into problems of too little funds and inability to meet the credit needs of their members.
- b. One major problem is the lack of capacity to manage efficiently the savings and credit programmes leading to frustrations and complaints against management. There are many cases of mismanagement and fraud limiting the number of potential participants in cooperative financing. Where the government has provided additional money to increase loanable funds, the national cake syndrome has led to poor repayment or outright embezzlement.
- c. The traditional systems which have close membership and cohesion, have succeeded, but have remained small in terms of volume and coverage. However, wherever purposeful management was combined with transparent honesty, cooperative financing has succeeded. The success stories of Bauchi and Gombe Cooperative Financing Agencies remain useful as a lesson for future planning of Cooperative Financing. The laissez-faire attitude of the old Western Region following the grant of two million Naira for the establishment of a cooperative bank is also note worthy.

2.4 Sociocultural Problems

- a. Although international cooperative principles abhor discrimination among cooperators, there are socio-cultural factors that tend to bring together people of ethnic, religious and other affinities to cooperate more effectively because of mutual trust. This may limit the spread and strength of local societies. In fact, it is not uncommon to notice cooperatives waxing strong among town union members living in another state or town. Cultural peculiarities, migration and

settlement patterns may predispose certain groups to adopt cooperative-like institutions more than others. People living within large communities in the country tend to evolve mutual help group organized on ethnic basis. These are not cooperatives in the sense of international definitions.

- b. At the national levels, progress has been stalled by regional and state groups accusing the leadership of neglect or lack of sensitivity to their peculiar needs. There have been tendencies to retain historical positions rather than allow the movement to go truly national. These problems must be addressed so that the movement can achieve its developmental objectives.
- c. The nature and history of cooperative development in Nigeria has largely accounted for the regional variations in the levels of cooperative development in different parts of the country. For example, the former Western Region has more cooperative institutions than other parts of the country because the first nationalist government in that region paid greater attention to cooperatives.

3.0 THE IMPERATIVES AND OBJECTIVES OF NATIONAL COOPERATIVE POLICY

Nigeria is presently striving to build a strong and highly competitive, market oriented and technology-driven national economy. In such an open and caring economy, popular participation in economic affairs is necessary. But given the very low capital base of the generality of the people, government recognizes the importance of viable cooperatives, as one of the vehicles for economic empowerment and popular participation. Hence it is the policy of the Government to build an enduring partnership with the Cooperative Movement or the realization of our common national economic development objectives. In the process of economic policy design and implementation, government shall take full cognizance of the importance of the cooperative sector and the strategic role it plays in the social and economic affairs of the nation. Therefore the objectives of government's cooperative policy are:

- a. Assisting Nigerians in building very strong, autonomous, operationally independent and economically viable cooperative sector that could compete effectively in the private sector of the nation's economy;
- b. Ensuring that all cooperatives operate according to the law without compromising the legitimate interests of third parties and the general public,
- c. Removing all obstacles that hinder the free and effective operation of cooperative groups and their participation in national economic affairs;
- d. Promoting cooperative-friendly fiscal and monetary policies and creating a conducive environment for the survival and prosperity of cooperative enterprises;
- e. Encouraging the development of cooperatives throughout the country by accelerating the move for in mobilizing, organizing and educating Nigerians on cooperative affairs;
- f. Ensuring that cooperatives are not treated on less than equal terms with other Corms of private. Business.

4.0 THE ROLES OF GOVERNMENT AND THE COOPERATIVE MOVEMENT

a. The Role of Government

In the pursuance of the above policy objectives, the Government shall:

- i. Recognize and respect the autonomy and operational independence of the cooperative sector;
- ii. Ensuring more effective cooperative education and regulation of cooperative affairs in the country by providing financial and material support to the Federal Department of Cooperatives and encouraging all State and Local Governments to do the same to similar units under their jurisdictions;
- iii. Establish a National Council On Cooperative Affairs which shall be the Government body charged with national responsibility for policy formulation, regulation, and policy implementation in order to advance

- and monitor cooperative development in the country. The council shall comprise the Minister in-charge of Cooperatives as Chairman, and all State Commissioners in-charge of cooperatives as members. All cooperative Stakeholders including National and International Organizations and non- Governmental Organizations (NGOs) may be invited to its meetings, as observers;
- iv. Ensure the establishment of the state equivalent of the National Council on Cooperative Affairs which shall facilitate bottom-up communication in the administration and management of cooperative matters;
 - v. Establish a National Cooperative Advisory Board with advisory and liaison function between the Government and the Cooperative Movement. The Board is to ensure adequate rapport, understanding and cooperation between the government policy makers and regulators on the one hand and the Cooperative Movement on the other. Membership of the board, should include:- Cooperative Movement, Chamber of Commerce (NACCIMA), National Employers Consultative Association (NECA), Federal Ministry of Finance, National Association for Cooperative Education and Cooperative Professionals, Federal Ministry of Agriculture, Federal Ministry of Commerce, Federal Ministry of Employment, Labour and Productivity and Federal Ministry of Women Affairs and Social Development and National Planning Commission. The Board is to sit regularly to advise the Government and the Cooperative Movement on all the major issues and problems of the Cooperative Sector;
 - vi. Ensure the establishment of the state equivalent of the National Cooperative Advisory Board to facilitate proper execution of decisions taken at the National Level. Membership of the State Board shall include the Commissioner in charge of cooperative matters, state holders and a representative of the local governments.

vii. Promote the creation of National Cooperative Development Fund and a National Cooperative Financing Agency to provide financial backing for the development of Cooperatives in the country. The Fund shall provide guarantee for on-lending to cooperatives in the country. The Fund shall be supported in the following manner;

- Annual subscription of all registered cooperative members in the country through their societies. The amount payable is to be determined from time-to-time by the Movement.
- Government and Private Sector Grants and Donations.
- External Grants and Donations.

The Fund is to be managed by a Board of Trustees drawn from the Cooperative Movement, and other relevant private sector people who have skills in investment portfolio and financial management.

viii. Direct the National Planning Commission and the office of the National Economic Adviser to ensure that the cooperative sector and its legitimate interests are well reflected in the determination of national economic development policies, plans, and priorities.

b. **Expected Roles of the Cooperative Movement**

The Cooperative Movement, on its part would be expected to:-

- i. Ensure serious and articulated vigorous campaign strategies and programmes for the sensitization and mobilization of the public to effectively participate in cooperative activities;
- ii. Ensure that all cooperatives registered under the law are effectively supervised and managed properly and are in compliance with the principles of the International Cooperative Alliance (ICA). They should demonstrate internal democracy, transparency, accountability and probity which are part of the recognized cooperative norms and ethics;
- iii. Ensure that the Cooperative sector, given its size and close linkages with the grassroots, provides one of the key institutional support bases for poverty eradication among the people. It should therefore strive to assist

Cooperators to create jobs for themselves and others, in order to support the job creation and poverty alleviation programmes of the Government

- iv. Develop the capacity of Cooperatives to undertake proper management of cooperative enterprises and businesses in accordance with modern business practices and techniques;
- v. Set up a Cooperative Investment Advisory Committee to guide societies union and apexes in making prudent and profitable investment decisions;
- vi. Ensure that all National Apexes are fully operational and are managed properly in accordance with cooperative tenets and principles; and
- vii. Ensure that regular auditing of all cooperatives is carried out and the results presented for the information and consumption of all Cooperators and the general public.

5.0 COOPERATIVE FINANCING

Principles of Cooperative Financing

The long-term goal of cooperative financing is to establish a self-reliant financial system for the movement in the country. In principle, cooperatives are financed through:

- Membership subscriptions and fees Share
- capital contributions
- Savings from individuals, societies, unions and apexes
- Surpluses and reserves from successful business operations, etc.

The Structure of Cooperative Financial System

- a. At the primary society level, every member must subscribe a minimum amount as share capital. A non-refundable entry fee is charged which each cooperator decides how much he/she will save regularly at stated intervals. Additional funds may be collected through fines imposed for infringement of cooperative by-laws, or fees charged for specific

services. The by-law should spell out the details, which may vary from society to society.

- b. At the union level, every affiliated society subscribes a democratically determined amount while additional funds are generated through business transactions. The affiliated societies are expected to pass their business through the union so that the union makes profits, which accrue to the societies and partly to the union. This happens whether it is a product marketing or savings/credit operation.
- c. At the apex or Federal level, every union subscribes to the funds that are used for managing the body. It is important that the apexes help the unions to achieve their business objectives. Funds gathered through the three tiers of cooperatives are accumulated to form a substantial base for cooperative financing.

Access to :Finance through Cooperative Financial Institutions, Banks and Insurance

- a. Special cooperatives are set up to cater for the provision of financial intermediation. These include finance houses such as Cooperative Finance Association (CFAs) and banks which receive savings from cooperative societies and extend credit to needy individuals and societies charging moderate interest rates. Some banks have been established using the savings of the cooperative society members plus grants or subventions from government or other donor agents. The key to success is financial probity and good management.
- b. Cooperative Insurance is another good means of mobilizing funds for cooperative development. As millions of co-operators pay some premiums across the country, the amount of money accumulated will be very large. Such capital will form the basis of financing payments to those who incur losses and for loan operation in the Movement.
- c. Guarantee Fund the money mobilized by the cooperatives at all levels will be employed as guarantee for all loans to cooperative members and

groups. Thrift/Saving and Credit Societies and Unions. This is the fastest growing type of cooperative in Nigeria because it closely follows the financial self-help tradition prevalent in all Nigerian communities. Thus large sums of money will be accumulated through proper organization and management of thrift and saving societies. The harnessing of the fund would provide the strongest base for cooperative financing especially when it is linked with government's policies on micro-credit delivery in rural and urban areas of the country.

National Cooperative Development Fund

- a. A National Cooperative Development Fund (NCDF) shall be set up to provide a major source of cooperative financing. All co-operators shall subscribe to the fund, which will accumulate to form the basis for guaranteeing all cooperative credit transactions. with the fund in place. any society or union will be able to approach a bank or finance house for a loan using the fund as guarantor. In addition to co-operators' subscription, the fund's assets shall be increased through government grants, donor funds etc, as prescribed in section 4a (viii), above.

Grants and Donations

- a. Following a well planned and properly executed cooperative self-help financing by the Movement, it is expected that the government of the Federation would provide grants to the cooperative movement for the execution of its social services such as enlightenment, education, capacity building and credit administration.
- b. Private organizations which appreciate the contributions of cooperatives to the democratic governance, the peaceful coexistence and the improvements in the income, the welfare and living standards of large numbers of Nigerians should also be willing to make grants and donations towards the movement's activities. There could also be international assistance in various forms; for example, United Nations' institutions like the UNDP, ILO, WHO, FAO could provide assistance

to the Movement in specific areas of need from time to time. In the past, they have contributed specialists to find solution to specific problems or to plan a new venture for the Movement.

Other Source of Funds

- a. Inter-cooperative flow of funds such as from thrift and credit societies/unions shall be encouraged. Well managed unions should collect the farm produce of member societies, process them further and sell these to make profit, part of which should be returned to the societies and members. In so doing, they will encourage greater production, help create more jobs and generally improve the economic welfare of cooperatives in particular and poorer Nigerians general.
- b. The Cooperative Movement is well aware of the problems of capital flight. By design, the direct returns to subscribed capital are limited and ordinary investors are not enthusiastic to deposit large sums of money with cooperatives. Thus the Movement must encourage its members, societies, unions and apexes to mobilize funds internally and to manage such funds very efficiently.

Another source of cooperative export marketing is presented by the African Growth Opportunity Act (AGOA). The Nigerian Cooperative Movement should therefore take advantage of this AGOA and liaise with the Federal Ministry of Commerce for the 34 exportable duty free goods from sub-Saharan countries to USA.

6.0 ADMINISTRATION AND MANAGEMENT OF COOPERATIVE BUSINESS

6.1 Cooperative Business Management

- a. Due partly to the financial limitations discussed above and partly to the smallness of societies, it has been difficult for cooperative societies to employ competent managers for the proper management of their

business. Hence the new cooperative policy is aimed at ensuring viable societies and unions through proper funding. The societies to be registered in future must demonstrate capacity to carry out profitable and sustainable business.

- b. Each society must have adequate number of members and present feasibility reports of viable business enterprises before being registered. The decision to liquidate a society must be based, in part, on its persistent un-profitability in spite of efforts by the management committee to improve its performance.
- c. Where necessary, assistance should be sought from higher levels such as union in the case of a society or the relevant apex in the case of a union. Problems militating against profitability and viability must be diagnosed and appropriate solution proffered.
- d. For the enforcement of an arbitration well-informed cooperative and legal practitioners would come to the membership of any arbitrate on panel area levels.

6.2 Cooperative Business Extension and Advisory Services

The CFN in collaboration with the State Federations should employ the services of consultants to provide extension and advisory services wherever and whenever the need should arise. Where such services are extended to small societies to strengthen their business, they will appreciate the relevance of the apex body and subscribe to its up-keeping. Future cooperative education should embrace relevant business management subjects.

6.3 Management System Development

The CFN and State Federations as well as all the societies, unions and special apexes that could afford it should hire competent professional managers to manage their affairs. Those societies and unions that cannot afford to hire professional managers should use the facilities of CFN and State Federations to train their member/managers, giving them the rudiments of the techniques of modern management. Cooperative Societies carrying out similar businesses

could share the time of a joint expert, with each society paying only a fraction of the charges.

6.4 External Audit

It is mandatory for all Cooperative apexes and Federations to appoint qualified External Auditors, while unions and societies that can afford it should also do so. Those unions and societies which cannot afford External Auditors should retain the services of the State Cooperative Department or the State Federation of Auditors. Appropriate audit fees should be paid as and when due by every audited society or union. This will help maintain the audit unit. In order to ensure accountability and transparency, audit reports should be made available to members and, where feasible, published in National Newspapers.

7.0 TECHNICAL SUPPORT SERVICES AND CAPACITY BUILDING

7.1 Education Training Services

a. Formal Education

- i. Formal educational preparation for cooperative career is now being provided by the three National and State Cooperative Colleges and Polytechnics. A degree programme in cooperative studies exists at Enugu State University of Technology (ESUT). The government shall continue the current efforts underway to harmonize the curriculum and ensure its accreditation by the National Board for Technical Education (NBTE). This will enable the graduates to fit in with the nation's educational mainstream and facilitate the recognition of their certificates by employers outside Government and the Cooperative Movement. It will also help them get admission to the universities at home and abroad. In order to make this a reality, Government would provide better funding to its colleges to facilitate the upgrading of their infrastructural facilities, libraries, teaching equipment,

workshops and computer services, and call on states with similar institutions to do so.

- ii. Government would, within available resources, sponsor students for training in cooperative affairs by awarding scholarships and bursaries tenable at home and abroad.
- iii. At the state levels cooperators should be trained by their respective state through awarding scholarships and bursaries to students and staff to attend courses in cooperative education. In addition, cooperative education should be included in the secondary school curriculum throughout the country.

b. Non-Formal Education and Short Term Training

- i. Government shall undertake, as part of its Universal Basic Education Programme (UBE) a literary drive in conjunction with the local Government, State Governments and the Cooperative Movement. This will ensure that all co-operators in Nigeria are literate within the shortest possible time.
- ii. The Cooperative Movement shall be supported by government to conduct regular training of cooperative management cadre to enable them refresh their knowledge of cooperative principles and acquire new management skills and techniques.
- iii. Government shall also support and fully equip the Cooperative Research Institute of Nigeria (CORIN) at Sheda, Abuja in order to enable it provide effective management training for cooperative leaders, managers and members.
- iv. Federal and State Government shall ensure that the staff of their Departments of Cooperatives are given opportunities to improve themselves by attending refresher courses and conferences locally and internationally. The governments shall explore bilateral and

multilateral assistance from foreign governments, agencies and institutions for such purposes.

- v. At the state levels, respective State Government should assist the Cooperative Movement in training cooperators on basic literacy, bookkeeping, secretarial work and simple management techniques.
- vi. In order to inculcate the cooperative spirit in our Youths, the Federal and State Governments should direct their Ministries of Education to promote the formation of Cooperative Clubs throughout the nation's secondary school system and the active assistance and support of the Cooperative Movement.

c. Training Fund

The mandatory reserve of 10% of the surplus funds for education shall be strictly adhered to and the fund regularly utilized for induction courses for officials and newly appointed cooperative workers in the State and Local Governments.

7.2 Management System Development

- a. The CFN and State Cooperative Federations as well as those societies, unions and apexes that can afford it, should hire competent professional managers to effectively manage their affairs.
- b. Those societies and unions that cannot afford to hire professional managers should utilize the opportunities provided by CFN and the Federations to train their members and managers giving them the rudiments of the techniques of modern management.

8.0 COOPERATIVE ORGANIZATIONAL STRUCTURE

Cooperatives are usually organized in a four tier structure. There are primary societies), secondary (unions), state and national apexes. In Nigeria each state

has a Federation while a Federation of Federations forms the culminating apex. It is called Cooperative Federation of Nigeria (CFN).

8.1 Societies

- a. The organization of primary cooperatives into societies at village (rural) level and ward level (urban) is ideal as it permits people who live close to each other to participate in and patronize the society's business. In future, efforts must be made to ensure optimal membership sizes based on the types and functions of Cooperative Societies. This is important to ensure viability and sustainability.
- b. One important approach to establishing optimal membership size is to encourage voluntary coalescing of small sized societies doing the same type of businesses within an area. This should be encouraged whenever and wherever feasible.
- c. Horizontal linkages between primary societies within and between local government and states should be encouraged for mutual benefits; for example, a grain producer cooperative in a northern state should be in touch with a grain processing/consuming society in a southern state. Both will gain from information exchange and price negotiations.

8.2 Union

- a. The advantages of having primary societies coming together to form unions are well known. However, future union formations should be voluntary among societies which carry out the same or similar businesses. They should come together voluntarily, not by force. It is hoped that cooperative development will proceed rapidly in all parts of the country so that several unions of similar societies can replace the single union in each local government area. This will reduce friction and encourage cooperation among cooperatives.
- b. Cooperative unions should henceforth strive to be relevant and to fulfill the felt needs of the societies that make up such unions. The societies

will then be encouraged to pay their subscriptions and stop agitation for direct affiliation to an apex (or Federation).

- c. In addition to revenues accruing to them from subscriptions by affiliated societies, Cooperative Unions must have profitable ventures to reduce dependency on the subscriptions.
- d. The unions must act firmly as mouth-piece for the societies that they represent. This will boost their relevance and ensure success.

8.3 Apexes

- a. In the context of the democratic space subsisting in the country, all apexes must be seen to be the outcome of the needs and wishes of members of cooperative societies and unions that form the apex.
- b. The CFN must operate in a way to earn the recognition and respect of all Cooperative apexes nation-wide so that they can make the prescribed subscriptions to its annually.
- c. All unions and other state "apexes" must be affiliated to the State Cooperative Federation. They must make prescribed subscriptions to the Federation and be represented on its Board. Where many unions are involved, a method of proportional (or rotational) representation must be worked out. State apexes must stay relevant to the grassroot societies which form them.
- d. The plethora of apexes at the national and state levels must be critically reviewed to remove the confusion and streamline them for effective administration. Only the relevant apexes which are likely to contribute positively to the overall cooperative development efforts should be retained. The CFN must set in motion the process of this review.

8.4 Placement of Cooperative Matters at Federal and State Level

Cooperative matters at National and State Levels should be upgraded and placed in full-fledged Ministry of Cooperatives and Rural Development to facilitate proper coordination and relationship among cooperatives at all levels.

9.1 SPECIFIC ECONOMIC SECTOR POLICIES

- a. Agriculture Cooperatives form the largest number of societies and membership in the country. Their needs for inputs and credit are enormous. They require proper management in produce processing and marketing. Also, since agricultural production takes place mainly in rural areas and it is well known that the poorest of the poor in Nigeria live in rural areas, special efforts must be made to assist agricultural cooperatives to uplift the standard of living of their members and the rural populace in general. This should be with a view to increasing agricultural productivity and performance of agro-allied enterprises.
- b. *The strategies for achieving the objectives are: -*
 - i. The intensification of agricultural cooperative education and training, public enlightenment at all levels to ensure increased participation and involvement of farmers and other rural people in cooperative activities, thus enhancing rural people's decision making and upgrading their welfare generally.
 - ii. The use of farmers cooperatives to achieve increased production of food, fibre and other industrial raw materials plus equitable distribution of inputs, farm produce and other commodities.
 - iii. The use of agricultural cooperative to increase the democratization of local communities through participation in cooperative activities to promote social understanding and political unity among the people. To manage inputs procurement and distribution effectively, zonal agricultural cooperative

- committees shall be formed to collate and summarize the requirements for inputs like fertilizers, herbicides, pesticides, farm implement etc. and submit these to a national coordinating committee. When the needs of all farmer co-operators are known, arrangement shall be made for sourcing while co-operators make deposits of part of the cost of their ordered inputs. lines of credit can then be opened by the apex bodies responsible (CFN, NACMO etc). The inputs shall be promptly distributed on arrival.
- iv. The input procurement activities shall be regularly reviewed to remove bottlenecks and ensure efficiency while pricing is made competitive. Cooperative credit unions shall direct a portion of their accumulated saving towards lending to farmers and, like the successful CFAs, they shall collect and market produce to ease repayment of loan wherever feasible; and
 - v. Input and produce storage and handling depots shall be provided in strategic locations within states throughout the country to give farmers easy access to farm inputs and outlets for their produce. The CFN and State Cooperative Federations should constantly advise governments accordingly.

9.2 Industrial Sector

Several types of Cooperative initiatives could be viable in the industrial sector, follows:

- a. Workers in the industrial sector often form cooperatives which mainly focus on their welfare and other felt needs of their members. They therefore, develop thrift and credit, credit and investment, consumers and housing cooperatives. The strategy for their growth and effective management include:
 - i. Organizing check-off savings and ensuring that deducted monies are promptly remitted to the cooperative account;
 - ii. Negotiating for the supply of consumer items desired by their members for resale at reasonable prices;

- iii. Planning for housing estate by acquiring land and laying it out for members to purchase and build, or erecting standard affordable housing units for members to acquire on owner-occupier basis;
- b. Cooperatives could set up cottage industries, agro allied industries, producing relevant goods for the public. The ownership management and operation of such industrial ventures shall be by the Cooperators themselves and/or their employees;
- c. Workers' Cooperatives in industry, either manufacturing or services, could use their savings to buy shares in the companies in which they work. By becoming partners, they enhance overall industrial harmony and productivity;
- d. Cooperative Societies in the industrial sector, whatever their business or enterprise orientation, could amalgamate to form unions and unions into apexes to strengthen their financial base and enhance their competitive edge provided that it is the expressed wish of their members.

9.3 Commercial Sector

- a. The opportunities for mutual gain from interactions are greatest in commercial sector cooperatives. Producers can link up with processors who in turn can link up with distributors through marketing cooperatives. If the linkages work well, the general price levels will fall considerably thus reducing inflation. The result it that all citizens, including non-cooperators would benefit.
- b. As a strategy for managing commercial sector cooperatives, funds for holding stock of consumer and producer goods should be sourced from cooperative thrift and credit or thrift and investment societies. Promptness is critical for commercial loans since transactions sometimes take place with in a few hours or days and the creditor can quickly recover his/her money. Checks and balances need to be made to avoid bad debts.

9.4 Finance Sector

- a. A lot of money is very quickly assembled through the share capital and savings contributions of thousands of cooperative society members. It is therefore expected that such monies would form the basis of participation of the cooperative movement in the finance and banking sector.
- b. To facilitate this arrangement, cooperative societies, unions and apexes shall use part of their accumulated funds to purchase shares in banking and insurance operations. At the primary (Societies) levels, cooperatives should become more active in setting up, owning and managing Community Banks. At higher levels, (Unions, Apexes) Cooperatives should aim at holding sufficient share in banks/insurance companies of their choice to be able to influence their decisions and make them cooperative friendly. All substantial cooperative deposits in banks should be issued.
- c. To ensure prudent investment decision making, all cooperative societies, unions and apexes should employ the services of the proposed Cooperative Investment Advisory Committee (4b(v)above).

9.5 Services Sector

- a. The providers of services such as barbers, tailors, carpenters, motor mechanics, irrigation equipment maintenance artisans, mechanics of electronic equipment etc would do well if they operate as cooperatives. They can improve equality of their services and remove malpractices among their members. They can use available training facilities to upgrade their managerial skills and performance.
- b. All artisans and service providers who live and work within the same locality shall be mobilized and encouraged to form cooperatives with a major objective of raising the quality of their services and service delivery. The derived objective would be increased confidence of consumers of their services and therefore increase patronage.

10.0 STRATEGIES FOR GENDER AND OTHER SPECIAL GROUPS

In its determination to alleviate poverty and up-lift the living conditions of all Nigerians Government intends to cast a social and economic safety net to cover all segments of society irrespective of socio-cultural (gender) or physical disabilities. In this regard, the government.

- a. Recognizes and appreciates the front-line role that women and women organizations play in the social and economic affairs of the nation, despite the prevailing sociocultural discrimination against them.
- b. Firmly believes that physical disability should not be a deterrent to the capacity of any Nigerian to contribute to the process of national renewal and development.
- c. Is aware of the presence of social underclass made up largely of unemployed and disadvantaged youths in both urban and rural areas, whose activities if not checked could undermine the peace and security of our communities. Punitive and coercive measure alone have proved ineffective in dealing with this rural and urban menace. The cooperative strategy should be used as one of the means of addressing the issues raised above.

Gender Issues

The cooperative movement shall be supported through the Federal Ministry of Women Affairs and Youth Development to further promote the organization of women cooperative groups, in addition to those registered under Better Life Programme (BLP), Family Support Programme (FSP) and FEAP, Programmes of the Government. The cooperative movement should facilitate the integration of women into mainstream cooperative activities from the lowest to the highest level through affirmative action by making it mandatory for cooperative bye-laws to reserve some key leadership positions to be contested exclusively by women. All legislation that is gender discriminatory in both state and national cooperative laws and statutes would be repealed.

The Disabled

The cooperative movement shall be supported, through the appropriate Federal Ministry to organize physical disabled people into cooperatives. These cooperatives would be supported, through education and skill development, to establish cottage industries and enterprises as appropriate to each type and level of disability. The cooperative movement and the Government (both State and Federal) will be responsible for the sourcing of both local and foreign markets for their products.

Unemployed and Disadvantaged Youths

- a. The cooperative movement would be supported through the appropriate Federal Ministry of Employment, Labour and Productivity, and other appropriate ministry to mobilize, train, organize and register youths into cooperative groups.
- b. Such cooperatives would be supplied to pursue appropriate business enterprises or, operate as labour cooperatives that could be utilized in labour intensive civil works. Their groups should be well patronized. Government would as a matter of deliberate policy contract out labor-intensive public works to such cooperatives to the extent of their ability to deliver, effectively.
- c. Government would require private construction firms, as part of the contract bidding process to indicate cooperative sector sub-contractors for segments of the works they are bidding for. This would be considered in the determination of the final award.

11.0 COORDINATION, MONITORING, EVALUATION AND REVIEW

Given the far-reaching efforts made in this policy document to ensure the establishment of the enabling environment necessary for cooperative growth development and prosperity, it is incumbent on all implementing agencies to make sure that success is attained. To guard against failure, policy

implementation must be coordinated (given the multiplicity of the institutions involved), closely monitored, evaluated and subjected to a review.

Coordination and Monitoring

- a. This policy document would be brought to the attention of all the three tiers of Government, Government Ministries, parastatals, and all other relevant institutions, international bodies, non-governmental organizations, etc. This is to ensure that its provisions are understood by all, free from any ambiguity.
- b. All institutions involved in the implementation of any aspect of this policy must know their specific roles, and are expected to adhere to them as appropriate.
- c. In this regard, the Federal Department of Cooperatives and the Cooperative Federation of Nigeria (CFN) are expected to play the leading role in coordinating and monitoring the implementation of this policy, nationwide. At the states' level, the State Department of Cooperatives and its Cooperative Federation are expected to do the same.
- d. Furthermore, it is expected that the National Council for Cooperative Affairs (see 4a (iv)) above] meets at least once every year. A meeting of officials should take place for two days preceding the main plenary sessions with State Commissioners under the Chairmanship of the Minister in-charge of Cooperatives. Each state is expected to present a report on cooperative affairs under its jurisdiction, indicating areas of success or failure. On the basis of this council would be able to reach collective decisions in order to ameliorate observed defects and constraints.

Evaluation and Review

- a. It is expected that at least once in every five years, an evaluation of the impact of this policy is undertaken under the auspices of the joint efforts of the Federal Department of Cooperatives (FOC) and the Cooperative

Federation of Nigeria (CFN). This should provide the necessary information that could lead to the review of the policy, (whether and whenever necessary) to ensure greater impact and success.

- b. In order to ensure the integrity of the evolution exercise, the FOC and the CFN should appoint independent, experienced cooperative consultants to undertake the exercise. These consultants should include professionals from the International Cooperative Alliance (ICA), International Labour Organization (ILO) and the United Nation's Development Programme (UNDP).



SECTION ELEVEN

NATIONAL POLICY AND PLAN OF ACTION ON THE ELIMINATION OF FEMALE GENITAL MUTILATION

FOREWORD

Nigeria is one of 28 countries in the African Region where Female Genital Mutilation (FGM) otherwise known as Female Circumcision is practiced. The national prevalence rate of 41% with regional variations ranging from 0.1% to 98.6% is unacceptable. Reasons advanced for the continued perpetuation of this harmful practice include: reducing sexual desire in females thus curtailing promiscuity and promoting virginity before marriage, increasing male sexual pleasure, promoting social integration and initiation of girls into womanhood, hygiene and aesthetic reasons, myths around the survival of a baby whose head touches the clitoris during childbirth as well as religious reasons. Whatever the reasons, it is absolutely evident today, that there is not a single benefit derivable from the practice. On the contrary, Female Genital Mutilation has very severe consequences ranging from health complications such as excessive bleeding, severe pain, shock, infections, urine retention, genital ulcerations, keloid, scar formation, HIV/AIDS, STIs, vesicovaginal fistula (VVF), rectovaginal fistula (RVF) resulting from damage to the urethral rectum, to psychological complications where victims feel incomplete, suffer anxiety, and become depressed, irritable and frigid.

Fully convinced that Female Genital Mutilation is a form of violence against women and girls and also infringes on their human rights including the rights to integrity as well as attainment of the highest level of physical and mental health, Nigeria in 1994, along with other member nations at the 47th World Health Assembly passed Resolution WHA 47.10 which urged member nations to establish National policies and programmes that will effectively eliminate Female Genital Mutilation and other Harmful Traditional Practices. Consequently, a 23-member Inter Agency National Technical Working Group was constituted to promote activities that will accelerate the elimination of Female Genital Mutilation and other harmful traditional practices in Nigeria. The National Policy and Plan of Action for the Elimination of Female Genital Mutilation is the outcome of the efforts of the Inter Agency National Technical Working Group. It is a well-articulated document, which has been ratified by the National Council on Health. It is expected that the full implementation of this Policy and Plan of Action, backed by appropriate legislation and adequate enforcement will lead to the eventual elimination of Female Genital Mutilation in Nigeria.

ACRONYMS

FGM	Female Genital Mutilation
WHO	World Health Organization
WHOR	World Health Organization Representative
WIHD	Women in Health Development
RH	Reproductive Health
PHC	Primary Healthcare
NGO	Non-Governmental Organization
FMOH	Federal Ministry of Health
IAC	Inter-Africa Committee
WHA	World Health Assembly
HIV	Human Immune-deficiency Virus
AIDS	Acquired Immune Deficiency Syndrome
VVF	Vesico-Vaginal Fistula
RVF	Recto Vaginal Fistula
IEC	Information Education Communication
LGA	Local Government Area
UNICEF	United Nations Children's Fund
UNFPA	United Nations Population Fund
UNDP	United Nations Development Programme
TBA	Traditional Birth Attendant
VHW	Volunteer Health Worker
ILO	International Labour Organization
UNESCO	United Nations Education, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organization
DFID	Department for International Development
UNIFEM	United Nations Development Fund for Women
EU	European Union
SMOH	State Ministry of Health
NPHCDA	National Primary Healthcare Develop Agency
FMWA& YD	Federal Ministry of Women Affairs & Youth Development

UNDS	United Nations Development System
TAC	Technical Advisory Committee
TOR	Terms of Reference
NCH	National Council on Health
FME	Federal Ministry of Education
AHI	Action Health Incorporated
FMI & NO	Federal Ministry of Information & National Orientation
NOA	National Orientation Agency
SMJ	State Ministry of Justice
NPF	Nigeria Police Force
NBA	Nigeria Bar Association
CHEW	Community Health Extension Worker
NERDC	Nigerian Educational & Research Development Centre
NCCE	National Commission for Colleges of Education
NUC	National Universities Commission
HNMIS	National Health Management & Information System
KAP	Knowledge Attitude and Practice
NDHS	National Demographic Health System
MCH	Maternal and Child Health
M&E	Monitoring & Evaluation
FOS	Federal Office of Statistics
CBO	Community Based Organization

**NATIONAL POLICY ON THE ELIMINATION OF FEMALE
GENITAL MUTILATION**

The National Health Policy declaration of Nigeria states that:

“The Federal, State and Local Governments of Nigeria hereby commit themselves and all the people to intensive action to attain the goal of health for all citizens by the year 2010 and beyond, that is, a level of health that will permit them to lead socially and economically productive lives at the highest possible level. All Governments of the Federation are convinced that the health of the people not only contributes to better quality of lives but is also essential for the sustained economic and social development of the country as a whole.

The people of this nation have the right to participate individually and collectively in the planning and implementation of their healthcare. However, this is not only their right, but also their solemn duty. Primary Healthcare is the key to attaining the goal of health for all the people of this country. Primary Healthcare is essential healthcare based on practical, scientifically sound and socially acceptable methods and technology made universally accessible to individuals and families in the community through their full involvement, and at a cost that the community and state can afford to maintain at every stage of their development in the spirit of self-reliance. It shall form an integral part both of the National Health System, of which it is the central function and main focus, and of the overall social and economic development of the community. All Governments and the people are determined to form strategies and plans of actions, including action to be taken by Local Governments, to launch and sustain Primary Healthcare in accordance with this National Health Policy.

All Governments agree to co-operate among themselves in a spirit of partnership and service to ensure primary healthcare for all citizens, since the attainment of health by anyone State directly concerns and benefits every other State in the Federation.

1.1 The Federal Government undertakes

- a. To provide policy guidance and strategic support to states in their efforts at establishing health systems that are primary and accessible to all her people. To coordinate State efforts in order to ensure a coherent, nation-wide health system;
- b. To provide incentives in selected health fields to the best of its economic ability to promote this endeavour; and
- c. In collaboration with the State Governments, to undertake the overall responsibility for monitoring and evaluation of the implementation of the health strategy.
- d. All Governments accept to exercise political will to mobilize and use all available health resources rationally.

1.2 The Goal of the National Health Policy

The goal of the National Health Policy is to provide a level of health that will enable all Nigerians to achieve socially and economically productive lives. The National Health System is based on Primary Health Care. Health for all for the year 21st Century has been accepted as a challenging target. As a long-term policy and within available resources, the Governments of the Federation will provide a level of healthcare for all citizens to enable them to achieve socially and economically productive lives. Within the overall fundamental obligations of governments of the Federation and the nation's socio-economic development, the goal of the National Health Policy is to establish a comprehensive healthcare system, based on Primary Healthcare that is promotive, protective, preventive, restorative and rehabilitative to every citizen of the country within the available resources so that individuals and communities are assured of productivity, social well-being and enjoyment of living.

The health services, based on Primary Healthcare include at least: -

- i. Education concerning prevailing health problems and the methods of preventing and controlling them;
- ii. Promotion of food supply and proper nutrition;
- iii. Adequate supply of safe water and basic sanitation;
- iv. Maternal and child healthcare, including family planning;
- v. Immunization against the major infectious diseases;
- vi. Prevention and control of locally endemic and epidemic disease;
- vii. Appropriate treatment of common diseases and injuries;
- viii. Provision of essential drugs and supplies;
- ix. Promotion of a programme on mental health and
- x. Promotion of a programme on oral/dental health.

The policy document on the elimination of Female Genital Mutilation is within the framework of the National Health Policy. It is in line with the United Nations Convention on the Rights of the Child and the Convention on the Elimination of all forms of Discrimination against Women to which Nigeria is a signatory. It also supports the World Health Assembly Resolution (WHA 47.10) on traditional practices harmful to the health of women and children and WHO policy on non-medicalisation of female genital mutilation.

Chapter Two
FEMALE GENITAL MUTILATION

2.1 DEFINITION

Female Genital Mutilation is defined as all procedures that involve partial or total removal of the female external genitalia and/or injury to the female -genital organs for cultural or any other non-therapeutic reasons (WHO 1995).

2.2 PHILOSOPHY

Female Genital Mutilation (FGM) is an old and harmful traditional practice in Nigeria and Africa. Individual and group efforts to eliminate this practice have resulted in minimal success, indicating the need for collaboration between the Government, private sector and communities.

2.3 BACKGROUND

Nigeria with a population of 108.5 million (medium variant of Projected National Population by sex and Single Years, Nigeria 1998), has about 350 ethno-linguistic and cultural groups. These groups have various beliefs and practices, some of which like Female Genital Mutilation are harmful to health. Female Genital Mutilation and practices such as early marriages and teenage pregnancy affect the reproductive health of girls and women. The practice exists in various degrees throughout Nigeria and is sustained through migration. Cross-cultural marriages may result in the circumcision of women as a marriage rite or during the first pregnancy. Low literacy is another reason although a high level of education does not appear to change perceptions and attitudes in communities where Female Genital Mutilation is practiced as a rite of passage. Ignorance, traditions and religious beliefs have therefore hindered efforts at eliminating female Genital Mutilation. There is no denying, the overwhelming evidence of the negative effects of Female Genital Mutilation on the health of women and girls in terms of maternal, perinatal and neonatal morbidity and mortality. Female Genital mutilation is a violation of the human rights of women and girls as well as a major cause of psychological and social problems. It is an infringement on the rights

of girls and women and an obstacle to the attainment of the goal of health development not only for girls and women. but also for all members of every society where it is practiced.

2.4 CLASSIFICATION

The types of Female Genital Mutilation known currently to be practiced are (WHO 1995):

- Type I: Excision of the prepuce with or without excision of part or all of the clitoris.
- Type II Excision of the prepuce and clitoris together with partial or total excision of the labia minora.
- Type III Excision of part or all of the external genitalia and stitching/narrowing of the vaginal opening (infibulation).
- Type IV: Unclassified:
- Pricking, piercing or incision of the clitoris and/or labia
 - Stretching of the clitoris and/or labia
 - Cauterization by burning of the clitoris and surrounding tissues
 - Scraping ("angurya" cuts) of the vaginal orifice or cutting ("gishiri" cuts) of the vagina.
 - Introduction of corrosive substances or herbs into the vagina to either cause bleeding, tighten or narrow the vagina.
 - Any other procedure that falls under the definition of Female Genital Mutilation given above.

2.5 SITUATION ANALYSIS

Female Genital Mutilation is practiced in every part of Nigeria in various forms from infancy to adulthood. The following studies show that the four types of Female Genital Mutilation are practiced in Nigeria:

- i. A review of previous localized studies carried out between 1960 and 1967;
- ii. A national survey on female circumcision by the National Association of Nigeria Nurses and Midwives (1985-1996);

- a. Community Based Knowledge, Attitude, and Practice studies from 22 States (1996) by the Inter-Africa Committee on Harmful Traditional Practices; and
- b. The National Baseline Survey on Harmful and positive Traditional Practices affecting women and girl in Nigeria conducted in thirty States and the Federal Capital Territory, from 1996 to 1997.

The data show prevalence rates ranging from 0.1-98% with zonal aggregates as follows:

- South-West Zone 0.1-93.8%
- South-East Zone 4.6-95.4%
- South-South Zone 0.2-79.2%
- Middle-Belt Zone 6.9-85.5%
- North-East Zone 3.4-38.8%
- North-West Zone 6.2-76.2%

These practices cut across religious and cultural boundaries and are either done in secret or with fanfare. Victims often display a sense of helplessness and are unaware of the irrelevance and potential dangers associated with this practice. The commonest type of Female Genital Mutilation practiced in Nigeria is Type 1. Types II and II I are found in different areas within the zones. Type IV is common in the North as Gishiri cuts, and in the South as the introduction of herbs into the vagina.

2.6 IMPLICATIONS AND CONSEQUENCES

The health consequence depend on the type and severity of the genital mutilation. Immediate health complications include pain, shock, bleeding, acute urine retention, risk-borne diseases such as septicemia, Hepatitis B, HIV/AIDS and other infections. The long-term health complications include recurrent urinary tract infection, dysmenorrhea, sexual dysfunction, chronic pelvic infection, infertility, prolonged and obstructed labour, vesico-vaginal fistulae (VVF), recto-vaginal fistulae (RVF), scarring/keloid formation with psychological consequences.

GOALS AND OBJECTIVES OF THE POLICY ON FEMALE GENITAL MUTILATION

3.1 GOALS

In pursuance of the goal of the national Health Policy which is the attainment of health for all Nigerians by the 2010, the goal of the National Policy on the Elimination of Female Genital Mutilation is to eliminate the practice of Female Genital Mutilation in Nigeria in order to improve the health and quality of life of girls and women.

3.2 GENERAL OBJECTIVE

The objective of the National Policy on the elimination of Female Genital Mutilation is to reduce the proportion of girls and women who are at risk of undergoing any type of genital mutilation with a view to its eventual elimination.

3.3 SPECIFIC OBJECTIVES:

The specific objectives are to

- 3.3.1 Increase awareness of hazards of Female Genital Mutilation through information, education and communication;
- 3.3.2 Increase the number of decision makers within families (spouses, fathers, mothers, grandparents and guardians) and Female Genital Mutilation practitioners with attitudes, beliefs, behaviours and practices against Female Genital Mutilation;
- 3.3.3 Increase the number of health personnel at primary, secondary and tertiary healthcare facilities who undergo training on the strategies for the prevention of Female Genital Mutilation and the management of its health consequences;
- 3.3.4 Plan, implement, monitor and supervise educational training programmes for health workers, women and men's groups, adolescents and youth, traditional rulers, religious and other community leaders, traditional birth attendants, practitioners of Female Genital Mutilation, on the dangers of Female Genital Mutilation;

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- 3.3.5 Promote research to monitor intervention programmes.
- 3.3.6 Integrate modules on Female Genital Mutilation in school curricula at the primary, secondary and tertiary levels;
- 3.3.7 Promote the enactment of laws for the elimination of Female Genital Mutilation;
- 3.3.8 Promote inter-sectoral collaboration and networking to eliminate Female Genital Mutilation at National, Regional and International levels;
- 3.4 **TARGETS: This policy on Female Genital Mutilation seeks to;**
- 3.4.1 Reduce the proportion of females at risk of undergoing any type of genital mutilation by 50 percent by the year 2005 and 80 percent by the year 2010;
- 3.4.2 Ensure that 60 percent of States and Local Government Areas should have annual budgetary allocation to support the elimination of Female Genital Mutilation by the year 2005 and 100 percent by the year 2010;
- 3.4.3 Increase the number of States that have implemented intervention programmes, policies, guidelines and legislation against Female Genital Mutilation to 50 percent of all States in Nigeria by 2005 and 80 percent by the year 2010;
- 3.4.4 Increase the number of States reporting a decrease in the incidence of Female Genital Mutilation to 50 percent of all states in Nigeria by 2005 and 80 percent by the year 2010;
- 3.4.5 Increase the proportion of decision makers within families and traditional Female Genital Mutilation practitioners reflecting positive changes in the attitudes, behaviours, beliefs and practices towards Female Genital Mutilation elimination to 40 percent by the year 2005 and 60 percent by the year 2010;
- 3.4.6 Ensure that all non-formal, primary, secondary and tertiary institutions, including schools of nursing and midwifery, and teachers training institutes integrate training modules on Female Genital Mutilation into their school curricula by the year 2010;
- 3.4.7 Increase the number of trained health personnel, traditional birth attendants, traditional Female Genital Mutilation practitioners and peer educators sensitized to the dangers of Female Genital Mutilation to 70 percent by 2005 and 90 percent by the year 2010;

3.4.8 Increase the number of primary, secondary and tertiary healthcare facilities that provide care, counseling and support to affected female persons to 50 percent by 2005 and 80 percent by the year 2010.

STRATEGIES OF IMPLEMENTATION

The collaboration between implementing partners at the individual, group, institutional, governmental and non-governmental levels shall include:

- 4.1 Advocacy for sustained commitment of government at all levels for the successful implementation of the policy;
- 4.2 Advocacy for policy/decision makers and opinion leaders on legislation against Female Genital Mutilation and its enforcement;
- 4.3 Take appropriate measures at schools, tertiary institutions, market places, churches, mosques, education centres to sensitize individuals and communities on the dangers and consequences of Female Genital Mutilation;
- 4.4 Promote special information and enlightenment programmes on active male involvement in the elimination of Female Genital Mutilation;
- 4.5 Undertake continuous public enlightenment through an information, education and communication (IEC) network;
- 4.6 Declare a National Female Genital Mutilation Day for February 6th;
- 4.7 Develop and include a manual on Female Genital Mutilation elimination in the curricula for primary, secondary, tertiary institutions, schools of nursing and midwifery, education centres and teachers training institutes;
- 4.8 Develop a training package for training of trainers including peer educators on the dangers and consequences of Female Genital Mutilation;
- 4.9 Conduct research, monitor and evaluate intervention programmes to determine attitudinal changes;
- 4.10 Ensure that Government facilitates activities that promote skills acquisition, credit mobilization and income generation amongst circumcisers;
- 4.11 Recognize and encourage communities working towards the elimination of Female Genital Mutilation;

- 4.12 Educate community birth attendants including traditional birth attendants and village health workers on the need for prompt referral of cases of Female Genital Mutilation complication to the next level healthcare;
- 4.13 Give adequate resources and appropriate training to health workers at the primary, secondary and tertiary levels on
 - a. the problems of Female Genital Mutilation
 - b. its prevention
 - c. prohibition of the participation of medical person in the practice and
 - d. the management of its complications, including counseling and rehabilitation;
- 4.14 Strengthen the role of guidance counselors in school in supporting this policy;
- 4.15 Establish Technical Advisory Committees at Federal State and LGA levels on the elimination of Female Genital Mutilation;
- 4.16 Ensure that the Federal Ministry of Health coordinates and collaborates with the Advisory Committee to undertake resource mobilization programme planning, implementation, monitoring; evaluation;
- 4.17 Sensitize the mass media to the dangers and consequences of Female Genital Mutilation and the role in the accelerated elimination of the practice.

ROLES AND RESPONSIBILITIES OF PUBLIC AND PRIVATE SECTORS ON POLICY IMPLEMENTATION

The implementation of a National Policy for the Elimination of Female Genital Mutilation requires the active involvement of all tiers and agencies of government, the communities, the private sectors and non-governmental organizations. Technical Advisory Committees shall therefore be established at Federal, state and LGA levels.

5.1 FEDERAL LEVEL

The Federal Ministry of Health in collaboration with National Primary Healthcare Development Agency shall set up a Technical Advisory Committee on the elimination of Female Genital Mutilation in Nigeria and formulate intervention strategies where necessary. The Federal Technical Advisory Committee shall be composed of a representative of the following:

1. Federal Ministry on Health (Chairman)
2. Federal Ministry of Health/Women-in-Health Development Unit (Secretary)
3. Legal Adviser - Federal Ministry of Health
4. Federal Ministry of Women Affairs and Youth Development (Vice Chairman)
5. Federal Ministry of Justice
6. National Primary HealthCare Development Agency
7. Federal Ministry of Education
8. Nursing and Midwifery Council of Nigeria
9. Federal Ministry of Finance
10. Federal Ministry of Information and National Orientation
11. Universities/Specific Research – 3
12. Inter-African Committee on Traditional Practices (Nigeria) (Vice Chairman)
13. Medical Women Association of Nigeria
14. International Federation of Women Lawyers
15. Society of Obstetrics and Gynecology of Nigeria
16. National Orientation Agency

17. Federal Office of Statistics
18. National Association of Nigeria Nurses and Midwives
19. National Council for Women Societies
20. World Health Organization, UNICEF, UNIPA, UNDP other United Nations and interested development agencies
21. The Nigerian Union of Journalists
22. The Nigeria Police Force
23. Association of General and Private Medical Practitioners of Nigeria
24. Nigeria Medical Association
25. National Planning Commission
26. Federal Min. of Tourism & Culture
27. Other co-opted members

Technical Advisory Committee shall:

Ensure that members of the Technical Working Group understand Female Genital Mutilation issues, and promote and integrate the implementation of the policy within the mandate of their organization;

Sustain the dissemination of information on Female Genital Mutilation within the framework of women and girls health;

Support intervention programmes on the prevention, elimination and management of complications of Female Genital Mutilation;

Monitor, evaluate, and periodically review activities and strategies to ensure programme implementation;

Ensure that data on Female Genital Mutilation is integrated into the National Health Management Information System;

Submit progress report to meeting of the National Council on Health and National Council on Education;

Advocate for capacity building of the Health Education section of Federal Ministry of Health and other relevant institutions of the Federal Ministry of Education for the elimination of Female Genital Mutilation;

Ensure that the Federal Ministry of Health maintains a Data Bank on Female Genital Mutilation;

Ensure adequate provision in the national budget for the implementation of the plan of action;

Mobilize financial resources and technical support for the implementation of the plan of action to compliment Government effort;

Ensure liaison between the Federal Ministry of Health and relevant agencies of Federal, State, LOA, private sector and NOGs, on adequate coordination of Female Genital Mutilation programmes and their integration into development policies.

5.2 STATE LEVEL

State Ministries of Health shall:

- a. Set up Technical Advisory Sub-Committee on the elimination of Female Genital Mutilation with a representative each of the:
 - i. State Ministry of Health (Chairman)
 - ii. Primary Health Care Department/Women in Health Development Section
 - iii. State Ministry of Education
 - iv. Inter-Africa Committee on Harmful Traditional Practices (Secretary)
 - v. Ministry of Women Affairs (Vice Chairman)
 - vi. Government and Private Media
 - vii. State Chapter of Federation of Women Lawyers
 - viii. National Association of Nigeria Nurses
 - ix. National Union of Teachers
 - x. The Nigeria Police Force
 - xi. The Council of Traditional Rulers
 - xii. Youth Organizations
 - xiii. Association of Nigeria Circumcisers.
 - xiv. NPHCDA Zonal Technical Officer

The roles and responsibilities of the Technical Advisory Sub-Committee shall be to:

- 5.2.1 Adopt policies and legislation formulated by the Federal Government and implement the strategies therein;

- 5.2.2 Sustain the flow of information on Female Genital Mutilation within the framework of women's health;
- 5.2.3 Support intervention programmes on Female Genital Mutilation prevention, elimination and management of its complications at State and LGA levels;
- 5.2.4 Monitor, evaluate and review activities on elimination of Female Genital Mutilation;
- 5.2.5 Collaborate with individuals, groups and NGOs in programme implementation;
- 5.2.6 Encourage State Ministries of Education to integrate a manual on elimination of Female Genital Mutilation in school curricula;
- 5.2.7 Advocate the provision of funds in States annual budget for Female Genital Mutilation implementation;
- 5.2.8 Encourage coordination of all activities related to the plan of action;
- 5.2.9 Observe the declared day for Female Genital Mutilation Elimination

5.3 LGA LEVEL COMMUNITIES

The Local Government Council shall set up a Technical Advisory Sub-Committee consisting of a representative of the following:

- i. Department of Health (Chairman)
- ii. Department of Education
- iii. Women Development Office (Vice Chairman)
- iv. Inter-African Committee on Traditional Practices (Nigeria) (Secretary)
- v. Traditional Rulers
- vi. Religious Leaders
- vii. Community Leaders
- viii. Women Leaders
- ix. Traditional Birth Attendant (TBAs) and Volunteer Health Workers (VHWs)
- x. Youth Organizations
- xi. NGOs representing specific groups in the community
- xii. Community Development Committee
- xiii. Other co-opted members.

The Technical Advisory Committee shall;

- 5.3.1 Adopt policy and legislation formulated by the Federal/State level and implement the strategies therein;
- 5.3.2 Develop an implementation plan in consultation with the community.
- 5.3.3 Review and monitor on a continuous basis in consultation with the stakeholder;
- 5.3.4 Ensure data collection on incidence and management of Female Genital Mutilation;
- 5.3.5 Organize community outreach and education programmes on Female Genital Mutilation and its elimination;
- 5.3.6 Collaborate with Community Development Committees, Village Development Committees, traditional and religious heads, Traditional Birth Attendants/ Village Health Workers, Youth representatives, and women representatives in disseminating information on Female Genital Mutilation elimination;
- 5.3.7 Ensure education and training of all professionals working with the community on Female Genital Mutilation;
- 5.3.8 Promote initiatives on community support system for potential victims of Female Genital Mutilation;
- 5.3.9 Collaborate with individuals, groups and NGOs in resource mobilization and Programme implementation;
- 5.3.10 Advocate the provision of funds in the LGA annual budget, for Female Genital Mutilation elimination;
- 5.3.11 Assist in devising appropriate and efficient means for the enforcement of legislation and laws on Female Genital Mutilation.

5.4 THE PRIVATE SECTOR AND NON GOVERNMENTAL ORGANISATIONS

The involvement; and active participation of both public and private sector are essential for the successful elimination of Female Genital Mutilation as outlined in this policy.

The Private sector and Non-Governmental Organizations shall:

- 5.4.1 Participate actively in the campaign to eliminate Female Genital Mutilation;

- 5.4.2 Ensure that their activities align with the mandate of the Technical Advisory Committee;
- 5.4.3 Encourage community participation in the planning, implementation, monitoring and evaluation of Female Genital Mutilation elimination programme.

Chapter Six
RESEARCH

- 6.1 The Health Systems Research Unit of the Federal Ministry of Health and National Primary Health Care Development Agency shall collaborate with the Technical Advisory Committee in processing research proposals on Female Genital Mutilation. Priority shall be given to:
- 6.1.1 Collection, collation and dissemination of data on Female Genital Mutilation in each state;
 - 6.1.2 Relevant studies on the implications and consequences of Female Genital Mutilation;
 - 6.1.3 Studies on the psychological, socio-cultural and economic determinants of Female Genital Mutilation;
 - 6.1.4 Studies on appropriate methods of eliminating Female Genital Mutilation;
 - 6.1.5 Studies to determine appropriate methods of communicating messages on Female Genital Mutilation to different target groups

6.2 FUNDING MECHANISM

The community shall be the focus of Female Genital Mutilation Programmes. The Government, Non-Governmental Organizations; (NGOs) Women Organizations and Private Organizations shall collaborate and support the crusade to eliminate Female Genital Mutilation. Financial and other resources for the implementation and sustenance of the programme shall be provided by:

- 6.2.1 Federal Government: Federal Ministries of Health Education, Finance, Information and Culture Women Affairs and Youth Development, Nations Poverty Eradication Programme, National Centre for Women Development, and other relevant Federal Institutions;
- 6.2.2 State Government: State Ministries of Health, Education, Finance, Information and Culture, Women Affairs and Social Development, National Poverty Eradication Programme and other relevant State Institutions;
- 6.2.3 Local Government: Local Government Councils, and Community Based

Organizations:

- 6.2.4 The Private Sector/Non-Governmental Organizations: Oil Companies, Manufacturers Banks, Clubs, Societies, Women Organizations and individuals.
- 6.2.5 International Agencies: UNDP, UNICEF, WHO ,UNFPA, ILO, UNESCO, FORD FOUNDATION, UNIDO, DEPARTMENT FOR INTERNATIONAL DEVELOPMENT (D/FID), WORLD BANK UNIFEM, EU, as well as the Embassies and other interested international donor agencies.

6.3 MONITORING AND EVALUATION

- 6.3.1 Periodic monitoring of sectoral activities shall be carried out to ensure that sector meets targets. The Technical Advisory Committee in collaboration National Primary Healthcare Development Agency, Health Planning and Research Department of the Federation Ministry of Health and Federal Office of Statistics will develop indicators;
- 6.3.2 The Monitoring and Evaluation activities shall be carried out at Community, LGA, State and National levels;
- 6.3.3 The Federal Ministries of Health, Women Affairs and Youth Development, Education, Federal Office of Statistics, National Primary Healthcare Development Agency, National Planning Commission, Research Institutions, and Universities shall generate specific data to periodically assess achievements in the elimination of Female Genital Mutilation;
- 6.3.4 The Federal Ministry of Health shall have the over- all responsibility of compiling the reports of the activities of different sectors.

6.4 LEADERSHIP

- 6.4.1 The success of the National Policy on The Elimination of Female Genital Mutilation is strategic to the success of the goal of health development and human rights of girls and women in Nigeria.
- 6.4.2 It is therefore imperative that the Federal Ministry of Health, with full Government support assume the leadership role in the elimination of Female Genital Mutilation.



OBJECTIVE	STRATEGIES	ACTIVITIES	IMPLEMENTER AND LINKAGES	OUTPUTS	MONITORING INDICATORS	TIME FRAME	BUDGET
To strengthen the WHHD unit within the Ministries and Department of Health for effective coordination.	<ul style="list-style-type: none"> a. Identify needs and resources. b. Strengthen the linkages between Federal, State and LGA's 	<ul style="list-style-type: none"> a. Mobilization of needed resources, Funds, Office equipment, Procure 5 4WD vehicles (Federal and 4 pilot states and 16 motor cycles at LGA. b. Undertake needs assessment of WHHD coordinators at Federal, State and LGA levels for capacity building 	FMOH/ SMOW/ NPHCDA, FMWA & YD, WHO/ UNDS	<ul style="list-style-type: none"> 1. Coordinating unit strengthened and more functional. 2. resources mobilized. 3. resource centres established. 4. linkages established. 5. quarterly meeting initiated. 6. needs assessment report furnished 	<ul style="list-style-type: none"> a. Number and type of equipment procured. Number of project proposals written for resource mobilization. b. Existence of a prioritized needs assessment report at all levels. c. Existence of resource centre, regular reports on various activities 	June 2002 to December 2003.	<ul style="list-style-type: none"> a. 25 million b. 2 million c. 1 million



SECTION TWELVE

**ANTI-CORRUPTION LAW OF THE FEDERAL REPUBLIC
OF NIGERIA**

THE CORRUPT PRACTICES AND OTHER RELATED OFFENCES ACT 2000.

Address By:

His Excellency President Olusegun Obasanjo

**On the occasion of the formal signing into Law of the Corrupt Practices and
other related offences Act 2000 at Abuja. Tuesday 13 June 2000**

It gives me great pleasure to welcome you all to this very important and indeed historic moment in the life of our nation. It is our firm hope and belief that the signing into law of the Anti-Corruption Bill will mark a turning point in all the major aspects of our lives, individually, collectively, economically, politically and socially. During our campaign we promised total war against corruption. Corruption was identified as the number one enemy of development and progress. Combating corruption was easily the number one priority action for our Administration. Thus, no sooner than we got into office, this Bill became the one piece of legislation to be promptly sent to the National Assembly. As we all know, corruption is cankerworm that has eaten into the fabric of our society at every level. It has caused decay and dereliction within the infrastructure of Government and the society in physical, social and human terms.

Corruption has been responsible for the instability of successive governments since the First Republic. Every coup since then has been in the name of stamping out the disease called corruption. Unfortunately, the cure often turned out to be worse than the disease. And Nigeria has been the worse for it. Nigeria's external image took a serious bashing, as our beloved country began to feature on top of every corruption index. The crusade against corruption was a major plank of the PDP election manifesto and we relentlessly proclaimed this message during the campaign. We fully accept the overwhelming victory at the polls as a mandate to fight corruption to a standstill. We must tackle it head-on for our country to make any meaningful economic progress.

With corruption, there can be no sustainable development, nor political stability. By breeding and feeding on inefficiency, corruption invariably strangles the system of social organization. In fact, corruption is literally the anti-thesis of development and

progress. Of course, we real j/e that corruption covers a wide spectrum of acts and not just the simple act of giving and receiving of bribes. Corruption covers such act as:

- use of one's office for pecuniary advantage,
- gratification,
- influence peddling,
- insincerity in advice with the aim of gaining advantage,
- less than a full day's work for a full day's pay,
- tardiness and slovenliness.

We acknowledge that we may not be able to eradicate corruption in its totality overnight, but we can at least begin by laying down the foundation of a moral and ethical society. Ethics and morality are the norms of every decent society and we must being to acknowledge their importance in our own society as the bedrock on which a wholesome, efficient, just and prosperous entity can be built. It is worth noting that this Act makes it an offence to fail to report the offer of inducement in any form. Another aspect worth noting is that of the Office of a Special Counsel. This is a welcome dimension which was contributed by the National Assembly. The Special Counsel will be appointed by the Chief Justice, whose office and personality will not allow for frivolity, so there is no fear of abuse. I personally endorse the idea of a Special Counsel because it means that no Nigerian, from the President to the lowest peasant, is exempted from being investigated under this Law to a large extent, if faithfully, implemented this Act ought to substantially clean our society of the menace and evil of corruption. The society should be considerably sanitized by it. It is the toughest anti-corruption law in the history of our nation. It thus incorporates the spirit of national rebirth which is the driving principle of our Administration.

But let it be said here and now that grand corruption has always involved our foreign trading friends as well. Let it be known that this Anti-Corruption law demonstrates our unequivocal commitment to rid our land or corruption. We call our foreign friends please respect the laws or our land, and to understand our determination to improve the wholesomeness of our nation and society. We will show appreciation to friends who are 'willing to help and respect us. But we are not beholden to anybody in our

drive to put things right in our country. We will not mind whose ox is gored. We will not maintain double standard one for Nigerians and another for expatriates who may erroneously believe they are higher or better animals than Nigerians and could thus dictate to us or pressurize us to do what is wrong.

I thank the National Assembly for passing the bill. It is a landmark act that all Nigerians should be proud of am happy to sign it into law. I will now proceed with maximum dispatch to establish the Anti-Corruption Commission. I believe that the implementation of this Act will go a long way in purifying our society. I commend the spirit of this law to all Nigerians who desire to live in a sane, just, decent and progressive society.

I thank you. And may God bless you all.

SHORT TITLE COMMENCEMENT

- 1) This law may be cited as "*Corrupt Practices and Other Related Offences Act, 2000*" and shall come into force on Tuesday, the 13th day of June 2000

2) INTERPRETATION

Agent . means any person employed by or acting for another and includes an officer of a public body, or an officer serving in or under any public body, or a corporate body or any political party or institution, a trustee, an administrator or executor of the state of a deceased person, a sub-contractor, an) employed by or acting for such trustee, administrator, executor, or subcontractor.

Associate: in relation to a person includes any person who is an employee, agent nominee or representative, trustee, firm or incorporated company known to the directors or influence of such person.

Bank: means a bank, a finance company, a Commercial Bank, a merchant bank, or a discount house. licensed under the Banks and other Financial Institutions Decree, or any other financial institution established or licensed under any other written law.

Banker's book: includes ledgers, day books, cash books, account books and all other books and documents or electronic devices used in the ordinary course of business of a bank.

Business: means any activity carried on for the purpose of gain or profit and includes all property derived from or used in or for the purpose of carrying on such activity, and all the rights and liabilities arising from such activity.

Chairman means: the Chairman of the Commission appointed under section 3 (3) of this Act.

Commission: means the Independent Corrupt Practices and Other Related Offences Commission established under section 3 of this Act.

Constitution: means Constitution of the Federal Republic of Nigeria 1999.

Corporate body: means any legal entity artificial or otherwise recognized by the Companies and Allied Matters Act or created under the authority of any law in Nigeria.

Corruption: includes bribery, fraud and other related offences.

Dealing includes:

- a. any purchase, sale, loan, charge, mortgage lien, pledge, caveat, transfer, delivery, assignment, subrogation, transmission, gift, donation, trust, settlement, deposit, withdrawal, transfer between accounts, or extension of credit;
- b. any agency or grant of power of attorney; and
- c. any act which results in any right, title or privilege, whether present or future or whether vested or contingent, in the whole of or in part any property being conferred on any person.

False pretence: means any representation made by words, writing, or conduct, of a matter of fact, either past or present, which representation is false in fact, and which the person making it knows to be false or does not believe to be true.

Financial Institution means any body or institution which carries on any banking business or financial transactions whether lawfully or unlawfully as defined in the Banks and Other Financial Institutions Decree.

Gratification means

- a. money, donation, gift, loan, fee, reward, value security, property or interest in property being property of any description whether movable or immovable, or any other similar advantage, given or promised to any person with intent to influence such a person in the performance of his duties. Any offer, dignity, employment, contract of employment or services and any agreement to give employment or render services in any capacity.
- b. any payment, release, discharge or liquidation of any loan, obligation or other liability, whether in whole or in part.
- c. Any valuable consideration of any kind, any discount commission, rebate, bonus, deduction or percentage.

- d. Any forbearance to demand any money or monies worth or valuable thing. Any other service or favour of any description, such as protection from any penalty or disability incurred or apprehended or from any action or proceedings of a disciplinary, civil or criminal nature, whether or not, already instituted, and including the exercise or the forbearance from the exercise of any official power or duty: and
- e. Any offer, undertaking or promise, whether conditional or unconditional, of any gratification within the meaning of any of any of the preceding paragraphs (a) to (1).

Judge of Superior Court of Record means a judge holding any of the offices defined by section 6 (5) of the Constitution.

Local Government: has the meaning assigned to it in the Constitution of the Federal Republic of Nigeria.

Member means any member of the Commission appointed in accordance with section 3 of this Act.

Money Instrument includes coin or currency of Nigeria or any of any other country, Travelers' Cheque, personal cheque, bank cheque, money order, investment security or negotiable instrument in bearer form or otherwise in such form that title hereto passes upon delivery or upon delivery and endorsement.

An official means any director, functionary, officer, agent, servant, privy or employee serving in any capacity whatsoever in the public service or other public body, or any private organization, corporate body, political party, institution or other employment whether under a contract of services or otherwise and whether in an executive capacity or not.

Person includes a national person, or any body of persons corporate or incorporate.

Political party means any body of persons or association registered by the Independent National Electoral Commission as a political party under the political parties (Registration and Activities) Decree 1998 or any Act amending or replacing same and includes Associations granted provisional registration to contest any particular election.

President means The President of the Federal Republic of Nigeria.

Principal includes any employer, any beneficiary under a trust, any trust estate, any person beneficially interested in the estate or a deceased person, in the case of any person serving in or under a public body, the public body.

Property means real or personal property of every description, including money, whether situated in Nigeria or elsewhere, whether tangible, and includes an interest in any such real or personal Property.

Public Officer means a person employed or engaged in any capacity in the public service of the Federation, State or Local Government, public corporations or private company wholly or jointly floated by any government or its agency including the subsidiary of any such company whether located within or outside Nigeria and includes Judicial officers serving in Magistrate, Area/Customary courts or Tribunals.

Purchaser in good faith for valuable consideration means any transferee, assignee, chargee, mortgage, pledge, holder of a lien, or lease of any property where the transfer, assignment, charge, mortgage, pledge, lien, or lease was obtained by him for adequate consideration in money or money's worth, without notice that the property was obtained In consequence of the commission of any offence under this Act.

Relation includes father, mother, child, brother, sister, uncle, aunt and cousins where applicable and their spouses.

ESTABLISHMENT OF COMMISSION, APPOINTMENTS AND POWERS

- 3) Establishment of the Independent Corrupt Practices and other Related Offences Commission and appointment and appointment or Chairman and members of the Commission.
- 4) Appointment of other Officers of the Commission
- 5) Powers and immunities of Officers of the Commission
- 6) Duties of Officers of the Commission.
- 7) Standard Orders

Independent Corrupt Practices and other Related Offences Commission.

- 3 1) There is hereby established a Commission to be known as the Independent Corrupt Practices and other Related Offences Commission (hereinafter in this Act referred to as "the commission").
- 2) The Commission shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name.
- 3) The Commission shall consist of a Chairman and twelve (12) other members, two of whom shall come from each of the six geo-political zones:
 - a. a retired Police Officer not below the rank of Commissioner of Police;
 - b. a legal practitioner with at least 10 years post-call experience;
 - c. a retired Judge of a superior court of record;
 - d. a retired Public Servant not below the rank of a Director;
 - e. a woman;
 - f. a youth not being less 21 or more than 30 years of age at the time of his or her appointment;
 - g. a Chartered accountant.
- 4) The Chairman shall be a person who has held or is qualified to hold office as a Judge of a superior court of record in Nigeria;
- 5) Remuneration for members of the Commission must be determined by The National Revenue Mobilization, Allocation and Fiscal Commission.
- 6) The Chairman and members of the Commission which must be person of proven integrity shall be appointed by the President, upon confirmation by The Senate and shall not begin to discharge the duties of their offices until they have declared their assets and liabilities as prescribed in the Constitution of the Federal Republic of Nigeria.
- 7) The Chairman shall hold office for a period of five (5) years and may be reappointed for another five (5) years but shall not be eligible for reappointment thereafter. The other members of the commission may be

reappointed for another term of four (4) years but shall not be eligible for reappointment thereafter.

- 8) Notwithstanding the provisions of section 3(7) of this Act, the Chairman or any member of the Commission may at any time be removed from office by the President acting on an address supported by two-thirds (2/3) majority of the Senate praying that he be removed for inability to discharge the functions of his office (whether arising from infirmity of mind or body or any other cause) or for misconduct.
- 9) The Chairman or any member of the Commission may resign his appointment by notice in writing under his hand addressed to the President and the Chairman and that member shall on the date of the receipt of the notice of resignation by the President cease to be a member of the commission.
- 10) The Chairman and members of The Commission shall hold office on such terms and conditions as may be specified in their instruments of appointment, and in the exercise of their functions, they shall not be subject to any other authority except as provided by the Act.
- 11) The tenure of office and conditions of service of the staff of the Commission shall, subject to the provisions of this Act, be determined by the Commission.
- 12) The Commission shall have power to appoint, dismiss and exercise disciplinary control over its staff and for this purpose shall prescribe its own rules.
- 13) The Commission shall have power to appoint, designate and deploy such number and category of officers which, in the opinion of the Commission, shall be required to assist it in the discharge of all or any its functions and have power to pay persons so employed such remuneration (including allowances) as is in accordance with section 3(12).
- 14) The Commission shall in the discharge of its functions under this Act not be subject to the direction or control of any other person or authority.

- 4 1) In officer pursuant to this Act shall have such powers as may be conferred upon him under this Act and shall be subject to the direction, control and supervision of the Chairman or any other officer of the Commission superior to him in rank, and shall exercise his powers and discharge his duties compliance with such directives or instructions as may be given by the Chairman or such other officer as aforesaid.
- 2) The Chairman and any four (4) members of the Commission shall constitute a quorum.
- 3) Every member of the Commission shall, before assuming the duties of his office, subscribe to the oath prescribed in the Federal Republic of Nigeria for public officers.
- 4) Service in the Commission shall be approved service for the purposes of the Pensions Act.
- 5) Every Officer of the Commission, when discharging the duties of his office, shall, on demand, declare his office and produce to the person against whom he is acting or from whom he seeks any information, evidence of his identity issued by the Commission.
- 6) There shall be a Secretary to the Commission appointed by the President who under the general direction of the Chairman, shall be responsible for keeping the records of the Commission.
- 7) There shall be appointed such number of Commissioners, Deputy Commissioners, Assistant Commissioners, Superintendents, Assistant Superintendents, Senior Investigators of the Commission as may be necessary for the purpose of carrying into effect the provision of this Act.
- 8) An officer appointed under subsection (6) shall have such powers as may be vested in him under this Act and shall be subject to the direction, control and supervision of the Chairman or any other superior officer of the Commission and shall exercise his powers, and discharge his duties in compliance with such directives as may be given orally or in writing by the Chairman or any other superior officer of the Commission.

- 5 1) Subject to the provisions of this Act, an officer of the Commission when investigating or prosecuting a case of corruption, shall have all the powers and immunities of police officer under the Police Act and any other laws conferring power on the Police, or empowering and protecting law enforcement agents.
 - 2) If, in the course of any investigation or proceedings in court in respect of the Commission of an offence under this Act by any person there is disclosed an offence under any other written law, not being an offence under this Act, irrespective of whether the offence was committed by the same person or any other person, the officer of the Commission responsible for the investigation or proceedings, as the case may be; shall notify the Director of Public Prosecutions or any other officer charged with responsibility for the prosecution of criminal cases, who may issue such direction as shall meet the justice of the case.
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- 6 1) It shall be the duty of the Commission
 - a. Where reasonable ground exists for suspecting that any person has conspired to commit or has attempted to commit or has committed an offence under this Act or any other law prohibiting corruption to receive and investigate any report of the conspiracy to commit, attempt to commit or the commission of such offence and, in appropriate cases the offenders;
 - b. to examine the practices, systems and procedures of public bodies and where, in the opinion of the Commission, such practices, systems or procedures aid or facilitate fraud or corruption, to direct and supervise a review;
 - c. to instruct, advise and assist any officer, agency or parastatal on ways by which fraud or corruption may be eliminated or minimized by such officer, agency or parastatal;
 - d. to advise heads of public bodies of changes in practices, systems or procedures compatible with effective discharge of the duties of the

public bodies as the Commission thinks fit to reduce the likelihood or incidence of bribery, corruption, and related offences;

- e. to enlist and foster public support in combating corruption;
- 6
- 1) The Chairman may issue administrative orders to be called "Standing Orders", which shall conform with the provision on the general control, training, duties and responsibilities of officers of the Commission, and for such other matters as may be necessary or expedient for the good administration of the Commission and to ensure the efficient and effective functioning of the Commission;
 - 2) The Commission may establish one or more branch offices in each State of the Federation and Federal Capital Territory, Abuja to carry out its functions under this Act;
 - 3) There may be in each State of the Federation and the Federal Capital Territory, Abuja, a Resident Anti-Corruption Commissioner appointed by the Commission.

OFFENCES AND PENALTIES

- A. Offence of accepting gratification,
- B. Offence of giving or accepting gratification through agent,
- C. Acceptor or giver of gratification to be guilty notwithstanding that purpose was not carried out or matter not in relation to principal's affairs or business,
- D. Concealing offences relating to corruption,
- E. Fraudulent acquisition of property,
- F. Fraudulent receipt of property,
- G. Penalty for offences committed through postal system,
- H. Deliberation frustration of Investigation by the Commission,
- I. Making false statement or return,
- J. Gratification by and through Agents and Definition of agent,
- K. Bribery of Public Officer,
- L. Using Office or position for gratification,
- M. Forfeiture of gratification and other penalties,

- N. Bribery in relation to auctions,
- O. Bribery for given assistance etc in regard to contracts,
- P. Duty to report bribery transactions,
- Q. Dealing with property acquired through gratification,
- R. Making false or misleading statements to the Commission,
- S. Attempt, Conspiracy punishable as offences.

8 1) **Any person who corruptly**

- a. asks for, receives or obtain any property or benefit of any kind for himself or for any other person; or
- b. agrees or attempts to receive or obtain any property or benefit of any kind for himself or for any other person, on account of:
 - ii. anything already done or omitted to be done, or for any favour or disfavor already shown to any person by himself in the discharge of his official duties or in relation to any matter connected with the functions, affairs or business or Government Department, or institution in which is serving as an official: or
 - iii. anything to be afterwards done or omitted to be done, or any favour or disfavour to be afterwards shown to any person, by himself in the discharge or his official duties or in relation to any such matter as aforesaid is guilty, of an offence of official corruption and is liable to imprisonment for seven (7) years,

2) If in any proceedings for an offence under this section it is proved that any property or benefit or any kind, or any promise thereof was received by a public officer, or by some person at the instance of a public officer from a person;

- a. holding or seeking to obtain a contract, license, permit, employment or anything whatever from a Government department, public body or other organization or institution in which that public officer is serving as such;
- b. concerned, or likely to be concerned, in any proceeding or business transacted, pending or likely to be transacted before or by that public

officer or government department, public body or other organization or institutional in which that public officer is serving as such:

- c. acting on behalf of or related to such a person; the property, benefit or promise shall, unless the contrary is proved, be presumed to have been received corruptly on account of such a past or future act, omission, favour or disfavour as is mentioned in subsection (1)(a) or (b).
- 3) In any proceedings for an offence to which subsection (1)(b) is relevant, it shall not be a defence to show that the accused
 - a. did not subsequently do, make or show the act, omission, favour or disfavour in question; or
 - b. never intended to do, make or show the act, omission, favour or disfavour.
 - 4) Without prejudice to subsection (3), where a Police Officer or other public officers whose duties include the prosecution, detention or punishment of offenders is charged with an offence under this Section arising from-
 - a. the arrest, detention or prosecution of any person for an alleged offence-
or
 - b. an omission to arrest, detain or prosecute any person for alleged offence;
or
 - c. the investigation of an alleged offence, it shall not be necessary to prove that the accused believed that the offence mentioned in paragraphs (a) (b) (c), or any other offence had been committed.
- 9 1) Any person who corruptly
 - a. gives, confers or procures any property or benefit of any kind to, on or for a public officer or to, on or for any other person; or
 - b. promises or offers to give, confers, procures or attempt to procure any property or benefit of any kind to, on or for a public officer or any other person on account of any such act, omission, favour or disfavour to be done or shown by the public officer is guilty of an offence of official

corruption and shall on conviction be liable to imprisonment for seven (7) years.

- 2) If in any proceedings for an offence under this section, it is proved that any property or benefit of any kind, or any promise thereof was given to a public officer or some other person at the instance of a public officer by a person.
- a. holding or seeking to obtain a contract, license, permit, employment or any thing whatsoever from a Government department, public body or other Organization or institution in which that public officer is serving as such or
 - b. concerned or likely to be concerned in any proceeding or business transacted, pending or likely to be transacted before or by that public body or other organization or institution in which that public officer is serving as such, or
 - c. acting on behalf of or relative to such a person, the property, benefit or promise shall, unless the contrary is proved, be deemed to have been given corruptly on account of such a past or future act, omission, favour or disfavour as is mentioned in section 9(1) and (2).

10) **Any person who**

- a. asks for, receives or obtains property or benefits of any kind for himself or any other person; or agrees to or attempts to receive or obtain any property or benefit of any kind for himself or any other person; on account of:
 - i. anything already done or omitted to be done, or any favour or disfavour already shown to any person, by a public officer in the discharge of his official duties or in relation to any matter connected with the functions, affairs or business of a Government Department, public body or other organization or institution in which the public officer is serving as such; or
 - ii. anything to be afterwards done or omitted, or any favour or disfavour to be afterwards shown to any person, by a public officer in the

discharge of his official duties or in relation to any such matter as aforesaid, is guilty of an offence of official corruption and shall on conviction be liable to imprisonment for seven (7) years.

- 11) In any proceedings for an offence under this Act it shall not be necessary to prove that:
 - a. any public officer counseled the commission of the offence; or in the course of committing the offence the accused mentioned any particular public officer; or
 - b. (in a case to which sections 8,9, & 10 is relevant) the accused believed that any public officer would do, make or show the act, omission, favour or disfavour in question; or
 - c. the accused intended to give the property or benefit in question, or any
 - d. part thereof, to a public officer.
- 12) Any person who, being employed in the public service, knowingly acquires or holds, directly or indirectly, otherwise than as a member of a registered joint stock company consisting of more than twenty (20) persons, a private interest in any contract, agreement or investment emanating from or connected with the department or office in which he is employed or which is made on account of the public service, is guilty of an offence, and shall on conviction be liable to imprisonment for Seven (7) years.
- 13) Any person who receives anything, which has been obtained by means of act constituting a felony or misdemeanor, or by means of any act done at a place outside Nigeria, which if it had been done in Nigeria would have constitute a felony or misdemeanor and which is an offence under the laws in force in the place where it was done, knowing the same to have been so obtained, is guilty of a felony.
- 14) If the offence by means of which the thing was obtained is a felony, the offender shall on conviction be liable to imprisonment for three (3) years, except the things so obtained was postal matter, or any chattel, money or

valuable security contained therein, in which case the offender shall on conviction, be liable to imprisonment for seven (7) years.

15) Any person who, with intent to defraud or conceal a crime or frustrate the Commission in its investigation of any suspected crime of corruption under this Act or under any other law:

- a. destroys, alters, mutilates, or falsifies, any book, document, valuable security, account, computer system, diskette, computer printout or other electronic device which belongs to or is in the possession of his employer, or has been received by him on account of his employment or any entry in any such book, document accounts or electronic device, or is privy to any such act; or makes, or is privy to making any false entry in any such book, document account or electronic record;
- b. omits, or is privy to omitting, any material particular from any such book, document account or electronic record: is guilty of a felony, and shall on conviction be liable to seven (7) years imprisonment.

16) Any person who, being an officer charged with the receipt, custody, use or management or any part of the public revenue or property, knowingly furnishes any false statement or return in respect of any money or property received by him or entrusted to his care, or of any balance of money or property in his possession or under his control, is guilty of an offence, and shall on conviction be liable to seven (7) years imprisonment.

17) 1 Any person who corruptly

- a. accepts, obtains or agrees to accept or obtain or attempts to obtain from any person for himself or for any other person, any gift or consideration as an inducement or reward for doing, forbearing to do or for having done or to do, any act or thing;
- b. gives or agree to give or offers any gift or Consideration to any agent as an inducement or reward for doing or forbearing to do, or for having done, or forborne to do, any act or thing in relation to his principal's affairs or business;

c. knowingly gives to any agent, or being an agent knowingly uses with intent to deceive his principal, any receipt, account or other document in respect of which the principal is interested and which contains any statement which is false or erroneous or defective in any material particular, and which, to his knowledge, is intended to mislead his principal or any other person is guilty of an offence and shall on conviction be liable to five (5) years imprisonment;

2 For the purposes of this section, the expression "consideration" includes valuable consideration of any kind; the expression "agent" includes any person employed by or acting for another; and the expression "principal" includes an employer.

18) Any person who offers to any public officer, or being a public officer solicits, counsels or accepts any gratification as an inducement or a reward for:

- a. voting or abstaining from voting at any meeting of the public body in favour or against any measure, resolution or question submitted to the public body;
- b. performing or abstaining from performing or aiding in procuring, expediting, delaying, hindering or preventing the performance of any official act;
- c. aiding in procuring or preventing the passing or any vote or the granting of any contract award, recognition or advantage in favour of any person; or
- d. showing or forbearing to show any favour or disfavour in his capacity as such officer, shall, notwithstanding that the officer did not have the power, right or opportunity so to do, or that the inducement or reward was not in relation to the affairs of the public body, be guilty of an offence and shall on conviction be liable to five (5) years imprisonment with hard labour.

19) Any public officer who uses his office or position to gratify or confer any corrupt or unfair advantage upon himself or any relation or associate of the

public officer or any other public officer shall be guilty of an offence and shall on conviction be liable to imprisonment for five (5) years without option of fine.

- 20) Without prejudice to any sentence of imprisonment imposed under this Act, a Public Officer or other person found guilty of soliciting, offering or receiving gratification shall forfeit the gratification and pay a fine of not less than five times the sum or value of gratification which is capable of being valued or is of a pecuniary nature, or ten thousand Naira, whichever is the higher.
- 21) 1. Any person who, without lawful authority or reasonable excuse, offers any advantage to any other person as an inducement to or reward for or otherwise on account of that other person's refraining or having refrained from bidding at auction conducted by or on behalf of any public body, shall be guilty of an offence.
2. Any person, without lawful authority or reasonable excuse, solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his refraining or having refrained from bidding at any auction conducted by or on behalf of any public body, shall be guilty of an offence.
3. Any person guilty of an offence under this section shall on conviction or indictment to a fine of the current Price of the property and imprisonment for three (3) years.
- 22) 1. Any person who, without lawful authority or reasonable excuse, offers an advantage to a public servant as an inducement to or reward for or otherwise on account of such public servant's giving assistance or using influence in or having given assistance or used influence in:
- a. the promotion, execution, or procuring of:
- i. any contract with a public body for the performance of any work, the provision of any service, the doing of any thing or the supplying of any article, material or substance; or

- ii. any subcontract to perform any work, provide any article, material or substances required to be performed, provided, done or supplied under any contract with a public body; or
 - b. the payment of the price, consideration or other money stipulated or otherwise provided in any such contract or sub-contract as aforesaid, shall be guilty of an offence.
- 2 Any public servant who, without lawful authority or reasonable solicits or accepts any advantage as an inducement to or reward for or otherwise on account of his giving assistance or using his influence in, or having given assistance or used influence in:
- a. the promotion, execution or procuring of, or
 - b. the payment of the price, consideration; or
 - c. other money stipulated or otherwise provided for in, any contract, or subcontract as is referred to in sub-section (1) shall be guilty of an offence.
- 3 Any public officer who in the course of his official duties, inflates the price of any goods or service above the prevailing market price or professional standards shall be guilty, of an offence under this Act and liable on conviction to imprisonment for term of seven (7) years and a fine of one million Naira.
- 4 Any public officer who, in the discharge of his official duties, awards or signs any contract without budget provision, approval and cash backing, shall be guilty of an offence under this Act and on conviction be liable to three (3) years imprisonment and a fine of one hundred thousand Naira.
- 5 Any public officer who transfers or spends any sum allocated for a particular project, or service, on another project or service, shall be guilty of an offence under this Act and on conviction be liable to one (1) year imprisonment or a fine of fifty thousand Naira.

by such Public Officer of the duties of his office, any statement which to the knowledge of the person making the statement, or causing the statement to be made.

- a. is false, or intended to mislead or is untrue in any material particular or
 - b. is not consistent with any other statement previously made by such person to any other person having authority or power under any law to receive, or require to be made such other statement notwithstanding that the person making the statement is not under any legal or other obligation to tell the truth, shall be guilty of an offence and shall on conviction be liable to a fine not exceeding one hundred thousand Naira or to imprisonment for a term not exceeding two (2) years or to both such fine and imprisonment.
- 2 Where any person who has made a statement to an officer of the Commission or to the Attorney General in the course of such officer or Attorney General exercising any power conferred by this Act subsequently there to makes any other statement to any made such other statement regardless of whether or not the person making the statement is under a legal or other obligation to tell the truth, he shall, if such other statement is inconsistent with any statement previously made to an officer of the commission or such other Public Officer, be guilty of an offence and shall on conviction be liable to a fine not exceeding ten thousand Naira or to imprisonment for a term not exceeding two years or to both.
- 3 For the avoidance of any doubt it is declared that for the purpose of subsection (1) and (2), any statement made in the course of any legal proceedings before any court, whether civil or criminal, or any statement made by any person in the course of any disciplinary proceedings are against the person making the statement or against any other person, shall be deemed to be a statement made to a person having authority or power under the law to receive the statement so made.

- 26) 1. Any person who:
- a. attempts to commit any offence under this Act;
 - b. does any act preparatory to or in furtherance of the commission of any offence under this Act or
 - c. abets or is engaged in a criminal conspiracy to commit any offence under this Act.
 - d. Commits any offence under this Act,
Shall be guilty of an offence and shall, on conviction, be liable to the punishment provided for such offence.
2. Prosecution for an offence under this Acts shall be initiated by the Attorney General of the Federation, or any person or authority to whom he shall delegate his authority, in any superior court of record so designated by the Chief Judge of a State or the Chief Judge of the Federal Capital Territory, Abuja under section 60(3) of this Act. Every prosecution for an offence under this Act or any other law prohibiting bribery, Corruption, fraud or any other related offence shall be deemed to be initiated by the Attorney General of the Federation.
3. A prosecution for an offence shall be concluded and judgement delivered within ninety (90) working days of its commencement save that the jurisdiction of the court to continue to hear and determine the case shall not be affected where good grounds exist for a delay.

INVESTIGATION, SEARCH, SEIZURE AND ARREST

4. Power to investigate reports and enquire into information
5. Power to Examine Persons
6. Power to summon persons for examination Form and endorsement of summons Service of summons
7. Substituted service
8. Acknowledgement of service
9. Punishment for evasion of service
10. Failure to appear after receipt of summons

11. Authority to issue warrant and to search premises
12. Seizure of property
13. Custody of seized property
14. Disclosure of otherwise privileged information
15. Legal obligation to give information
16. Obstruction of inspection and search
17. Bail of offenders and release of property

- 27) 1. Every report relating to the commission of an offence under this Act may be made orally or in writing to an officer of the Commission, and if made orally shall be reduced into writing and read over to the person making the report; and every such report, shall be signed or thumb-printed by the person making it. Where the person making the report is an illiterate the officer obtaining the report shall endorse that fact on the report together with a statement to the effect that it was read over and interpreted to the maker.
2. Every report, whether in writing or reduced into writing, shall be entered in a book kept at the office of the Commission and there shall be appended to such entry the date and hour at which such report was made.
3. Where an Officer of the Commission has reason to suspect the commission of an offence under this Act following a report made under sub-section (1) or information otherwise received by him, he shall cause investigation to be made and for such purpose may exercise all the powers of investigation provided for under this Act or any other law.
4. A report made under subsection (1) of this section shall not be disclosed by any person to any person other than officer of the Commission or the Attorney General until the accused person has been arrested or charged to court for an offence under this Act or any other written law arising from such report.
5. Any document certified by any officer of the Commission entry under subsection (2) in respect of a report under subsection (1) shall be

admissible as evidence of the contents of the original and of the time, place and manner in which the report was recorded.

- 28) 1 An officer of the Commission investigating an offence under this Act may:
- a Order any person to attend before him for the purpose of being examined in relation to any matter which may, in his opinion, assist in the investigation of the offence;
 - b Order any person to produce before him any book document or any certified copy thereof, or any other article which may, in his opinion, assist in the investigation of the offence; or
 - c By written notice require any person to furnish a statement in writing made under oath or affirmation setting out therein all such information required under the notice, being information which, in such officer's opinion, would be of assistance in the investigation of the offence.
- 2 Paragraph (1)(b) shall not apply to banker's books save in accordance with the provisions of the Evidence Act.
- 3 A person to whom an order under paragraph (1)(a) has been given shall:
- a attend in accordance with the terms of the order to be examined, and shall continue to attend from day to day where so directed until the examination is completed; and
 - b during such examination disclose all information which is within his knowledge.
4. A person to whom an order has been given under paragraph (1)(b) shall not conceal, destroy, alter, remove from Nigeria, or mutilate, expend or dispose of any book, document, or article specified in the order or relevant to the investigation, or alter to deface any entry in such book or document, or cause such act to be done, or assist or conspire to do such act.
5. A person to whom a written notice has been given under paragraph (1)(c) shall, in his statement furnish and disclose truthfully all information

- required under the notice which is within knowledge, or which is available to him.
6. A person to whom an order or a notice is given under subsection (1) shall comply with such order or notice and with subsection (3), (4) and (5).
 7. Where any person discloses any Information or produces any book, document or article pursuant to subsection (1), (3) and (5), neither the first-mentioned person, nor any other person on whose behalf or direction or as whose agent or employee the first-mentioned person may be acting shall, on account of such disclosure or production, be liable to any prosecution, except a prosecution for an offence relating to the violation of section 1 or for any offence under or by virtue of any written law, or to any proceeding or claim by any person under or by virtue of any law or under or by virtue of any contract agreement or arrangement, or otherwise.
 8. An officer of the Commission examining a person under section 26 of this Act, shall record in writing any statement made by the person and the statement so recorded shall be read over to the maker who on being satisfied that it is a true record of his statement shall sign same before a superior officer of the omission. Where such person refuses to sign the fact of such refusal and the reasons there for, if any, stated by the person examined. Any person who shall write for a person who is an illiterate shall also write on such document his own name and address as the writer of the document.
 9. The record of an examination under section 26, a written statement on oath or affirmation made pursuant to or any book, document or article produced under section 26, or otherwise in the course of an examination under section 27, or under a written statement on oath or affirmation made pursuant to section 26 and 27 shall notwithstanding any written law or rule of law to the contrary, be admissible in evidence in any proceedings in any court:

- a for an offence under this Act; or
- b for the forfeiture of any property pursuant to section 46 or 47 notwithstanding that such proceedings are against the person who was examined, or who produced the book, document or article, of who made the written statement on oath or affirmation, or against any other person.

10 Any person who contravenes this section shall be guilty of an offence punishable with a term of imprisonment not exceeding 3 months.

- 29) Subject to the provisions of sections 29 to 34 of this Act the Commission may issue a summons directed to a person complained against or any other person to attend before the Commission for the purpose of being examined in relation to the complaint or in relation to any other matter which may aid or facilitate the investigation of the complaint. A summons so issued shall state the substance of the complaint, and the time and place at which the inquiry is to be held.
- 30) Every summons issued by the Commission under this Act shall be in duplicate and signed by the Chairman or such other officer as the Chairman may authorize to issue summons.
- 31) Every summons under this Act shall be served by an officer of the Commission in the manner prescribed in the Sheriffs and civil process Act and any other laws relating to the service of process and the person, effecting the service and exercise all the powers conferred by the law and any other law relating to the service of process.
- 32) Where the person summoned by the Commission is in the service of Government the Commission may deliver the summons in duplicate to the Head of the Department in which such person is employed for the purpose of its being served on that person and such officer shall thereupon cause the summons to be served on that person.

- 33) Where a summons has been served upon a person to whom it is addressed or is delivered to any other person, the person to whom it is addressed or delivered as the case may be, shall sign a receipt therefore on the duplicate. Where service is not effected by handing the summons to an individual but by some other method approved by this Act, the person effecting service shall endorse on the duplicate particulars of the method by which the service was effected.
- 34) A person required to sign a receipt on the back of the duplicate summons to the effect that he has received the summons who refuses to do so may be arrested by the person serving the summons and shall be guilty of an offence and upon conviction be liable to one month imprisonment or five thousand Naira option of fine.
- 35) Where the Commission is satisfied that a summons directed to a person complained against or any person has been served and that person does not appear at the time and place appointed in the summons, the Commission shall have power to arrest and detain any such person, until the person complies with the summons.
- 36) (1) Whenever it appears to the Chairman upon information, and after such inquiry as he shall think necessary, that there is reasonable cause to suspect that in any place there is any evidence of the commission of any offence under this Act he may by written order direct an officer of the Commission to obtain a court order to:
- a enter any premises and there search for, seize and take possession of any book, document or other article evidencing the commission of such offence;
 - b inspect make copies of, or take extracts from any book, record or document;
 - c search any person who is in on such premises, and for the purpose of such search detain such person and remove him to such place as may be

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necessary to facilitate such search, and seize and detain any article found on such person;

d break open, examine, and search any article, container or receptacle; or (e) stop search; and seize any vehicle or conveyance.

2 Whenever it is necessary so to do, an officer of the Commission exercising any power under subsection (1) shall obtain a warrant from a judge or magistrate to;

a break open any outer or inner door or window of any premises and enter thereto, or otherwise forcibly enter the premises and every part thereof.

b remove by force any obstruction to such entry search, seizure or removal as he is empowered to effect; or

c detain any person found in or on any premises or in any conveyance search under subsection (1), or until such premises or conveyance has been searched.

3 No person shall be searched under this section or under section 35 except by a person who is of the same gender as the person to be searched.

37) 1 If in the course of an investigation into an offence under this Act any officers of the Commission has reasonable grounds, to suspect that any movable or immovable property is the subject matter' of an offence or of evidence relating to the offence he shall seize such property.

2 A list of all movable or immovable property seized pursuant to subsection (1) and of the places in which they are respectively found shall be prepared by the officer of the Commission effecting the seizure and signed by him.

3 A copy of the list referred to in subsection (2) shall be served on the owner or such property or on the person from whom the property was seized as soon as possible.

- 4 Where any movable or immovable property liable to seizure under subsection (2) is in the possession, custody or control of a bank, subsections (1), (2) and (3) shall not apply thereto and the seizure shall be effected in the manner provided for in section 35 and 42.
- 38) Where any movable property is seized under this Act, the seizure shall be effected by removing the movable property from the custody or control of the person from whom it is seized and placing it under the custody of such person or authority and at such place as an officer of the Commission may determine.
- 2 Where it is not practicable, or it is otherwise not desirable, to effect removal of any property under subsection (1), the officer referred to in that subsection may leave it at the premises in which it is seized under the custody of such person as he may detail for the purpose.
- 3 Notwithstanding subsection (1), when any movable property, including any movable property referred to in subsection (6), has been seized under this Act, an officer of the Commission other than the officer who effected the seizure, may in his direction'
- a temporarily return the movable property to the owner thereof, or to the person from whose possession, custody or control it was seized, or to such person as may be entitled thereto, subject to such terms and conditions as may be imposed,' and subject in any case, to sufficient security being furnished to ensure that the movable property shall be surrendered on demand being made by the officer who authorized the release or any other officer of the Commission and that such terms and conditions, if any shall be compiled with; or
 - b return the movable property to the owner thereof, or to the person from whose possession, custody, or control it was seized, or to such person as may be entitled thereto, with liberty for the person to whom the movable property is so returned to dispose of the property, such return being subject to security being furnished in

an amount not less than an amount which, represents the open market value of such property on the date on which it is so returned.

- 4 Where any person to whom movable property is temporarily returned under paragraph (3)(a) fails to surrender such property on demand or to comply with any term or condition imposed under that paragraph:
 - a. the security furnished in respect of such property shall be forfeited; and
 - b. that person shall be guilty of an offence and shall on conviction be liable to a fine of not less than two times the amount of the security furnished by him, and to imprisonment for a term not exceeding two years.
- 5 Where an order of forfeiture is made by the court in respect of property returned under paragraph (3)(b), such forfeiture shall be effected by forfeiting the security furnished by the person to whom the property was returned in lieu of the property.
- 6 When any movable property seized under the Act consists of money, shares, securities, stocks, debentures or any chose in action, in the possession or under the custody or control of any person other than the person against whom the prosecution is intended to be taken, the seizure shall be effected by an officer of the Commission serving an order on such person
 - a prohibiting him from using, transferring, or dealing with such property; or
 - b requiring him to surrender the property to an officer of the commission in the manner and
- 7 Where any movable property seized is liable to decay or deteriorate, or is property which cannot be maintained without difficulty, or which it is not practicable to maintain, and which cannot be dealt with under subsection (3), an officer of the Commission may sell or cause such property to be sold at the prevailing market value and shall hold the

proceeds of the sale, after deducting there from the costs and expenses of the maintenance and of the sale of the property. to abide by the result of any proceedings under this Act;

- 39) Notwithstanding the provision of any other written law a judge of the High Court may, on application made to him in relation to an investigation into any offence under this Act or any other law prohibiting corruption, order a legal practitioner to disclose information available to him in respect of any transaction or dealing relating to any property which is liable to seizure under this Act provided that no court shall require an advocate or solicitor to disclose any privileged information or communication which came to his knowledge for the purpose of prosecuting any pending proceeding.
- 40) Subject to such limitation as is provided under this Act, every person required by an officer of the Commission to give any information on any subject which it is the duty of such officer to inquire into under this Act and which it is that person's statutory power to give, shall be legally bound to give information, failing which shall be guilty of an offence on conviction liable to imprisonment for six (6) months or a fine of (N 10,000.00) ten thousand Naira.
- 41) **Any person who:**
- a refuse any officer of the Commission access to any premises, or fails to submit to a search by a person having authorized to search hi under this Act.
 - b assaults, or obstructs any officer of the Commission or any person authorized by the Commission in the execution of his duty under this Act.
 - c Fails to comply with any lawful demand, notice, order requirements of an officer of the Commission in the execution of his duty under this Act.
 - d Fails to produce or conceals or attempts to conceal from, an officer of the Commission any book, document, or article, in relation to which such officer has reasonable grounds for suspecting or believing that an

- offence under this Act or any other law prohibiting corruption has been or is being committed, or which is liable to seizure under this Act
- e Rescues or endeavours to rescue or causes to be rescued any person who has been duly arrested or anything which has been duly seized; or
 - f Destroys anything to prevent the seizure therefore, or the securing of the thing, shall be guilty of an offence punishable with imprisonment for one year without option of fine.
- 42) 1 Every offence under this Act shall be bailable offence for the purpose of the Criminal procedure Act/Code.
- 2 Every person arrested under subsection (1) may be released from custody.
- a on his executing a bond with sureties, as an officer of the Commission may require;
- 3 Any person who has been released from custody under subsection (2) may be rearrested without warrant by any officer of the Commission.
- a if such officer has reasonable grounds for believing that any condition on or subject to which such person was released or otherwise admitted to bail has been or
 - b on being notified in writing by the surety or sureties of such person that such person has broken or is likely to break any condition on or subject to which such person was released and that the surety wished to be relieved of his obligation as surety.
- 4 Any person arrested under subsection (3) who is not released on bail shall, without unreasonable delay, and in any case within twenty-four hours (excluding the time for any necessary journey) be produced before the Court and if it appears to the Court any condition on or subject to which such person was released or otherwise admitted to bail has been or is likely to be broken, the court may:
- a remand such person in custody; or

- b admit such person to bail on the same conditions or on such other conditions as it thinks fit.
- 5 Where a person who is arrested for an offence under this Act is serving a sentence of imprisonment or is in detention under any law relating to preventive detention, or is otherwise in lawful custody, he shall, upon an order in writing by an officer of the Commission be produced before such officer or before any other officer of the Commission for the purpose of investigation and for such purpose he may be kept in lawful custody for a period not exceeding fourteen days.
- 6 A person who is detained in lawful custody under subsection (5) or otherwise under any other written law may, at any time, be made available to an officer of the Commission for the purpose of investigation, or may be taken to any other place for the purpose of searching the place, or seizing any property or identifying any person or for any other purpose related to the investigation.
- 7 The period during which a person is under lawful custody under subsection (6) shall count towards the period of his imprisonment detention or other custody.

PROVISIONS RELATING TO CHAIRMAN OF THE COMMISSION

8. Investigation of share, account and property etc
9. Chairman's powers to obtain information
10. Seizure of movable property in bank
11. Prohibition of dealing with property outside Nigeria. Forfeiture of property upon prosecution for an offence.
12. Forfeiture of property where there is no prosecution for an offence.
13. Dealing with property after seizure to be null and void. Surrender of travel document.
14. Chairman's powers to demand to amend or revoke any order of notice
Independent Counsel to investigate the President, Vice President, etc.

- 43) 1 Notwithstanding the provisions of any other written law or any rule of law, the Chairman of the Commission, shall upon a court order direct in writing, for the purpose of any investigation into an offence under this Act or any other law prohibiting corruption, and upon a court order authorize any bank or financial institution specified in the authorization, all the powers of investigation set out in subsection (2).
- 2 An officer of the Commission authorized under subsection (1) may, in relation to the bank or financial institution in respect of which he is so authorized:
- a inspect and take copies of any banker's books, bank accounts or any documents belonging to or in the possession, custody or control of the bank or financial institution including computer data, disks, diskettes, printouts and any other electronic medium by which information or data is stored;
 - b inspect and take copies of any share accounts purchase accounts, expense accounts or any other accounts of any person kept in the bank;
 - c inspect the contents of any safe deposit box in the bank; or
 - d request for any other information related to any documents accounts or articles referred to in paragraphs (a), (b) and (c).
3. Notwithstanding anything in subsection (2), an officer of the Commission authorized under subsection (1) may take possession of any books, documents, accounts, titles, securities or cash to which he has access under that subsection where in his opinion:
- a the inspection, the copying or the taking of extracts from them, cannot reasonably be undertaken without taking possession of them;
 - b they may be interfered with or destroyed unless he takes possession of them; or
 - c they may be needed as evidence in any prosecution for an offence under this Act or any other written Law.

4. Any person who willfully fails to disclose any information or produce any account, document or article referred to in subsection (2) to any officer of the Commission authorized under subsection (1) shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding ten thousand Naira or to imprisonment for a term not exceeding two years or to both.
 5. Any person who discloses any information or produces any account or document or article to an authorized officer of the Commission whether by himself or through any agent shall not, on account of such disclosure or production, be liable to any prosecution, except for an offence under section 41 (1) of this Act, or for any offence under or by virtue of any Law, or to any proceeding or claim by any person under or virtue of any law, contract, agreement or arrangement, or otherwise.
- 44) 1 Notwithstanding any written law or rule of law to the contrary the Chairman of the Commission, if he has reasonable ground to believe, arising from investigation carried out by an officer of the Commission, that any offence under this Act has been committed, may by writ ten notice:
- a. require any person suspected of having committed such offence to furnish a statement in writing, on oath or affirmation and;
 - i. identify every property, whether movable or immovable, whether within or outside Nigeria, belonging to him or in his possession, or in which he has any interest, whether legal or equitable, and specifying the date on which each of the properties so identified was acquired and the manner in which it was acquired, whether by way of any dealing, bequest, devise, inheritance, or any other manner;
 - ii. identify every property sent out of Nigeria by him during such period as may be specified in the notice;

- iii set out the estimated value and location of each of the properties identified under sub-paragraphs (i) and (ii), and if any of such properties cannot be located, the reason therefore;
 - iv State in respect of each of the properties identified under subparagraphs (i) and (ii) whether the property is held by him or by any other person on his behalf or whether it has diminished in value since its acquisition by him or and whether it has been commingled with other property which cannot be separated or divided without difficulty;
 - v. set out all other information relating to his properties, business, travel, or other activities as may be specified in the notice; and
 - vi set out all his sources of income, including earnings and gifts or other assets for such period;
- b. require any relative or associate of the person referred to in paragraph (1)(a), or any other person whom the Chairman of Commission has reasonable grounds to believe is able to assist in the investigation, to furnish a statement in writing on oath or affirmation and;
- i. identify every property, whether movable or immovable, whether within or outside Nigeria, belonging to him or in his possession, or in which such person has any interest, whether legal or equitable and specifying the date on which each of the properties identified was acquired and the manner in which it was acquired, whether by way of any dealing, bequest, devise, inheritance, or any other manner;
 - ii. identify every property sent out of Nigeria by him during such period as may be specified in the notice;
 - iii. set out the estimated value and location of each of the properties identified under sub-paragraphs (i) and (ii) and if any of such properties cannot be located, the reason therefore;
 - iv. state in respect of each of the properties identified under subparagraphs (i) and (ii) whether the property is held by him or by

any -other person on his behalf or whether it has been transferred, sold, or kept with any person or whether it has diminished in value since its acquisition by him or whether it has been commingled with other property which cannot be separated or divided without difficulty;

- v. set out all other information relating to each of the properties identified under sub-paragraph (1) and (2), and the business, travels, or other activities of such person; and
- vi. set out all the sources of income, earnings, gifts or other assets for such period;

1 and require any officer of any bank or financial institution, or any person who is in any manner or to any extent responsible for the management and control of the affairs of any bank or any financial institution to furnish copies of any or all accounts, documents and records relating to any person to whom a notice may be issued under paragraph (a) or (b);

2. where the Chairman of the Commission has reasonable grounds to believe that any Public Officer who has been served with the written notice referred to in sub-section (1) owns, possesses, controls or holds any interest in any property which is excessive, having regard to his present or past emoluments and all other relevant circumstances, the Chairman may by written direction require him to furnish a statement on oath or affirmation explaining how he was able to own, possess, control or hold such excess and if he fails to explain satisfactorily such excess, he shall be presumed to have used his office to corruptly enrich or gratify himself and charged accordingly;

3. Every person to whom a notice or direction is sent by the Chairman under this section shall state the truth and

disclosure all information which is within his knowledge, or which is available to him, or which is capable of being obtained by him;

4. Where any person discloses any information or produces any accounts, documents or records, in response to a notice under sub-section (1) such person, his agent or employee, or any other person acting on his behalf or under his direction, shall not, by reason only of such disclosure or production, be liable to prosecution for any offence or civil claim under or by virtue of any law, contract, agreement or arrangement or otherwise, PROVIDED THAT Sub-section (4) shall not bar, prevent or prohibit the institution of prosecution for any offence provided by this section or for giving false evidence in relation to any statement on oath or affirmation furnished to the Chairman of the Commission pursuant to this section; or as provided for in section 27(1) of this Act. 45

45) 1 where the Chairman of the Commission is satisfied on information given to him by an officer of the Commission that any movable property, including any monetary instrument or any accretion thereto which is the subject of the matter of any investigation under this Act or evidence in relation to the commission of such offence, is in the possession, custody or control of a bank or financial institution, he may, notwithstanding, any other written law to the contrary by order direct the bank or financial institution not to part with, deal in, or otherwise dispose of such property or any part thereof until the order is revoked or varied;

2. No bank, agent or employee of a bank shall on account of such compliance, be liable to any prosecution to any civil proceeding or claim by any person under or by virtue of any law, contract, agreement, or arrangement or otherwise;

- 3 Any person who fails to comply with an order of the Chairman of the Commission under sub-section (1) shall be guilty of an offence and shall on conviction be liable to a fine not exceeding two times the amount 'which was paid out in contravention of the Chairman's order or fifty thousand Naira, whichever is the higher and to imprisonment for a term not exceeding two (2) years;
- 4 The subject-matter or an offence under this Act or evidence of the commission of such offence shall be liable to seizure and the seizure shall be effected; (a) by the issuance of a Notice or Seizure signed by the Chairman of the Commission or any other person authorized by him setting out therein the particulars of the immovable property which is to be seized in so far as such particular are within his knowledge, and prohibiting all dealings in such immovable property, and (b) by publishing a copy of such Notice in two newspapers circulating in Nigeria which shall be in the English Language; and (c) by serving a copy of such Notice on the officer of the Ministry of lands of the area in which immovable property is situate.
- 5 The officer responsible for land matters referred to in subsection (4)(c) shall immediately upon being served with a Notice of Seizure under subsection (I) endorse the terms of the notice of seizure on the document of title in respect of the immovable property in the Register at his Office.
- 46) Where the Chairman of the Commission is satisfied that any property is the subject matter of an offence under this Act or was used in the commission of the offence, and such property is held or deposited outside Nigeria, he may make all application by way of an affidavit to a Judge of the High Court for an order prohibiting the person by whom the property is held or with whom it is deposited from dealing with the property.

- 47) (1) In any prosecution for an offence under this Act, the court shall make an order for the forfeiture of any property which is proved to be the subject-matter of the offence or to have been used in the commission of the offence where
- a the offence is proved against the accused; or
 - b the offence is not proved against the accused but the court is satisfied;
 - i that the accused is not the true and lawful owner of such property; and
 - ii that no other person is entitled to the property as a purchaser in good faith (f) of valuable consideration.
- 2 Where the offence is proved against the accused but the property referred to in subsection (1) has been disposed of, or cannot be traced, the court shall order the accused to pay as a penalty a sum which is equivalent to the amount of the gratification or is, in the opinion of the court, the value of the gratification received by the accused, and any such penalty shall be recoverable as a fine.
- 48) 1 Where in respect of any property seized under this Act or other grounds there is no prosecution or conviction for an offence under this for forfeiture of Act, the Chairman of the Commission may, before the expiration of twelve months from the date of the seizure, apply to a Judge of the High Court for an order of forfeiture of that property if he is satisfied that such property had been obtained as a result of or in connection with an offence under sections 8 to 19.
- 2 The Judge to whom an application is made under subsection (1) shall direct to be published a notice in the Gazette and in at least two newspapers circulating in Nigeria, which shall be in English Language calling upon any person who claims to have an interest in the property to appear before that Court on a date specified in the notice, to show cause why the property should not be forfeited to the Government.
- (3) Where the Judge to whom all application is made under subsection (1) is satisfied:

- a that the property is the subject matter of or was used in the commission of an offence under this Act; and
 - b there is no purchaser in good faith for valuable consideration of the property, he shall make an order for the forfeiture of the property.
- 4 Any property in respect of which no application is made under subsection (1) shall after the expiration of twelve months from the date of its seizure, be released to the person from whom it was seized.

49) Where any property has been seized under this Act, and so long as such seizure remains in force, any dealing effected by any person or between any persons in respect of such property, except any dealing effected under this Act or by virtue of this Act by an officer of a public body in his capacity as such officer, or otherwise by or on behalf of the Government of Nigeria, or the Government of a State, or a Local Government or other statutory authority, shall be null and void, and shall not be registered or otherwise given effect to by any person or authority.

50) 1 Notwithstanding any written law to the contrary, the Chairman of the Commission may upon a court order where he has reasonable grounds to believe that any person who is the subject of investigation in respect of any offence under this Act is likely to leave Nigeria, by written notice require such person to surrender his passport or exit permit or any other travel documents in his possession.

2 A notice under subsection (1) shall be served personally on the person whom it is addressed.

51) 1 The Chairman of the commission may at any time amend or revoke any order which has been made or given by him in exercise of any power conferred on him under this Act. PROVIDED THAT the revocation of any such notice or order shall not debar the Chairman of the Commission from issuing any fresh

orders or notices, against any person or thing affected by the earlier order or notice.

2 The revocation or amendment of an order or notice under sub-section (1) may contain consequential, ancillary or incidental matters relevant to such revocation or amendment.

52) 1 When an allegation of corruption or anything purporting to contravene any provision of this Act is made against the President or the Vice President of Nigeria or against any State Governor or Deputy Governor, the Chief Justice of the Federation shall, if satisfied that sufficient cause has been shown upon an application on notice supported by an affidavit setting out the facts on which the allegation is based, authorize an independent counsel (who shall be a legal practitioner of not less than fifteen years standing) to investigate the allegation and make a report of his finds to the National Assembly in the case of the President or Vice President and to the relevant State House of Assembly in the case of the State Governor or Deputy Governor.

2 The Commission shall be enjoined to fully co-operate with such independent counsel and provide all facilities necessary for such independent counsel to carry out his functions.

EVIDENCE

3. Presumption in certain offences
4. Evidence of corroboration
5. Evidence of accomplice and agent provocateur
6. Admissibility of statements by accused persons
7. Admissibility of statements and documents of persons who are dead or cannot be traced etc.
8. Presumption in favour of certificate issued by principal or employer
Admissibility of translation of documents
9. Evidence of custom or convention inadmissible

- 53) 1. Where in any proceedings against any person for an offence under sections 8 to 19 it is proved that any gratification has been accepted or agreed to be accepted, obtained or attempted to be obtained, solicited, given or agreed to be solicited or given, promised or offered, by or to the accused, the gratification shall be presumed to have been corruptly accepted or agreed to be accepted, obtained or attempted to be obtained, solicited, given or agreed to be solicited or given, promised or offered as an inducement or a reward for or on account of the matters set out in the particulars of the offence, until the contrary is proved.
2. Where in any proceedings against any person for an offence under this Act or any other law prohibiting corruption it is proved that such person has accepted or agreed to accept obtained or attempted to obtain any gratification, such person shall be presumed to have done so as a motive or reward for the matters set out in the particulars of the offence, until the contrary is proved.
3. Where in any proceedings against any person for an offence under this Act or any other law prohibiting corruption it is proved that such person has accepted or attempted to obtain any valuable thing without consideration or for a consideration which he knows to be inadequate, such person shall be presumed to have done so with such knowledge as to the circumstances set out in the particulars of the offence, until the contrary is proved.
4. Where in any proceedings against any person for an offence under the Customs & Excise Act, it is proved that any officer of customs or other person duly employed for the prevention of smuggling has accepted, agreed to accept or attempted to obtain any bribe, gratuity, recompense, or reward, such officer or person shall be presumed to have done so for such neglect or non performance of his duty as set out in the particulars of the offence until the contrary is proved.

- 54) In any proceedings against any person for an offence under section 8 to 19 of this Act if it may be proved that at or about the time of the alleged offence, or at any time thereafter the accused, or any relative or associate of his:
- a. held any property for which he, or his relative or associate as the case may be, is unable to give a satisfactory account as to how he came into its ownership, possession, custody or control; or
 - b. entered into any dealing for the acquisition of any property and he is unable to satisfactorily account for the consideration for which it was or is agreed to be acquired, and the evidence in relation thereto shall be presumed to corroborate any evidence relating to the commission of the offence.
- 55) Notwithstanding any written law or rule of law to the contrary, in any proceedings against any person for an offence under this Act:
- a. no witness shall be regarded as an accomplice by reason only of such witness having;
 - i accepted, received, obtained, solicited, agreed to accept or receive, or attempted to obtain any gratification from any person;
 - ii given, promised, offered or agreed to give any gratification; or
 - iii been in any manner concerned in the commission of such offence or having knowledge of the commission of the offence, if before the completion of the act or acts constituting the offence, knowledge of the witness participation has been reported to the Commission by the witness.
 - b. no agent provocateur, whether he is an officer of the Commission or not, shall be presumed to be unworthy of credit by reason only of his having attempted to commit, or abet or having abetted or engaged in a criminal conspiracy to commit such offence, if the main purpose of such attempt abetment or engagement was to secure evidence against such person; and

- c. any statement whether oral or written, made to an agent provocateur by such person shall be admissible as evidence at his trial.
- 56) 1 In any trial or inquiry by a court into any offence under this Act, any statement, whether the statement amounts to a confession or not whether oral or in writing, made at any time, whether before or after the person is charged and whether or not in the course of investigation, and whether wholly or partly in answer to question, by the accused person to or in the hearing of any officer of the Commission, whether or not interpreted to him by any officers of the Commission or any other person concerned or not in the arrest of that person, shall, notwithstanding any written law or rule of law to the contrary, be admissible in evidence at the trial; PROVIDED THAT the officer who procured such statement shall make himself available at the trial for the purpose of cross examination.
- 2 No statement made under sub-section (1) shall be admissible or used as provided for in that subsection if the making of the statement appears to the court to have been caused by any inducement, threat or promise having reference to the charge against the person, proceeding from a person in authority and sufficient in the opinion of the court to give that person grounds which would appear to him reasonable for supposing that by making it he would gain any advantage or avoid any evil of a temporal nature in reference to the proceedings against him.
3. Where any person is arrested or is informed that he may be prosecuted for any offence under this Act he shall be served with a notice in writing, which shall be, explained to him, to the following effect: "You have been arrested on the allegation concerning and whatever you say or write may be used in any court of law hereafter".
- 57) Notwithstanding any written law to the contrary, in any proceedings against any person for an offence under this Act.

- a. any statement made by any person to an officer of the Commission or any other person in the course of an investigation under this Act or any other law prohibiting fraud, bribery or corruption; and
 - b. any document or copy of any documents or photographic or electronic evidence thing seized, boom any person or however obtained by an officer of the Commission or any other person in exercise of his powers under or by virtue of this Act or any other relevant law~ shall be admissible in evidence in any proceedings under this Act before any court where the person who gave the thing, made the statement document or the copy of such document is dead, or cannot be traced or found, or has become incapable of giving evidence, or whose attendance can not be procured without an amount of delay or expense which appears to the court unreasonable.
 - c. without prejudice to the foregoing provisions or the provisions of any other rule of law or evidence all photographic or electronic evidence however obtained, shall be admissible in evidence.
- 58) 1 A certificate issued by a principal or an officer on behalf of his principal shall be admissible in evidence in any proceedings against any person for any offence under this Act as prima facie proof that the person named in such certificate:
- a held the position, office or capacity specified in such certificate and for such period so specified; and
 - b received the emoluments specified in such certificate.
2. A certificate issued under sub-section (1) shall be prima facie proof that it was issued by the person purporting to issue it as principal or on behalf of the principal without proof of the signature of the person who issued such certificate and without proof of the authority of such person to issue it in the absence of any reasonable proof to the contrary.
- 59) 1 Where any document, which is to be used in any proceedings against any person for an offence under this Act is in a language other than the English

Language, a translation of such document into the English Language shall be admissible where the translation is accompanied by a certificate of the person who translated the document setting out that it is a true and faithful translation and the translation had been done by such person at the instance of the Chairman or an officer of the Commission.

2. Sub-section (I) shall apply to a document which is translated, regardless whether the document was made within or outside Nigeria, or whether the translation was done within or outside Nigeria, or whether possession of such document, was obtained by the prosecution within or outside Nigeria.
- 60) In any proceedings under this Act evidence shall not be admissible to show that any such gratification mentioned in this Act is customary in any profession, trade, vocation or calling or on a social occasion.

PROSECUTION AND TRIAL OF OFFENCES

1. Prosecution of offences
 2. Joinder of offences
 3. Certificate of indemnity in favour of full disclosure
 4. Protection of informers and in formation
- 61) 1 Every prosecution for an offence under this Act or any other law prohibiting bribery, corruption and other related offences shall be deemed to be done with the consent of the Attorney-General.
- 2 without prejudice to any other laws prohibiting bribery, corruption, fraud or any other related offences by Public Officers or other persons, a public officer or any other person may be prosecuted by the appropriate authority for an offence of bribery, corruption, fraud or any related offences committed by such public officer or other person contrary to any laws in force before or after the coming into affect of this Act and nothing in this Act shall be construed to derogate from or undermine the

right or authority of any person or authority to prosecute offenders under any other laws.

- 3 The Chief Judge of a State or the Federal Capital Territory, Abuja shall, by order under his hand, designate a court or judge or such number of courts or judges as he shall deem appropriate to hear and determine all cases of bribery, corruption, fraud or other related offences arising under this Act or any other laws prohibiting fraud, bribery or corruption. A court or Judge so designated shall not, while being so designated, hear or determine any other cases provided that all cases or fraud, bribery or corruption pending in any court before the coming into effect of this Act shall continue to be heard and determined law that court.
- 62) Notwithstanding the provisions of any other Act or law where a person is accused of more than one offence under this Act he may be charged with and tried at one trial for any number of such offences committed within the space of any length of time.
- 63) 1 Every person required to give evidence under this Act who, in the opinion of the court, makes a true and full disclosure of all things to which he is lawfully examined, shall be entitled to receive a certificate of indemnity under the seal of the court stating that he has made a true and full disclosure of all things on which he was examined, and such certificate shall be a bar to any legal proceedings against him in respect of any such things.
- 2 An application by the Chairman under subsection (1) may be presented to the court by the officer conducting the prosecution.
- 64) 1 Subject to subsection (2), where any complaint made by any officer of the Commission states that the complaint is made in consequence of Information received by the officer making the complaint, the Information referred to in the complaint and the identity of the person from whom such information is received shall be secret between the officer who made the complaint and the person who gave the information, and everything contained in such information, identity of the person who gave the information and all

other circumstances relating to the Information, including the place where it was given, shall not be disclosed or be ordered or required to be disclosed in public but only to the trial judge and the defence lawyer in attendance in any civil, criminal or other proceedings in any court or tribunal.

2 If any book, paper or other document, or any visual or sound recording, or other matter or material which is given in evidence or liable to inspection in any civil, criminal or other proceedings in any court, or other authority as are referred to in subsection (1) contains any entry other matter in which any person who gave the information is named or described or shown, or which might lead to his discovery, the court before which the proceedings are held shall cause all such parts thereof or passages therein to be concealed from view or to be obliterated or otherwise removed so far as is necessary to protect such person from discovery.

3 Any person who gives the information referred to in sub-section (1) knowing the information to be false shall be guilty of an offence and shall on conviction be liable to imprisonment for a term not exceeding ten years and shall also be liable to a fine not exceeding one hundred thousand Naira; PROVIDED THAT subsection (1) and (2) shall not apply to any investigation or prosecution for any offence arising from any breach of the provisions of this subsection.

GENERAL

4. Protection of officers of the Commission
5. Liability for offence committed outside Nigeria
6. General application to any other offences
7. General penalty section for any other offence
8. Notice of any prosecution under this Act to be served 70 Powers of the chairman to make rules

- 65) 65. No legal proceeding, civil or criminal, shall be instituted against any officer of the Commission or another person assisting such officer for any act which is done in good faith or for any omission in good faith by such officer or other person.
- 66) 1 The provisions of this Act shall, in relation to citizens and person granted permanent residence in Nigeria, have effect outside as well as within Nigeria, and when an offence under his persons granted permanent residence in Nigeria, he may be dealt with in respect of such offence as if it was committed at any place within Nigeria.
- 2 Any proceeding against any person under this section which would be a bar to subsequent proceedings against such person for the same offence if such offence was committed in Nigeria shall be a bar to further proceedings against him under any written law relating to the extradition of persons, in respect of the same offence, outside Nigeria.
- 3 The Commission shall have the power to engage the service of INTERPOL, or such local or international institution, body or person possessing special knowledge or skill in the tracing of properties or detection of cross border crimes.
- 67) Notwithstanding any other written law to the contrary, the provisions of this Act shall apply to a prescribed offence regardless of whether the prosecution or any other proceedings in respect of such offence are instituted or taken by an officer of the Commission, or a police officer or customs officer or any other officer having powers to investigate, prosecute or take any proceedings in respect of such offence.
- 68) Any person convicted for an offence under this Act for which no penalty is specifically provided shall be liable to a fine not exceeding ten thousand Naira or to imprisonment for a term not exceeding two years or both.
- 69) Nothing contained in this Act shall derogate from the powers of a police officer to investigate any offence this Act or to prosecute any person in respect of any

such offence provided the police shall bring to the attention of the Commission every case of bribery, corruption or fraud being investigated or prosecuted by them after the coming into force of this Act.

- 70) The Chairman of the Commission may make rules for giving effect to the provisions of this Act and, without prejudice to the generality of this Act and, without prejudice to the generality of this provisions, may make rules:
- a providing for the form of any notice, order, declaration or any other matter under this Act; and
 - b for the service or delivery of any notice, order, direction, instruction, or other things to be done under this Act.
- 71) A person convicted for an offence under this Act or any other law prohibiting Bribery or Corruption shall have and exercise any or all such rights of appeal as conferred by the Constitution of the Federal republic of Nigeria in such cases.

OLUSEGUN OBASANJO

President and Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria.





SECTION THIRTEEN

GUIDELINES FOR INVESTING IN THE ECONOMY

FOREWORD

This is a documentation of the current state of infrastructure in Nigeria; her investment potentials for Small and Medium Scale Enterprises) Development and the capacity available for management of assets within the economy. This compilation is in partial fulfillment of the mandate of the Nigerian Investment Promotion Commission (NIPC) to collect, collate, analyse and dissemination up-to-date information on investment potentials of the Country, amongst several other functions it has to perform. The inventory of industrial estates which is included as part of infrastructural facilities available in Nigeria was originally compiled by the Federal Ministry of Industry in March 1994, which has been updated by the NPC. It is pertinent, however, to mention that because of the political and economic travails which the country went through under the military era, there has not been any newly created industrial estate since that date. Nevertheless, the existing ones have attained various stages of development as indicated since they were created.

The information on minerals and agricultural raw materials available on state-by-state basis was also an original compilation of the Raw Materials Research and Development Council which has been slightly modified and incorporated into the table in order to present a comprehensive data on investment potentials of the States to prospective investors. Supplement on investment potentials of various state compiled by the states themselves during the last days of the military Administration is also used. This is a documentation of the current state of infrastructure in Nigeria; her investment potentials for Small and Medium Scale Enterprises) Development and the capacity available for management of assets within the economy. This compilation is in partial fulfillment of the mandate of the Nigerian Investment Promotion Commission (NIPC) to collect, collate, analyse and disseminate up-to-date information on investment potentials of the Country, amongst several other functions it has to perform.

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through the materials on asset management in Nigeria was compiled by Denham Management Limited, Lagos and made available to the commission to enrich the content of the brochure. While every effort has been made to put together as much information as possible, it is recognized that there is quite a few details that may still need to be provided. This detail will be readily furnished by the NIPC. It is intended that the publication will be updated as necessary from time to time with the NIPC working in collaboration with relevant agencies. In this regard, the views and suggestions of users of the booklet are welcome.

It is my sincere hope that this document will meet the intended purpose of providing adequate information and guidance to would-be investors. It is in that same spirit that

I recommend this document.

CHIEF FELIX OHIWEREI

Chairman, NIPC

1.0 CURRENT STATE OF INFRASTRUCTURE

Infrastructure includes all facilities that support economic and social activities. The deficiency in availability and quality of infrastructure often compels industrial enterprises to engage in ancillary investment. This un-duly increase investment as well as overhead costs which subsequently have dire consequences for the gestation period of investment, competitiveness of their products and the repayment of loans, of particular importance in this regard, are energy supply electricity and petroleum products; water transportation, telecommunications and industrial estates/layouts.

The Nigerian economy has been badly battered and virtually brought to a state of coma in the last fifteen years or so. The abuses and neglect to which virtually all the sectors of the economy were subjected before the dawn of a new era, signified by the inauguration of a democratically elected government are quite monumental and may be unprecedented in the history of Nigeria. The aspect of the effects of the criminal abuse and neglect of the nation's economy, which can hardly go unnoticed, is the disturbing state of our infrastructural facilities.

The importance of basic infrastructural facilities to the socio-economic development of any nation cannot be over emphasized. The well being of the people and their contributions to the national economy will depend to a large extent on the availability and quality of relevant infrastructure. It is against this background and in order to achieve the policy objectives of government in respect of provision and maintenance of basic infrastructural facilities, that the Federal Government of Nigeria has assigned responsibilities to various Ministries and other Agencies. Although the challenges posed by the long term neglect leading to almost total decay is enormous, the present Administration is however determined to reverse the ugly trend, which it inherited.

2.0 STATE OF INFRASTRUCTURAL DEVELOPMENT IN NIGERIA

Economic infrastructure produces services that are vital to development. Infrastructural inadequacies have continued to be one of the factors that make Nigeria a high cost environment for business thereby making domestic products uncompetitive. Domestic industries are forced to absorb various direct and indirect costs that are imposed on them by the environment in which they operate.

3.1 ELECTRICITY

The development of electricity infrastructure in Nigeria started in the early 1950s when the then Electricity Corporation of Nigeria (ECN) was created. In 1977, the National Electric Power Authority (NEPA) took over the responsibility of ECN. Today, it is saddled with the responsibility of generation, transmission and distribution. The country has 32 identified potential sites for hydroelectricity generation from dam with all estimated capacity of 9,405MW. Currently only about 10 percent of the country's estimated hydroelectric power potentials is been utilized.

3.2 CURRENT STATE OF ELECTRICITY POWER GENERATION

Nigeria has three hydro and five thermal power stations. The combined installed capacity of the eight stations is 5,876MW. This has dropped to 5,400MW in recent years. Today, only 1,600MW of the total installed capacity is available to 30% of consumers of electricity. This is far below the estimated national demand of 2,470MW. The inability to generate at full or optimal capacity is as a result of the state of disrepair and gross negligence of all the eight existing generating plants. The plants are now undergoing massive rehabilitation, refurbishment and turn-around maintenance.

3.3 ELECTRIC POWER TRANSMISSION

The national grid is characterized by its vulnerability to vandalisation, age, rickety line and incomplete loop. Its power transformers and circuit have either broken down or operating at less than full capacity. The grid suffers from vandalisation of its towers, insulators and parts as well as the supply of substandard materials. The grid is virtually non-existent in some parts of the country like the north eastern, northwestern and southeastern Nigeria.

3.4 CURRENT STATUS OF ELECTRIC POWER DISTRIBUTION

Distribution of power is the point of contact with the public and industries. It is the bane of power delivery in Nigeria. The mode of distribution and marketing of power is over centralized and fraught with serious malpractices, bills are irregular and erroneously or arbitrarily estimated. Incidents of non-technical losses occasioned by

illegal connection, use of substandard materials or outright consumer theft, contribute significantly to undermine the System.

3.5 RURAL ELECTRIFICATION

Nation-wide rural electrification scheme designed to augment the programmes of NEPA has suffered tremendous setbacks arising from lack of funds and political will. The programme to electrify a significant part of the Local Government headquarters and villages and connect these to the national grid is yet to get halfway.

3.6 CURRENT OPERATIONS IN THE SECTOR

Currently, the National Electric Power Authority is the only government agency statutorily responsible for the generation, transmission and distribution of power in the country. However, there is a plethora of rural electrification schemes nation-wide. The deregulation of the sector has resulted in the emergence of some independent power producers (IPP) now operating in Nigeria, e.g.:

- i. Mobil Nigeria Limited set to generate power from natural gas and provide 350MW of power in Bonny, Rivers State.
- ii Enron Limited - set to generate power from natural gas and provide 540MW of power to Lagos, etc.

4.0 TRANSPORTATION

Road

Although, considerable resources were devoted to road development especially in the period of the oil boom, the conditions of these roads do not justify the huge investment made on them. The poor condition of these roads can be attributed to bad maintenance policies among others. The above notwithstanding, there has been significant progress in road development for the past five years now. All the thirty-six state headquarters and major towns in those states are linked with well-developed network of roads and, in some cases with dual carriage motorways. Top on the agenda of the present administration is road rehabilitation, construction and maintenance programme. The priority accorded the road sub sector is based on the established fact

that over 80% of the nation's commercial activities, especially the movement of goods and services depend largely on road transportation. The action programme of government has been directed towards the improvement of road network so that motorists and commuters can be relieved of the agonizing experiences, which they have been enduring over the years. Under the programme, 2,500 kilometres of road will be rehabilitated annually for the next four years, 1,300 kilometres will be constructed, 1,230 kilometres will be dualised while 24 bridges and modern services like telephone, rest stations medical facilities and 24 hours rescue services will be provided.

Railway

The railway system of about 3,500 kilometres has been receiving attention in recent time in order to boost road transportation.

Seaports

The Nigeria Ports Authority (NPA) has made remarkable progress since its inception in April, 1955. From a modest beginning, today NPA controls major ports excluding oil terminals with a cargo handling. Facilities at the ports include 93 general cargo berths, 3 RORO berths, 7 bulk solid berths, 11 bulk liquid cargo berths, 63 buoy berths in addition to a large number of private jetties. Cargo storage facilities are composed of 63 transit sheds, 22 back sheds, 4 acorn sheds and 40 warehouses all with a total storage area of over 460,459 square metres. Also available at the ports is a fleet of cargo handling plants and equipment. Characteristics of the various major ports are as indicated below:

Generally, firms operating in EPZ, are subject to special regulatory and fiscal regimes which allow them freedom of operation at competitive cost. The Nigeria Premier

S/No	Ports	Location	Maximum Depth of berth	Quay Length (Metres)
1.	Apapa Port	Lagos	24.59	
2.	Tin Can Island Port	Lagos	11.5	2045
3.	RORO Port	Lagos	11.5	2045
4.	Container Terminal	Lagos	10.5	1005

5.	Port Harcourt	Port Harcourt 7.8		1877
6.	Delta Ports	Warri	11.5	2506
7.	Calabar Port	Calabar	11.0	1137
8.	Federal Lighter Terminal	Onne	4.7	1185

AIRPORTS

The significance of the aviation industry in the development of trade, investment and tourism cannot be overemphasized in the 21st Century. To this end, it is fully being utilized in the country. Air traffic and utilization are generally dense with most of the cities and larger towns connected to Lagos and Abuja by an extensive network of domestic flights. Lagos, Kano, Abuja and Port Harcourt are the main International Airports. Several private airlines service all routes.

5.0 EXPORT PROCESSING ZONES

Export Processing Zones (EPZ) by definition are clearly delineated and fenced industrial estates within national customs territories, whose purpose is to attract export-oriented industries. The berthing of EPZ is located at Calabar, Cross River State and it is serviced by:

- Modern and well equipped seaport and international airport.
- Good road network linking Calabar to all the other parts of the country.

5.1 FACILITIES WITHIN THE ZONE

- Serviced Plots
- Uninterrupted Power and Water Supply
- Modern and efficient Telecommunication system excellent internal road networks
- Standard Pre-built factories
- Modern Catering and Recreational facilities Banking Services
- Customs Services
- Warehouses.

5.2 INCENTIVES OF THE ZONE

- Legislative provision pertaining to taxes, levies, duties and foreign exchange do not apply within the zone.
- Tax holiday
- Repatriation of foreign capital investment in the EPZ at any time with capital appreciation on the investment.
- Unrestricted remittance of profits and dividends earned by investors in the zone.
- No import or export licences required.
- Rent free land during construction of factory space.
- 100 percent foreign ownership of enterprises in the EPZ allowable.
- "One-Stop" approvals.
- Sale of up to 25 percent of production permitted in the domestic market.

6.0 ONNE OIL AND GAS FREE ZONE

The zone is meant to enable Nigeria to become a central logistic point for the oil and gas industry in West Africa. The zone takes the advantage of the existing Onne Port Complex, which is being patronized by regular Shipping services bringing cargo from all parts of the world. The concept should be seen as primarily designed to stimulate import and export oriented activities in the nation's economy and to attract foreign direct investment for its economic growth.

6.1 INCENTIVES

The incentives available to importers and exporters at the port are comparable to the most successful free zones in the world. They include:

- Free Corporate tax
- Free Import and Export duties for goods imported or exported from the Zone
- 100 percent repatriation of capital and profit free from foreign exchange regulation.
- 100 percent foreign ownership

- Free pre-shipment inspection of goods imported into the Zone
- - Free expatriate quota in the heart of a buoy-ant oil and gas activity
- First class facilities
- An efficient oil services centre.

6.2 SERVICE AVAILABLE

- Transit and Marine base services
- Shipping and air freight
- Clearing and forwarding
- Living Camp
- Drilling companies and rig suppliers
- Support vessels, barges and tugs
- Heavy lift facilities and services and tools

7.0 TELECOMMUNICATIONS

Telecommunication services were introduced in Nigeria in the late 1880s. At independence, in the 1960, there were only 18,724 telephone lines developed and managed by the then Department of Post and Tele-communication (P&T). The Nigerian Telecommunication Limited (NITEL) Plc was established in 1985 as a result of the merger of the Nigerian External Tele-communication (NET) and the Telecommunications Division of P&T. Its major objective was to harmonize the planning and coordination of the internal and external telecommunications, which were under P & T and NET respectively. The establishment of NITEL and the subsequent deregulation of the industry have brought about a significant development in the industry. A number of private companies have been licensed by the National Communication Commission (NCC) to undertake telecommunications services. They include MTEL, MTN, Econet, Globacom, Intercellular. etc.

7.1 EXISTING INFRASTRUCTURE IN THE TELECOM INDUSTRY

a. Switching Network

The national telecommunication network consists presently, of three parallel networks for Telephone, Cellular and Telex Switching, respectively. The fourth parallel network, Data and Packets Switching is in its implementation stage.

Integrated Service Digital Network (ISDN) Services have been introduced into the digital services.

b. Telephone Network

The telephone network is structured into four levels:

International level Three (3) switching centres (Lagos, Enugu and Kaduna) all are digitalized. The nodes of the top network level are interconnected by a fully meshed network while the intermediate and local exchanges form a star-shaped network.

c. Pay-Phone System

The MTEL, Network is made up of 22,500 mobile cellular telephone lines with service stations located in Lagos, Abuja, Enugu and Jos. The first three are operational while the last station is in its implementation stage. There is only one (1) mobile switch in each station.

d. Telex/Gentex Network

The telex Gentex network consists of a system of telex exchange and Gentex stations, which are limited at the local, national and international levels to provide telex/telegraphy services for national subscribers and the outside world. International telex transmission is carried out through Earth Stations stationed in Lagos, Enugu, Kaduna and Microwave radio to the West African Countries. The Telex network is made up of 16 exchanges with two (2) being digital. The voice telegraph terminals consist of twenty one (21) exchanges. The total installed capacity is 15,000 lines with only 6,843 being connected. Before the end of year 2000, this network would have been replaced by International Digital Network (IDN) services.

c. Transmission Network

The transmission network consists of radio links in the UHF and Microwave range of frequency co-axial cable, optical fiber cable and satellite links. Five satellite stations are in operation. These are sited in Lanlate, Kujama, Enugu, Kaduna, and Lagos. Enugu, Kaduna and Lagos Stations are digital and are used for international traffic. The other two are presently analogue exchange and used for data traffic and Very Small Aperture Terminal (V-SAT) hub respectively.

STATE BY STATE INVENTORY OF INDUSTRIAL ESTATES IN NIGERIA

State: FCT, Abuja

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Idu	1981	Fed. Capital Development Authority (FCDA)	879Ha 1700plots	TR.E.W Available but no telephone, no bank, no post office, no police post.	680 of the 700 plots already allocated. Plots sizes vary from 0.25ha to 2.5ha
2	Gwagwalada		As above		TR.E.W.	Partly Developed
3	Kuje		As above		TR.E.W.	Partly Developed

State: Abia

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Ogbor Hill Industrial	1974	Ministry of Industry	25ha 34 plots	TR.E.W & T	Partly Developed
2	Opobo Road Layout (as Mechanic Village, Aba)	1993	Ministry of Industry	8ha	ER	No development beside per meter/contour survey
3	Umuahia Evangel Layout Umuahia	1992	Ministry of Industry	125.4ha	ER.W	Development of phase I (30 ha) is in progress. Phase II & III to cover 25 ha each will follow

4	Ubakala Workshop Layout					
5	Bende Road/Nkata					
6	Afara Mechanic Village, Aba					
7	Mechanic Layout Industrial estate, Aba.					

State: Ebonyi State

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Uuru Industrial Layout, Uuru					
2 Afikpo Industrial Layout, Afikpo					

State: Bauchi

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Bauchi Industrial Layout	1977		135ha (6m ²)	TR.E.W & T	276 of the 300 plots of the layout have been allocated. Plot sizes are 100m. 100m x 100m x 150m & 200m x 200m. Some of the facilities are provided by tenants. Railway siding for easy transportation of goods/machinery available.

2	Industrial layout along Jos Road, Bauchi.	1993	Ministry of Commerce and Industry	33.59ha		At planning stage, preliminary design completed and estimates for infrastructure provision already exist.
3	Gombe	1989		300ha	Partly developed located here	
4	Azare	1989		200ha	ER	Partly developed
5	Misau	1989		100ha	ER	Partly developed

State: Bayelsa

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Yenagoa	1987	Ministry of Commerce and Industry	190ha	TR.E.W & T	Partly Developed
2 Sagbama	1993	As above	250ha	ER.E	Partly developed

State: Benue

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Makurdi Industrial layout along Makurdi Naka Road	1988	Ministry of Finance & Economic Development (Department of Industry and Commerce)	310ha	TR	Partly Developed

State: Borno

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development	
1	Pompomari industrial layout (light industrial and heavy industrial Maiduguri)	1989	Ministry of Commerce and Industry	118.20ha of which 56.18ha for light/commerce & 62.02ha for heavy industries	TR.E.W & E	Partly Developed. Fed Government matching grant used to acquire this site physical occupancy rate in light industrial estate is 6/198 and is 40/104 in the heavy industrial layout. Plot sizes are 50m x 60m x 90m respectively.
2	Baga Road (East and West) industrial layout Maiduguri (Also called Bolori Estate)	1976	Ministry of Lands Survey & Urban Planning	76.89ha (190 acres)	TR.E.W.T.R. D	Layout fully developed with medium and large scale industries. All 195 plots have been allocated. Physical occupancy rate is 7/25 in the light industrial layout and 46/170 in the heavy industrial section. 70% of Baga Road layout has unofficially been converted for residential purpose. Plot sizes are 40m x 60m in the light industrial section and 80m x 130m in the heavy industry.

State: Cross River

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Northern Industrial Layout Calabar	1975	State Ministry of Commerce and Industry/Ministry of Lands and Survey	452.53ha (156 plots)	E.TR. ER.T Petrol filling station. Police station & ITF offices	Tenants provided some of the facilities (boreholes). Physical occupation is by tenant only. Part of the area has been allocated to the Export Processing Zone (EPZ).
2 Southern Industrial Layout	1977	As above	144.76ha	E.T.TR & W	Physical occupation by only 3 firms, but all the plots have been allocated.
3 Akamkpa Economic Relief	1987	As above	3.25ha (22 plots)	ER	This layout was established for cottage and small industries only to cushion the effects of SAP. But no allocation has been made and factory shade were not built.
4 Ikom Industrial Layout	1984	As above	30.02ha (27 plots)	E. & ER & T	All plots allocated by only 4 tenants are currently in operation. One of these firms has an allocation of 14 plots.

5	Ogoja Industrial Layout	1992	As above	40.85ha (51 plots)	E & ER	Only 16 plots allocated to date. Physical occupation rate is about 6 percent, i.e. only 1 company.
6	Odukpani Industrial Layout	1992	As above	50.147ha	None	New estate

State: Delta

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Asaba	1992	Federal Govt. Ministry of Commerce and Industry	100ha	TR.E.W.T	Land compensation and surveys completed. Quotations for infrastructural design being evaluated. Partly developed.
2	Warri	1992	As above	109 plots	TR.E.W.T.	Partly developed
3	Sapele	1992	Ministry of Commerce and Industry, Delta Steel Industry		TR.E.W.T.	Partly developed
4	DSC Industrial Area	1982	Ministry of Commerce and Industry	411ha	TR.E.W. within reach	411ha includes 180ha for proposed tyre factory, 100ha for industrial estate and balance for housing estate. Partly developed

5	Edewor Industrial Area		Chief Edewor (Private)	1.6 km ²	Facilities provided by occupants	Fully occupied by industrial and oil service companies, including TEXACO, Edewor Vegetable Oil Co. etc
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State: Edo

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Benin (along upper Sakpomba Road)	1989	Ministry of Commerce and Federal Ministry of Industry. Funding.	100ha	W.E & TR	Within 1 km of site. Partly developed
2	Auchi Road Industrial Estate.	1989	Edo State Government	300ha	E.W & ER	Partly developed
3	Ebvoriarra Industrial Estate Benin	1994	Edo State Government/World Bank Funding under IDF Scheme	300ha		Feasibility study just completed. Awaiting funding from World Bank Assisted Infrastructure Development Fund.

State: Enugu

Location of Industrial Estate		Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Emene Industrial Layout, airport Road.	1972	Formerly East Central State Ministry of Lands.	30.4ha (78 plots of which 63ha are industrial and 14ha are commercial	TR.ER.T.W.RD. E & security services.	Not fully developed. Estimate 55% physical occupancy. All industries there are functional including ANAMCO, Eastern Plastics.

2	Emene Industrial Layout Extension Abakaliki Road, Enugu.	1975	As above	123 plots	TR.ER.T.E. & SS	Not fully developed. 35% physical occupancy site for IDC permanent site, PRODA, RADUCHE & INTERCIL.
3	Eastern Nigeria Industrial Estate 30 Zik Avenue Enugu.	1964	Formerly Eastern Region Government Ministry of Industry and Commerce Industrial Estate Management Board.	0.5ha	W.E.ETR Built-up factory sheds.	16 units accommodation all fully occupied and need expansion. Estate management is by the newly created Industrial Estate Management Board.
4	Federal Govt. Assisted Layout, Abakpa, Nike-Enugu	1972	Ministry of Industry and Commerce	118 plots	TR.ER.T & E	Some facilities especially water provided by tenants. Estimated physical occupancy of 45%. Land handed over to NASSI, which opened the earth road, now overgrown. No tenants as yet.

State: Imo

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State Development of
1 Onitsha Road Layout (Or Action Area Industrial Layout) Owerri.	1982	Owerri Capital Development Authority	265ha (273 plots)	TR.ER.E & SS	Partly developed

2	New Naze Industrial Layout, Aba Road, Owerri.	1980/81	Ministry of Commerce and Industry	289ha	ER.E	Site covers area for dormant Sach-Hercules Motorcycle Assembly Plants, Integrated Aluminum Products Company. Partly Developed.
3	Umuahia Evangel Layout Umuahia	1992	Ministry of Industry	127.8ha (124 plots)	ER.E	Site cover 45ha. Area for 31 small scale industries proposed by Federal Ministry of Industry in 1979, now designated for electronics market.
4	Amike-Odu Industrial Layout	1993	Ministry of Commerce and Industry	26.076	None	Erosion affecting the site, which lies outside Orlu urban and lacks infrastructure.
5	Okigwe Industrial Layout	1993	Owerri Capital Development Authority		None	No development at site yet.

State: Jigawa

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Dutse Industrial Estate, Damasara Village, Dutse.	1993	Ministry of Commerce and Industry	24ha	ER.W.E	Partly developed. Designs for 127 units marked up of 78 factory shed in 3 different sizes 45 shops and admin buildings.
2 Ringin	1993	As above	5ha		
3 Gumel	1993	As above	5ha		

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Kaduna North Industrial Area, Kaduna (TPO451)	1988	Ministry of Commerce and Industry	160ha (400 acres) (63 plots)	E.W.TR.T.RD	Plot sizes vary from 1.6.6.6ha. Estate populated by medium and heavy industries fully occupied.
2 Kaduna Industrial Area, Western Bypass, Kaduna (TPO566)	1981	Ministry of Commerce and Industry	256ha (640 acres) 120 plots.	E.W.TR.RD	Few plots yet to be allocated.
3 NNPC Refinery Industrial Layout, Kaduna (TPO542)	1978	As above	48ha (5300 acres) (105 plots)	E.ER	-do-
4 Abuja Road Junction Industrial Area, Kaduna (TPO528)	1978	As above	48ha (120 acres) (140 plots)	E.ER	Plots vary from 1.6.7ha. 36 plots allocated to date.
5 Angwar Mu'azu Light Kaduna (TPO460)	1977	As above	126ha (315 acres) (47 plots)	W.E.ER.40	Plots have been allocated.
6 Mando Road Light Industrial Layout, Kaduna (TPO483 A.B&D)	1978/81	As above	126ha (315 acres) 97 plots)	ER	8 plots have been allocated.
7 Kawo Light Industrial Layout (TPO461)	1977	As above	278 acres	ER.W.E.T	All plots allocated.

8	Dakace Industrial Area, Old Jos Road, Zaria.	1977	As above		ER.W.E.T	Partly developed
9	Cikaji Light Industrial Area, Cikaji, Zaria	1977	As above	55 acres	ER.W.E.T	5 plots yet to be allocated. Average plot size is 2.5 acres (1ha).
10	Kafanchan Light Industrial Area, Kafanchan.	1977	As above	45 acres (10 plots)	ER.W.E.	Plots yet to be allocated.

State: Kano

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Bompai Industrial area, Kano	1959	Ministry of Commerce and Industry	N.A	E.W.TR.T	Fully developed estate
2 Sharada Industrial Area I, II, and III, Kano	1970	Ministry of Commerce and Industry	430ha	E.W.TR.	Fully developed estate with medium and large scale enterprises.
3 Sharada SME, Estate	1972	Ministry of Commerce and Industry	583ha	E.W.TR.	Estate fenced, and lies within Sharada Industrial Estate. Area is for 83 plots. Plot sizes are 15 x 22.5m; 15 x 30m; 22.7 x 37.5m
4 Challawa Industrial Area, Kano.	1989	Ministry of Commerce and Industry	N.A	E.W.TR.	Estate fully developed with medium – large scale enterprises.
5 Hadejia Rd Industrial Area, Tokorawa SME Layout, Kano.	1989	Ministry of Commerce and Industry	61.62ha	E.W.TR.	Estate fully developed with medium – large scale enterprises.

6	Tokorawa SME Estate, Kano.	1989	Ministry of Commerce and Industry	45ha	E.W.TR.	Estate to be developed for SME's.
7	Zaria Rd Industrial Layout, Kano.	NA	Ministry of Commerce and Industry		E.W.TR.	

State: Katsina

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Katsina Industrial Estate	1988	Ministry of Commerce and Industry	14.18 acres	ER.W	21 plots to be completed
2 Funtua-Zaria Rd. Gusau Rd.	1989	Ministry of Commerce and Industry	7.2 acres		
3 Dutsinma Industrial Layout	1989	Ministry of Commerce and Industry	7.5 acres		
4 Daura Industrial Layout	1989	Ministry of Commerce and Industry	5.7 acres		
5 Malumfashi Industrial Layout	1988	Ministry of Commerce and Industry	7.5 acres		
6 Okankia	1988	Ministry of Commerce and Industry	6.5 acres	ERE.W	
7 Mani	1987	Ministry of Commerce and Industry	5.2 acres		

State: Kebbi

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Goru Bulasa Estate and Industrial Layout	1992	Ministry of Commerce	1Km ²	E.W.ER	84 plots of which 42 are 100 x 80m, and the other 42 are 140 x 100. Only 3 of the former plots have been allocated.
2 Yauri	Proposed	Ministry of commerce	10ha	Proposed estates	
3 Zuru	Proposed	Ministry of commerce	10ha	Proposed estates	

State: Kogi

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Lokoja Industrial Estate, along Okene-Abuja Highway, Lojoka.	1994	Ministry of Lands	Over 100ha		Land surveyed but compensation yet to be paid. No further development and no evidence of FGN grant for special federal industrial layout.

State: Kwara

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Ilorin Industrial Estate.	1971	Lands Department	62.0ha	E.ER.W	Facilities provided by allottees. 80 of the 136 plots, each of 1ha have been allocated.
2 TPO 140 A & B Pilgrims Camp, Ilorin.	1980	Lands Department	136.0ha	E.T.ER.W	Facilities provided outside the estate by private arrangement of industrialists.
3 TPO 158, Ajase Rd, Ilorin	1981	Lands Department	174.0ha	E.TR.W.E D.FD	Not developed as yet
4 Ilorin Industrial Estate, TPO 141, Asa Dam New Yidi Rd, Ilorin	1984	Lands Department	30ha	E.TR.W.E D.FD	Not developed as yet
5 TPO 203 AFON, Afon Ogbondoko Rd Ilorin.	1987	Lands Department	54ha	E.TR.W.E D.FD	Not developed as yet
6 Omuaran Industrial Estate.	1985	Lands Department	112ha	E.TR.W.E D.FD	Not developed as yet

7	Share Industrial Estate	1985	Lands Department	8ha	E.TR.W.E D.FD	Not developed as yet
8	Bode-Saadu Industrial Estate.	1987	Lands Department	291ha	E.TR.W.E D.FD	Not developed as yet
9	Lafiagi Industrial Estate	1986	Lands Department	54ha	E.TR.W.E D.FD	Not developed as yet
10	Jebba Industrial Estate.	1984	Lands Department	209ha	E.TR.W.E D.FD	Not developed as yet
11	Offa Erinle Industrial Estate, Offa.	1987	Lands Department	241ha	E.TR.W.E D.FD	241 plots
12	Ulagbo Industrial Estate.	1979	Lands Department	77ha		2 industries currently on the site.

State: Lagos

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Yaba Industrial Estate	1958	Ministry of Commerce and Industry	1.112ha	E.T.TR.RD Restaurant Security service, and built-up factory sheds (fs)	For SME. All 42 factory shed in 3 size lots (47.25, 57.99 and 118.8m ² are allocated. 29 of the tenant-firms offer services while 14 are engaged in manufacturing.
2 Matori SME Estate Fatai Atere Way, Mushin	1975	Ministry of Commerce and Industry	2.07ha	E.T.TR.W.RD SS and built-up factory sheds	For SMEs. All 32 factory sheds in 3 sizes (162.9m ² , 313.2m ² and 462.3m ²) are allocated.
3 Isolo SME Industrial Estate, Cheeseborough way Isolo	1993	Ministry of Commerce and Industry	6.28ha	E.TR.T.W.RD SS and built-up factory sheds	Each of 12.3m x 6.15m have been allocated. All existing tenants-firms are engaged in manufacturing.
4 Lagos Technology Incubator Centre, Agege	1993	Fed. Min. of Science and Tech. And State Min. of Commerce and Industry	6ha	E.TR.W.SS	For SMEs. All 21 units is phase 1 are allocated but physical occupancy is 6/21 as at January 1994. Shed dimensions vary.
5 Igando SME Estate	1993	Fed. Min. of Science and Tech. And State Min. of Commerce and Industry	6ha		Still being developed.

6	Epe Estate	SME	1993	As above	6ha	E.T.TR.W.ED. RD	Still being developed.
7	Imota Estate	SME	1993	As above	26ha	E.T.TR.W.ED. RD.ARE	Still being developed.
8	Apapa Industrial Estate		1957	Ministry of Physical Planning and Environmental and New Town Devt. authority, Min. of Commerce and Industry.	100ha	E.T.TR.W.ED	Next to Apapa Port. Fully occupied by medium - large manufacturing, commercial enterprises including Flour Mills CAPL, Christlieb, GM Motors, etc.
9	Ikeja Industrial Estate.		1959	As above	180ha	E.T.TR.W	Fully occupied by medium - large manufacturers including Guinness, Dunlop Nig., Textile Mills, Nigerrite, etc.
10	Ilupeju Industrial Estate		1962	As above	110ha	E.T.TR.W.ED. RD.ARE	Fully occupied by medium - large manufacturers, PZ, RD, ARE, Nestle Foods, Sterling.
11	Uora Industrial Estate		1965	As above	160ha	E.TR.W	Fully occupied by medium - large enterprises.
12	Iganmu Industrial Estate		1965	As above	80ha	E.W.TR.ED.RD	Fully occupied by medium - large enterprises, e.g. Nigerian Breweries Plc, Thomas Wyatt, etc.
13	Oshodi/Isolo Industrial Estate (off Badagry Express Way)		1968	Ministry of Commerce and Industry	140ha	E.W.TR.T.RD	All 135 plots are allocated. Estate fully developed and associated with a residential estate. Existing tenants are mainly medium - large manufacturers including Afprint Textiles, Aswani Textiles, Johnson Wax, etc.
14	Amuwo-Odofin		1969	Ministry of Physical Planning & New Towns Devt. Authority.	200ha	E.W.TR.T.RD	Fully developed.

15	Ogba Industrial Estate	1969	As above	150ha	E.TR.W.T.RD	Estate fully developed. All 95 plots allocated occupied by medium - large manufacturers including Guinness, West African milk, Carnaud Metal Box, etc.
16	Oregun Industrial Estate	1981	As above	100ha	E.ER.W.ARE	Estate is partly private but fully developed. All plots allocated.
17	Agidingbi Industrial Estate	1969	As above	97ha	E.W.TR.T.RD	Fully developed. Home to Cadbury, Daily Times and Nig. Bottling Co.
18	Gbagada Industrial Scheme	1974	As above	50ha	E.T.TR.W&RD	Schemes with a residential estate. All 28 industrial plots allocated as are all the 619 residential plots.
19	Ikorodu Industrial Scheme	1974	As above	1,582.27 ha	E.ER.W.ARE	Estate partly occupied by medium - large enterprises including PZ, steel rolling mill, fishing companies, etc.
20	Surulere	1981	As above	20ha	E.W.TR.T	
21	Badiya	1958	As above	15ha	E.T.TR.W&RD .ARE	All 58 plots allocated. Largely commercial.
22	Motori Industrial Estate			120ha	E.T.TR.W&RD	Fully developed occupied by medium - large enterprises.
23	Oyediran/Yaba	1970	As above	20ha	E.Ws.T.TR. & RD.ARE	Fully developed occupied by medium - large enterprises.
24	Illasamaja	1971	As above	60ha		
25	Lagos South-West	1972	As above	317ha		
26	Kirikiri	1981	As above	30ha	E.W.TR.	
27	Mosafejo-Aradagun Industrial Estate Badagry	1980	As above	214.27ha		Estate partly developed, but all 97 plots allocated.
28	Abesan/Ipaja	1981	As above	100ha	ER.ARE	Industrial estate associated with residential estate. Partly developed.
29	Akowonjo	1976	As above	50ha		Part of the area has been squatted upon. Existing tenants are largely small-scale enterprises.
30-34	The State Government proposes to establish other industrial estates at Oworonsoki, Oduragunsin, Ginti, Agbowa, Ewu-Elepe, Oko-Afro/Ilogbo					

State: Nasarawa

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Keffi	1993	State Government	35ha	TR.Z.W.PFS	Partly developed
2 Lafia	1987	As above	60ha	E.W.SS.TR	Partly developed
3 Karu	1993	As above	44ha	E.W.TR.SS	Partly developed

State: Niger

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Minna Industrial Layout Phase I	1978		63ha	W.TR.E.T	35 plots fully allocated.
2 Minna Industrial Layout Phase II	1988		150.225ha	W.TR.E.T	88 plots, partly developed. All 31 plots of 130 x 138m allocated are 15 plots of 100m x 100m.
3 Bida	1984	Federal Govt. Assisted	170ha	E.ER	Being developed, 102 plots.
4 Suleja	1989		80ha		Planning for 39 plots. Only compensation for land has been paid.
5 Kontagora	1984	Federal Govt. Assisted	150ha	E.ER	Being developed into 50 plots.

State: Ogun

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State Development
1 Sango-Ota Industrial estate, Idi-Iroko Rd., Ota.	1980	Ogun State Housing Corporation	60.879ha, 4 (208) plots	E.T.IR.ER.S SARE	185 of the 232 plots allocated are partly occupied by medium and large establishments like Nestle, Honda Manufacturing, Intersadine, etc. associated with a residential estate. Plot sizes are 0.5ha and 1ha.
2 Abeokuta (Lagos-Abeokuta) Road.	Pre 1976	As above	887.082ha (140 plots)	ER.E.W	Partly occupied by medium manufacturers of paints, ceramics, iron roofing sheets. Plot sizes are 0.5ha and 1ha.
3 Ikangba, Ijebu Ode	1979	As above	341.20ha, (64 plots)	E.T.ER.TR. W.SS	Partly developed. Only 7 of the plots at Ikangba have been allocated. Home to Gateway Pharmaceutical Co.
4 Itanrin, Ijebu Ode	1979	As above	877ha (561 plots)	E.ER	Not yet developed
5 Apoje, Ijebu Igbo	1979	As above	240.246ha	E.ER	Not yet developed
6 Ifo Industrial Estate	1980	As above	340.30ha	SS	8 of the 47 plots at Ifo have been allocated
7 Sagamu Ind. Estate	1979	As above	212.679ha	T.TR.E.W.S S	17 industrial plots available
8 Odogbolu	1979	As above	380.201ha	ER.E	15 industrial plots available
9 OPIC Estate, Agbara	1979	Ogun State Property and Investment Co. (OPIC)	160ha	E.W.TR.ED. ARE, club House	Partly occupied by large manufacturing establishments

10	OPIC Estate, Abeokuta along Lagos-Sokoto Expressway	1991	As above	63.5ha		Layout in progress
11	New OPIC Estate, along Lagos-Ibadan Expressway	1993	As above	1000ha		Fully developed
12	Abeokuta Ind. Estate Ajebo Road	1987	Ministry of Lands, Survey and Town Planning	254.58ha (350 plots)		97 of the 350 plots have been allocated and partly developed.
13	Agbara Estate Ltd.	1973	Private			Partly developed and occupied by medium-large manufacturing establishments like Lever Brothers, Glaxo, CMB, Toyo Glass, Dumex, etc. associated with a residential scheme. Perhaps Nigeria's best planned private industrial estate.

State: Ondo

	Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1	Ondo-SME Estate Ile Oluji Rd. Ondo	1989	Ministry of Commerce and Industry	10.379ha	None as yet	47 plots to be available
2	Ado Ekiti SME Estate, Ikere Rd. Ado Ekiti	1989	As above	11.407ha	None as yet	38 plots to be available
3	Owo SME Estate, Benin Owo Rd Owo	1989	As above	10.52ha	As above	43 plots to be available

4	Ondo Industrial Est., Ondo	1978	Ondo State Housing Corporation.	34.773ha	E.W.ER	Partly developed. 10 of the 45 plots have been allocated. 3 firms on site.
5	Ondo Rd. Ind. Estate.	1988	As above	342.10ha	E.ER	Partly developed. 19 of the 72 plots have been allocated. 1 firm on site.
6	Owo Light Ind. Estate, Owo-Ikere Junction, Owo	1989	Ministry of Lands	13.3ha	E.ER	All 8 plots already allocated. 2 firms on site
7	Akure Ind. Layout, Ilesha Road, Akure.	1976	As above	28.90ha	E.ER. 2 Industries located	13 of the 44 plots have been allocated, 2 firms on site.
8	State Ind. Layout, Lalesha Rd. Akure.	1980	As above	327.52ha	E.ER	16 of the 313 plots have been allocated. 9 firms on site.

State: Osun

Location of Industrial Estate	Year Established	Sponsor	Area Covered	Facilities Provided	State of Development
1 Oshogbo SME Estate.	1992	Ministry of Commerce and Industry	29ha	ER	Yet to take off
2 Ilesha SME Estate	1992	As above	30ha		Not yet executed
3 Oshogbo-Iwo Road Trade Fair Complex.		Ministry of Lands	175ha		Land just acquired
4 Ajaka Estate, Oshogbo Rd. Ilesha	1970s	Osun State	81.1ha	ER	108 plots still under construction
5 Oroki Estate, Ilobu	1976	Osun State Property Devt. Co.	36.54ha	E.W.TR.T	21 plots
6 Ede Akoda Ind. Estate	1982	As above	42.35ha3.0ha		
7 Moremi Ind. Est., Ile-Ife	1970	As above	Under preparation	E.ER	

8	Okinu via Oshogbo	1993	As above			
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State: Oyo

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Ogbomosho SME Estate		Ministry of Commerce and Industry	20.30	E.W.TR.SS	Partly completed, 35 plots proposed
2	Shaki SME Estate		As above	240	As above	Land acquired
3	Oyo SME Estate		As above	23.46	As above	Land acquired, 39 plots proposed.
4	Oluyole Ind. Extension Estate	1973	Ibadan Local Govt. Council	617.06	E.W.TR.T. SS.MW.ARE	All 104 plots allocated. About 70 percent of allottees have moved in.
5	Lagos Rd. Scheme	1972	As above	23.1	E.T.TR	Partly developed but all 67 plots allocated. 25-30 percent allottees have moved in.
6	Iwo Rd. Ind. Scheme, Monotan Ibadan	1975	As above	566.39	E.TR	10 percent of the 59 plots already allocated. 6 firms already operating including Exide Batteries, Triplex Safety Glass, etc.

7	Owode Ind. Estate.	1973	Oyo State Property Corporation (OSPC). All OSPC Estates are associated with residential schemes	289.84	E.T.R.W.RD. ARE.SS.FS. Schools, Banks. Clinic, Record Club	23 of the 76 plots have been allocated
8	Olubadan Ind. Estate, new Ife Rd. Ibadan	1987	OSPC	200.13	E.T.E.R.RD.ED. ARE.SS. Clinic, Schools, Banks, etc	All 22 plots allocated
9	Iwo Rd. Estate, Eji-Oku Ibadan	1989	OSPC	200.13	E.E.R.SS.W	86 plots partly developed
10	Ogbomoshu Industrial Estate		OSPC	223.15	At design stage.	Not yet developed. 43 plots proposed.
11	Ondo-Ona Kekere (Phase I)	1992	Ministry of Lands	129.7		90 plots planned.

State: Plateau

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Naraguta Light Ind. Estate	1989	Municipal Authority	30	T.R.EW	Partly developed
2	Anglo-Jos Medium and Large Ind. Estate, Jos.	1989	As above	198	As above	Extension of existing industrial area occupied by Jos Steel Rolling mill, Jos International Brewery & NASCO Group.

State: Rivers

	Location of Industrial Estate	Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Ahoada Ind. Estate	1987	Ministry of Commerce and Industry	250	ER.E.W. Central Workshop & Scientific laboratory completed.	Waterlines passing through the estate can be tapped. 3 plots factories for manufacturing pins, chalk and candles commissioned.
2	Trans-Amadi (Phase I & II) Industrial Layout	1960	Ministry of Lands	2,500 acres for phase I	TR.W.T.E & RD	Phase I fully developed and occupied while Phase II is still under-developed
3	Alesa Eleme (Onne) Layout	1993	Ministry of Industry and Commerce/ Fed Ministry of Lands funding	67.05	NONE	Still under-developed
4	Isiokpo Layout	1993	As above	250	NONE	As above

State: Sokoto

	Location of Industrial Estate	Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Kalambiana Ind. Layout Heavy	1961	Ministry of Commerce and Industry	135	E.T.W.TR.SS	Fully developed. 64 plots allocated to medium-large establishments including Sokoto Cement Co.
2	Light Ind. Area, Phase I Canteen Area, Sokoto	1971	As above	70	E.ER.W.T.SS	Fully developed

3	Light Industrial Area Phase II Sokoto	1976	As above	80	E.E.R.W.R.D. T.SS	Fully developed. The Phosphate Beneficiation Project is located in this Estate
4	Bye-Pass Light Industrial Layout, Sokoto	1988	As above	18	None as yet	Yet to be developed

State: Taraba

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Jalingo Ind. Layout Jauro	1992	Ministry of Commerce and Industry	25	ER	Site acquired, compensation paid and earth roads being opened up.
2	Yinu Village Jalingo					Partly developed

State: Yobe

Location of Industrial Estate		Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Potiskum Rd. Industrial Layout (A & B)	1993	Ministry of Commerce and Industry	117.3ha divided into 2 parts by the Trunk A Road.	E.W.TR	NEPA HT electricity line running through Maiduguri to Potiskum passes by the Estate. Federal Government funds were used to acquire the site B layout for SMEs.

State: Zamfara

	Location of Industrial Estate	Year Established	Sponsor	Area Covered (ha)	Facilities Provided	State of Development
1	Gusau Light Industrial Area	1975	Ministry of Commerce and Industry	68	E.T.W.TR.SS	68 plots fully developed
2	Special Federal Industrial Layout, Gusau	1992/93	As above	75	E.T.ER.TR. W.WW	26 plots partly developed.

INVESTMENT POTENTIALS FOR SMALL AND MEDIUM ENTERPRISES (SMEs) IN NIGERIA

7.1 INTRODUCTION

The advent of SMEs in Nigeria was necessitated by the need to stimulate the establishment and growth of industries, in order to launch the country's industrial development. Governments the world over as well as development experts recognize the critical role SMEs play as the main engine of growth and a major factor in promoting private sector development and partnership. SMEs are indeed the bases that provide the necessary impetus for the transformation of most industrialized economies. Thus, SMEs serve as pivots for industrialization.

SMEs therefore, represent the most vital and dynamic sector of growth especially for developing nations like Nigeria. This is because, they have proved to be among other things:

1. Vehicle for employment generation thereby increasing the purchasing power of citizens and also contributes significantly to improved living standards.
2. Major drive for the development of a broad based entrepreneurial culture with equitable and sustainable diversification and dispersal of industries in all facets of the economy.
3. Means of producing a core trained manpower for utilization in major industries. This is particularly of importance because our educational system lays more emphasis on paper qualification to the detriment of the development of technical skills.
4. Source of linkage and Support services to major industries. Where these services are not available the major industries cannot operate effectively because They will have to import all of their requirements which will be too cumbersome and thereby disrupt production process.

Hence, the rapid growth of the SMEs is of critical importance not only to promote the development of locally owned industries but equally for socio-economic development

through generation of employment and income on a much wider scale and the extension of industrial production over a diversified base.

DEFINITION/CLASSIFICATION

SMEs refer to those enterprises whose total investment is limited to amount not in the large scale category' and therefore do not have economics of scale in their own right.

These investments are usually characterized by:

- i. Low set-up capital
- ii. Short gestation period
- iii. Small labour force
- iv. Use of simple technology etc.

Thus, according to the National Council on Industry SMEs are those enterprises in which total capital (working capital inclusive) falls within ₦1 million to ₦150 million mark with a labour force of between 11 to 100 people.

Classification: Industrial enterprises in Nigeria are categorized according to their level of investment as depicted thus:

TOTAL INVESTMENT (INCLUDING WC) LESS LAND LABOUR FORCE

Cottage	Not more than N 1 million	Not more than 10
Small	Above N 1 million but not exceeding ₦40 million	11-35
Medium	Above N40 million but not exceeding ₦150 million	35-100
Large	Above ₦150 million	Over 100

Source: *National Council on Industry, 1996.*

GOVERNMENT INVOLVEMENT WITH SMEs

Government concern with the development of SMEs was prompted by the critical role they play in industrialization. More so, the failure of other developmental policies (such as import substitution industrialization) to booster the country to the required level of advancement, forced governments to refocus its policies to look inwards.

Meanwhile, government involvement in this sector is mainly in terms of favourable policy formulation and establishment of support institutions. Nigeria's industrial policy since the 1980s has been directed at using the oil wealth to develop the industrial and manufacturing base of the economy. Specifically, the objectives of this policy is to achieve among others:

- i Maximization of local value-added
- ii Steady growth of technological and material self-reliance
- iii Industrial dispersal
- iv Promotion of export promotion industries;
- v Employment generation

These attributes, the government realized could best be achieved through the development of SMEs. Therefore the strategy of promoting the SMEs by government was aimed at opening up the vast rural areas of the country and creating remunerative employment opportunities. In addition the strategy is also intended at using the SMEs to serve as a springboard by which indigenous entrepreneurs should be able to undertake venture in the large-scale subsector eventually and attract foreign direct investment through partnerships. Accordingly in order to make the strategy successful to achieve the desired objectives the government established an umbrella organization for the small-scale industries with all the attendant advantages. This is called Small and Medium Enterprises Development Agency of Nigeria (SMEDAN).

Banks have also established a scheme called Small and Medium Industries Equity Investment Scheme (SMIEIS) to take up equity in SMEs. The Bank of Industry is also established to grant credit to industries. Meanwhile, research institutions such as the Raw Materials Research and Development Council have been commissioned to provide valuable information on opportunities in the sector. In spite of all these government efforts, the sector is yet to realize the desired result due mainly to the inability of the local entrepreneurs to take advantage of the opportunities provided and some other inherent problem of the macroeconomic environment of the recent past. Notwithstanding this limitation however current level of activities in the sector is still

commendable although there is room for improvement in order to reach the desired level of development.

POTENTIAL AREAS OF INVESTMENT FOR SMEs

Investment opportunities for SMEs in Nigeria are to say the least tremendous. Virtually all sectors of the economy offer a need either in terms of finished goods or input to processes of raw materials to bigger industries and other support services to these industries. Therefore opportunities exist in every sector especially the priority sector that attract government incentives. These include:

i. Agro-Allied Industries

- a. Production of products which assist in farming and processing of farm produce such as farm implements and simple technology for storage and preservation.
- b. Food processing industries to convert the farm produce into semi-
- c. processed and finished goods.
- d. Industries for leather processing and production of leather products

Specifically, projects for which studies have been conducted on their viability include:

- a. Production of puffed cereal biscuits
- b. Fish and meat smoking
- c. Cassava processing for production of garri
- d. Reconstituted pasteurized milk
- e. Pasta production
- f. Small-scale tanning
- g. Fibre processing
- h. Bee keeping cum honey
- i. Mineral water production
- j. Desiccated coconut etc.
- k. Mini sugar plant

ii. **Chemical, Petrochemical and Pharmaceutical Industries:**

Most of the raw materials input in this field is by products of petroleum, which is the major product of this country, and some natural minerals widely available. Therefore, opportunities exist for:

- a. Fertilizer production
- b. Rubber, plastic and wood products
- c. Pharmaceuticals

Some specific area of investment in high demand include:

- a. Production of infusion solution
- b. Ophthalmic lenses
- c. Ethyl alcohol
- d. Phosphoric acid
- e. Glycerin recovery
- f. Polyester resin
- g. Oxygen Production
- h. Production of Industrial glues and adhesives Production of rodenticides.

iii. **Mechanical Engineering and Metals Industries:**

Opportunities abound for:

- a. Metal fabrication
- b. Production of machine tools
- c. Spare parts fabrication
- d. Foundries and forges

Specific areas of investment include

- a. Maintenance and repair shop
- b. Metal coating shop such as chromium plating
- c. Metallic Stearate
- d. Copper salts
- e. Zinc chloride, sulphate, cyanide and nitrate
- f. Sodium/potassium citrate and iodides
- g. Calcium carbide

h. Sodium sulphide

iv. Building and Construction Sector

Opportunities in this sector include among others:

- a. Cement production
- b. Production of non-metallic building materials
- c. Electrical fittings

Specific areas of investment include:

- a. Manufacture of village silos
- b. Production of wall and floor tiles with cement base
- c. Production of sanitary ware
- d. Production of straw board
- e. Abrasive wheels
- f. Copper wire, soldering wire
- g. Switches, plugs sockets and other electrical accessories
- h. Hot dip galvanizing
- i. Silica gel

OTHER AREAS

The following investment potentials available to SMEs also fall within the list of pioneer industries products, which attract incentive of tax holiday for a period of five years. These include:

- Manufacture of paper pulp
- Manufacture of yarn and man-made fibers
- Manufacture of nets from local raw materials
- Manufacture of gas cylinders
- Rubber plantation and processing
- Gum/Arabic plantation and processing
- Vehicle parts manufacture
- Oil palm plantation and processing - Book printing

Specific areas of investment include:

Nineteen (19) Domestic Earth Stations (DOMSAT) are located in some states capitals, these are operated by three leased INTERSAT transponders for national TV coverage. Presently, 110 IMMARSAT terminals are operational in the country.

a. **Internet system**

NITEL has installed 5,500 ports to provide Internet services. The Point of Presence (POP) are:

Lagos 3000 ports

Abuja 1000 ports

Kaduna, Enugu and Bauchi

b. **Private Network (BIZNET)**

NITEL operates a Domestic Satellite - based private Network for business community, (BIZNET). This is aimed primarily for Voice and Data transfer. The network is made up of fourteen (14) terminals with one hundred and seven (107) circuits utilizing 36 MHz Leased INTELSAT transponders.

c. **Frequency Monitoring System**

- i. Fixed International Monitoring stations in Lagos, Ogoja, Azare and Gusau
- ii. Mobile monitoring system of three mobile stations in the Lagos area. Each of the fixed stations, when fully operational, will contain:
- iii. Radio receivers capable of receiving signals from low frequency to superhigh frequency
- iv. Spectrum Analyzer
- v. Field strength measuring equipment (iv) Direction finding equipment
- vi. (v) High quality receiving antennas etc.

7.2 REGULATORY BODIES

a. **The Ministry of Communication**

- The, Ministry of-Communication is responsible for the management of the Radio Frequency Spectrum from Nigeria. In

the discharge of this responsibility, the Ministry ensures that the spectrum available to Nigeria is put to the best possible use.

- The Ministry also discharges the following responsibilities;
- Coordinating, as the national administration, all matters relating to the International Telecommunications Union (ITU) preparation of guiding principles and recommendation of the functioning of national and international meetings concerning the international consultative committee bodies of the ITU;
- Coordination and negotiation of all matters relating to harmful interferences that are referred to the Ministry for solution;
- Ensuring the establishment of adequate maritime, aeronautical and space services to the region.

b. Nigerian Communication Commission (NCC)

The Commission was established in 1992, with the following as its functions among others:

- Licensing telecommunication operators and facilitating private sector participation and investment in the telecommunication sector of the Nigerian economy;
- Establishing and supervising technical and operational standards and practices for network operators, overseeing the quality of services provided by the operators and setting terms for the inter-connection of different carriers/network;
- Ensuring that the interest of the consumer of telecommunication services is protected by promoting competitive pricing of such services and combating the abuse of markets power;
- Mediating between operators, carriers and consumers;
- Reporting and giving assistance to the Ministry of communication in respect of its regulatory functions.

c. National Frequency Management Board (NFMB)

In order to streamline the management of radio frequencies, the government is proposing the establishment of a Board to be known as the National Frequency Management Board (NFMB). It would be responsible for the planning, coordination, allocation, assignment, registration and monitoring of the radio frequency spectrum in the country. To facilitate the operation of the Board when constituted, relevant portions of the law establishing the NEC and the NCC, relating to radio frequency spectrum management would be reviewed accordingly.

8.0 LAND

Land is available for all purposes and the method of acquisition is simple and straight forward. All lands in Nigeria belong to the Federal Government and the authority over their administrations vested on the state governments which are 36 in number, in addition to the Federal Capital Territory. Land, whether for industrial or other purposes, can be leased from the State Government at prevailing rates in the respective states. The land lease is for a term of 99 years unless a company stipulates a shorter duration. In some cases, there are various concession and incentives with respect to land granted to investors by State Government.

9.0 INDUSTRIAL ESTATE/LAYOUTS

The provision of industrial infrastructural facilities in Nigeria can be closely linked to the establishment of Industrial Estates. Since 1958 when the first Industrial Estate was established in Yaba, Lagos State, successive Nigerian Government at the Federal and State levels have made bold efforts to build industrial layouts/estates in different locations throughout the country. These initiatives were undertaken with a view to facilitating the establishment of manufacturing outfits whether large, medium or small-scale and thereby promoting rapid industrial development. By building industrial layouts/estates where land Ownership is unencumbered along with supporting infrastructural facilities such as good access roads, electricity and water

among others, it is believed that some of the major problems facing business start-ups will be eliminated. However, after four decades of this policy, it would appear that achievements have fallen far short of expectation, especially outside the major industrial centres of Lagos, Kaduna-Kano axis and Port Harcourt-Aba Area. Current Government policy is more in favour of developing industrial estates for promoting small scale manufacturing enterprises in both urban and rural areas. Stated below, on a state-by-state basis, is the list of industrial estates in Nigeria.

Abbreviations representing facilities and services provided in the estates are as follows:

Services

- PFS Petrol Filling Station
PS Police Station
SS Security Service
RST Restaurant
RD Refuse Disposal
ARE Associated Residential Estate

Facilities

- E Electricity
ER Earth Roads
TR Tarred Roads
W Water
T Telephone
- Large scale mechanized farming
 - Cattle ranching and piggery of not less than 500 herds
 - Re-refining or recycling of waste oil
 - Large-scale inland fishing farms
 - Manufacture of flat sheets
 - Manufacture of alum, enzymes, concentrates, welding electrodes, nails, iron rods and ropes.
 - Production of coal briquettes

Key Advantages

Meanwhile the other advantages for investing in the SME sectors are

1. **Market:** Demand for these products are not met even at the home market with a population of about 120 million people while opportunities for export to other African regional markets are offered by Nigeria's strategic location with access through both land and sea to other countries.
2. Availability of raw material inputs for these industries as well as trained and trainable workforce.
3. Provision of government incentives in terms of tax holidays and development of industrial estates.
4. Availability of credit facilities from Banks and other development finance institutions specifically designed for the sector.

ROLE OF NIPC IN PROMOTING SMEs

1. **Identification of Local Entrepreneurs Actively Involved in the Sector and Promoting their Activities.** This involves the establishment of contact with business and industrial association to which local entrepreneurs belong. The Commission maintains close contact with these bodies to boost their activities through local investors for investment missions and facility visit.
2. **Match-making with Prospective foreign Investors**
One of the mandates of the Commission is to coordinate match-making activity between the local entrepreneurs and their foreign counterparts. The Commission invites members of the SMEs to hold discussions with their foreign counterparts whenever a foreign trade delegation visits the country. Plans are also underway to embark on foreign trade missions to some targeted countries to boost the activities of the SMEs.
3. **Provision of Information**
As an Investment Promotion Agency, the Commission provides information on opportunities and potentials available in the country with a view to promoting the activities of SMEs. This data is effectively disseminated at available avenues such as trade fairs, exhibitions, investment missions and other promotional activities.

ANALYSIS OF SOME: SELECTED PROJECTS THAT CAN BE TAKEN UP IMMEDIATELY.

These are projects for which studies have been conducted by Raw Materials Research and Development Council (RMRDC), resulting in a detailed analysis of investment prospect and requirements including costs, process, market etc.

1. FRUIT JUICE AND CONCENTRATE PRODUCTION PLANT

Introduction

The availability of abundant fruit varieties in Nigeria coupled with the seasonal nature of these fruits make it desirable to process them into user-friendly products. Meanwhile natural fruit juices and squashes are preferred to the carbonated drinks by individuals due to health reason. Also fruits are among the vital ingredients for the healthy growth and sustenance of the individual. In addition, production of fruit juices is made easier with the advent of basic technology for it. Thus, it is a very viable project.

Market: The country's population of about 120 million people provides a ready market for fruit consumption, conservatively put at about 10,000 tonnes of juice per annum. Access to ECOWAS and other African market is also guaranteed. Raw

Materials: Major raw materials for making juice include fruits, sweeteners sugar, citric acid and probably preservatives. In Nigeria, fruits are available in the following quantities:

FRUITS	TONNES/ANNUM
Citrus	7,500,000
Mango	3,000,000
Tomatoes	32,000,000
Guava	8,000,000
Paw Paw	7,000,000
Pineapple	5,000,000

HYDRATED LIME PRODUCTION PLANT

Product: Hydrated Lime Uses:

- As industrial raw material for production of caustic soda, controlling of acidity, precipitated calcium carbonate production and cement, fertilizer and rayon. also for production of calcium hydrochloride bleach, citric acid, phosphate chemicals, glycerin and polypropylene oxide.
- In building industry, it is used in the manufacture of cement
- In metallurgical industry, it is an input in the production of non-ferrous metal such as Copper, zinc, lead, gold, silver and uranium.

Market: National demand alone is put at 101,000 MT/A while current supply is about 35,000/ A, the remaining 65.000 MT/A demand is largely unattended to. Also access to ECOWAS and other African markets.

Raw Materials: Limestone for which deposits (quantified and un-quantified) exist in about 12 States of the Federation.

2. PRECIPITATED SILICA PLANT

Product: Precipitated silica is essential filler, which impacts elasticity, resistivity and flexibility to rubber products.

Uses: It is mostly used in rubber reinforcement, for tyre making, footwear, brakes, hoses, radiator, etc. Its gel is used as vehicle, carriers in pesticide formulation.

Market: So long as there is demand for tyre and other allied rubber products, the demand for precipitated silica is insatiable. Therefore, it is a product with great market potential.

Raw Materials: For production capacity of 40 MT/A

- a. Sodium silicate 120 MT/A 7000/Ton
- b. Sulphuric Acid 18 MT/A 5000/Ton
- c. Packaging Material

Meanwhile detail report on the following listed projects are available either at the Nigerian Investment Promotion Commission (NIPC) or Raw Materials Research and Development Council.

3. FOOD AND BEVERAGES:

- i. Industrial Starch production plant
- ii. Starch Derivatives Production
- iii. Cashew- nut shell liquid) CNSL)
- iv. 2001-LA Integrated palm oil palm kernel oil production
- v. Pectin from fruit juices
- vi. Commercial food mixers (baking powder, custard, jellies, ice cream)
- vii. Banana Powder (flavour) production
- viii. Soya milk production
- ix. Mini Sugar plant
- x. Potato processing etc.

4. NON-METALLIC

- i. Kaolin processing
- ii. Industrial mineral grinding plant
- iii. Flooring tiles, roof tiles (marble granite)
- iv. Plaster of Paris (POP)
- v. Gemstone cutting and polishing
- vi. Bentonite processing plant
- vii. Lead zinc smelting
- viii. Mini cement plant
- ix. Refractory and insulating bricks plant
- x. Phosphate rock benefaction plant etc.

5. CHEMICAL AND PHARMACEUTICAL

- i. Gum Arabic
- ii. Barium compounds
- iii. Basic dyes
- iv. Aluminum sulphate
- v. Mini fertilizer blending plant
- vi. Sealing wax
- vii. Absorbent cotton
- viii. Magnesium sulphate
- ix. Paint driers
- x. Essential oils etc.

6. RUBBER, PLASTIC PAPER

- i. Laboratory glass were
- ii. Wood preservative plant base on copper and arsenic (Paris Green)
- iii. Welding electrodes manufacturing plant
- iv. Corrugated fiber-board
- v. Surgical gloves production factory etc.

7. PROJECTS BEING PROMOTED

NIPC and UNIDO are currently promoting 75 projects under UNIDO NIPC partnership programme. The list is as follows:

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INVESTMENT POTENTIALS OF ALL THE STATES AND THE FEDERAL CAPITAL TERRITORY, ABUJA

States	Mineral Resources	Agricultural and Agro-Allied	Oil and Gas	Industrial Potential
Abia	Brine, iron-ore, kaolin, clay	Cowpeas, soybeans, groundnuts, rice, maize, yam, cassava, coco yam, oil palm, raffia palm, cocoa, rubber, cashew, coconuts, kola nuts, grapes, lemons, mangoes, papaws, and guava.	Petroleum gas	Obuaku city project, ceramic, brewing, cosmetics, textiles, plastics, garments, shoe making, and glass, petroleum and gas industries, sugar cane, plantain, banana, oranges.
Abuja	Marble, kaoline, Clay, tin, tantalite, lead, zinc	Yam, cassava, fruits, maize, beans, and vegetables.		Food processing and manufacturing industries.
Adamawa	Barites, salt (evaporates) trona, calcium laterites, ilmenites (titanium iron oxide) minerals, marble, gypsum, clay minerals	Guinea corn, sugar cane, yam, cassava, maize, millet, rice, milk, cheese, cotton seed, groundnuts, cowpeas, cotton, livestock.		Agriculture, processing industries, sugar plant.
Akw-Ibom	Clay, glass, sand, beutonite	Coconut, cocoa, fishing, rubber, raffia palm, coffee, coil, palm.	Crude oil, and natural gas	Agricultural processing and manufacturing, fishing, Aluminum Smelting Company at Ikot-Abasi.
Anambra	Kaolin, limestone, marble, etc.	Rice, yam, cassava.	Crude oil reserves	Manufacturing and industrial activities.
Bauchi	Limestone, columbite, iron-ore, kaolin, tantalite, wolframite	Sugarcane, maize, groundnut, millet.	Crude oil (under survey)	Spring water bottling, tourism, limestone, dairy production, Steyr motors assembly plant, Nigeria asbestos, guinea corn, cotton rice limited, Yankari Natural Water Company and Arewa ceramic Industry.
Bayelsa	Clay, silica sand	Plantain, fish, banana, cassava, coco yam.	Crude oil and gas	Petroleum and fishing industries.
Benue	Wolframite, tin, columbite, tantalite, kaolin, gypsum	Yam, rice, maize, sorghum, beniseed, coco yam, potatoes, millet, beans, cassava, cowpea,	Crude oil reserve and gas	Food canning and processing industries, cement industry and allied

		groundnuts, oil palm, orange, mango, cashew, kola nut, etc.		products.
Borno	Diatomite, gypsum, iron-ore, feldspar, magnetite, potash, trona, limestone, clay.	Millet, wheat, gum Arabic, hides and skins, and onions.		Soda ash plant, cottage industries, Borno State Wire Industries Ltd. Shoe industry and leather manufacturing.
Cross-River	Limestone, barite, uranium, bentonite	Rubber, cocoa, oil palm, plantain, banana, yam, cassava, maize, rice, fruits, fresh vegetables, melon, garden eggs, fish, etc.		Agriculture, fishing and tourism.
Delta	Lignite, Gypsum, tar, sand, silica	Palm oil, palm kernel, cassava, yam tubers, rubber and timber.		Petrochemical and allied industry, plastic rubber processing, palm oil processing, glass industry, and wood processing.
Ebonyi	Salt, limestone, lead, zinc, brine, gypsum	Yam, rice, cassava, maize, Soya beans, melon, fish.	Crude oil reserve and gas	Mining, food processing and preservation, canning of food drinks.
Edo	Oil, gypsum, tar sand, lignite, marble, silica sand	Cassava, yam, garri, plantain, rubber, coco yam, timber,	Crude oil reserve	Food processing, rubber processing, cement factory and wood processing.
Ekiti	Tantalite, quartz, kaolin, sand, clay, gold, feldspar, granite, mica.	Cocoa, Iroko, mahogany, timber Gmelina trees, etc. palm produce, yam, coco yam, plantain, cassava.	Oil and gas reserve	Wood processing industry, paper and paper production, food and canning industry.
Enugu	Coal, clay, limestone, silica, iron-ore, lead, zinc, kaolin, barites.	Oil palm, cassava, rice, maize, palm wine, yam, cashew.		Motor assembly, manufacturing, ceramics, pottery, coal mining, cement and building materials, steel and Aluminum.
Gombe	Glass, silicon stone, gold, iron-ore, and limestone.			
Imo				
Jigawa				
Kaduna				
Kano				
Katsina				
Kebbi				
Kogi				
Kwara				

Lagos				
Nasarawa				
Niger	Glass, silicon stone, gold, iron-ore, and limestone.	Corn, rice, sheanut.		Power generation, cottage industries
Ogun	Limestone, chalk, phosphate, clay kaolin, tar sand.	Rice, maize, beans, poultry, cassava, yam, plantain, banana, palm produce, rubber, cocoa, sugar cane.		Wood processing and agricultural processing
Ondo	Bitumen (tar sand) quartz, limestone, kaolin, iron ore, columbite, clay.	Mahogany, Gmelina, Iroko, yams, plantain, rubber, palm produce, kolanuts, cashew and coffee, cocoa, timber.	Crude oil	Food processing industries and manufacturing industries and wood processing.
Osun	Gold, clay, limestone, granite, talc.	Cocoa, kola nut, rice, millet, maize, plantain and yam.		Manufacturing industries, food processing industries and kaolin, Federal Government Steel Mill.
Oyo	Dolomite, silimanite, kaolin, and granite, marble, iron ore, clay and gemstones.	Cocoa, palm produce, cassava, maize, yam, cashew, and kola nuts.		Palm produce and food processing, solid mineral exploration.
Rivers	Silica sand, granite, clay.	Palm oil, fish, cassava, plantain, banana, fruits and vegetables.	Crude oil and natural gas	Oil industries, refinery and petrochemical companies, fertilizer company (NAFCON), West African Glass Industry, and flour mills, Gas, etc.
Sokoto	Gold, kaolin, gypsum, salt, marble, lignite, feldspar and limestone, phosphate, etc.	Rice, wheat, millet, guinea corn, maize, potatoes, cassava, groundnuts, beans, etc.		Sokoto Cement Industry, soft drink factory, forma brick industry, cotton ginnery manufacturing, and food industry.
Taraba	Barites, bauxite, iron ore.	Rice, guinea corn, yam, cassava, coconut, bambara-nuts, banana, beniseed, tobacco, coffee and citrus fruits.		Rice and brine, graphite, flour mills (food processing) soap making industry, livestock and animal feed.
Yobe	Potash, gum Arabic, gypsum, limestone, iron	Cotton, groundnut, millet, maize, guinea corn, wheat, beans, and		Manufacturing and food processing industries.

	glass sand, diatomite, espomite, clay shale, marble, granite rock and kaolin.	benisced.		
Zamfara	Gold, mica.	Rice, maize, guinea corn, wheat, bans.		Burnt brick manufacturing, food processing.

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ASSET MANAGEMENT IN NIGERIA

INTRODUCTION

The Nigerian management industry has under-gone considerable transformation over the past ten years. From a situation where custodial and fund management roles were being performed by the same institution hence creating glaring lapses vis-à-vis global best practices the past five years have witnessed the establishment of a number of world class investment vehicles by well-trained and dynamic fund managers. In order to put the Nigerian asset management industry in proper perspective., it is important to provide an overview of the key elements of the asset management industry in Nigeria.

REGULATION OF FOREIGN INVESTMENT

Any funds that are imported into Nigeria from abroad for the purpose of making investment in Nigeria are governed by the foreign Exchange (Monitoring and Miscellaneous Provisions) Decree No. 17 of 1995 (“the Decree”). The Decree removes restrictions that were hitherto placed on foreign investments as follows:

Procedure for Bringing in Foreign Capital

- The prospective investor identifies a suitable investment that meets the investor’s objectives based on advice obtained from the investor’s asset manager.
- The investor, in conjunction with the asset manager, nominates an authorized dealer for the transfer of funds.
- Funds are remitted from the investor’s foreign account through the authorized dealer and the investor obtains the Naira equivalent of the funds which is subsequently transferred to the asset manager or custodian, depending on the nature of the transaction.
- The authorized dealer issues a certificate of capital importation (“the CCI”) to the investor, which provides evidence of the funds that have been brought into the country. The CCI allows the investor to;
 - Open foreign currency domiciliary account with any authorized dealer for investment purposes;

- Open a special non resident Naira account to which can be credited all receipts from -capital inflows, proceeds from sales of securities, dividends and the interest;
- Make investments in Nigeria out of the balances in the Naira account. and
- Remit capital, profits, capital gains, dividend
- And other income received through an authorized dealer subject to deductions of withholding tax.

IDENTIFYING A SUITABLE INVESTMENT

Prior to making an investment, an investor needs to ensure that any investment made shall enable the investor meet present and future financial obligations. The objectives of an investor, which could include profit or wealth maximization, depends on various factor such as:

- Existing and future liabilities (e.g. Indebtedness and responsibilities).
- Institutional investors tend to ensure that cash flows generated by the portfolio are able to cover regular payments and occasional lump sum payments. These include pension funds, which seek to ensure that the income generated from their portfolio cover payments that are likely to fall due in the future as employees retire.
- Existing asset (e.g. existing investments, income). Most-wealthy individual do not require additional income in the short-term and may wish to make investments that focus on capital appreciation.
- Investment horizon. The investment horizon refers to the length of time for which an investment is made. Investors with short-term horizons should invest in fairly liquid instruments that allow liquidation of investments at short notice.
- Age. The age of the investor is closely connected to the investment horizon. Younger investors normally invest in portfolios that primarily have a long-term focus. On the other hand, pensioners may prefer income yielding portfolios that help augment their pensions.

- Risk tolerance/profile. Risk averse investors should avoid high risk investments, regardless of the anticipated high returns from such investments. Pension funds, for example tend to focus more on the safety of workers' monies.

CHOOSING AN IDEAL ASSET MIX

The putting in place of an optimum asset mix in a portfolio is of great importance to an investor. Choosing an ideal asset mix depends on the (i) needs and objectives of the investor, (ii) relationship between the returns on the various classes of assets and (iii) regulatory and tax considerations. It is crucial to adequately diversify a portfolio such that the overall returns are not tied to the fortunes of a particular company, industry or sector. In addition, an ideally structured portfolio should seek to ensure that an investor is adequately protected against inflation and is tax efficient.

DISCRETIONARY MANAGEMENT

Discretionary asset management involves the investor leaving the day-to-day investment decisions to the asset manager. This arrangement is normally under strict and clear-cut guidelines agreed to by the investor and the asset manager. It gives the asset manager freedom to make routine investments without recourse to the investor thus saving time and allowing greater flexibility. On the other hand, non-discretionary asset management involves the asset manager being given limited powers to manage the investor's funds.

TYPES OF INVESTMENTS

There are various types of investments available to investors in Nigeria. Investments can be classified according to their lifespan, namely, investments in short-term instruments, Short-term investments usually have a lifetime of up to eighteen months; medium term investments eighteen months to three years; while long term investments range from three years upwards. Short term investments include money market instruments such as commercial paper and treasury bills while medium and long term investments include shares, bonds and property.

EQUITIES

A share represents fractional ownership of a company. An owner of a share receives dividends, as earned and declared by the company. The life time of the share is continuous with the existence of the company. In Nigeria, trading in existing shares of public quoted companies (this market is known as the secondary market) are done on the trading floor of the Nigerian Stock Exchange ("The Exchange"), by licensed stockbrokers. Investments in the primary market (new shares that are offered by the issuing company) can be made through receiving agents (such as banks, stock brokers, issuing houses etc), shares of top quality companies listed on the Exchange are fairly liquid and can be disposed of very easily. Shares provide capital appreciation and are usually bought by investors with a medium to long-term investment horizon.

BONDS AND DEBENTURES

A bond represents a creditorship in a corporation. The holder of a bond receives interest which must be paid when it is due. The lifetime of a bond is limited to a specific maturity date when that obligation must be repaid. If a company is unable to pay interest or principal on the date prescribed on the trust deed, the trustees may through a court action compel the company to make payments. A debenture is an unsecured debt offering of a company. Some bonds are denominated in dollars (principal and interest), such as the dollars (principal and interest), such as the dollar denominated Nigerian Government par Bonds and Promissory Notes issued by the Nigerian Government.

TREASURY BILLS ('T-BILLS')

This is a 91-day debt instrument issued by the Federal Government of Nigeria. T-bills offer investors access to a secure and highly liquid investment. T-bills are sold at a discount to their face value and provide yields in excess of the 4%-8% P.A. presently payable on bank savings accounts. Investors submit weekly bids through their brokers, and the T-bills are allotted by the Central Bank of Nigeria. The minimum investment in T-bills by an individual applicant is ₦10,000 (ten thousand Naira). At maturity, the proceeds of the investment are either rolled over or repaid to the investor, depending on the wishes of the investor. However, should the investor require liquidation of the

Investment before maturity, the T-bills can be discounted by the Central Bank of Nigeria and the investor is repaid almost immediately treasury bills can be purchased, on behalf of investors by stock broking firms, banks and discount houses.

COMMERCIAL PAPER

(CPs) CPs are short-term (normally 90-270 day) unsecured debt instrument usually issued by corporate entities to fund their working capital requirements. Investors are paid interest either upfront or at maturity of the investment.

BANK DEPOSITS

Bank deposits are liquid investments, and are relatively safe (depending on the financial strength of the bank which is normally measured in terms of the bank's credit rating). The returns on bank deposits are normally lower than returns from commercial paper and treasury bills.

MANAGED FUNDS ('MFs')

MFs consist of a pool of funds that are professionally managed by fund managers on behalf of unit holders. This non-discretionary type of fund management is more cost-effective as transaction costs tend to constitute a higher proportion of small investments. The use of MFs allows the fund manager concentrate its energy and resources to manage a large pool of funds instead of numerous small batches of funds. It is very important that MFs align and meet the needs of the investor. For example, some investment funds, concentrate mainly on capital appreciation and consequently, investors inquiring regular income (e.g. on a quarterly basis) should not be encouraged to invest in such funds. One of the investment funds offered by Denham Management Limited is the Nigeria Global Investment Fund ("the NGIF"). The NGIF is a N2 billion open-ended unit trust scheme operated by Denham Management and commercial Bank (Credit Lyonnais Nigeria) limited in conjunction with Credit Lyonnais Asset Management, Paris. The NGIF is registered with the Nigerian Securities and Exchange commission. The Fund's investment portfolio ("the Portfolio") is comprised mainly of investment grade Nigerian (Naira and foreign currency) corporate and government securities. The composition of the Portfolio

enables the NGIF meet the requirements of institutional investors (such as insurance companies, pension and trust funds) and high net worth individuals alike by providing them with a combination of relatively safe investments, competitive returns and adequate liquidity. 'Furthermore, periodic reports are sent to investors on a monthly, quarterly, semi annual and annual basis to enable investors track the value of their investment(s).

PROPERTY

Property Investments involve investment in property with a view to obtaining rental income and/or profit from an appreciation on the market value of the property. This type of investment is appropriate for investors with a long term focus as it is not as liquid as, say, shares.

TAXATION

One of the clear signs of efficient asset management is a portfolio that minimizes the tax burden on the investor as tax efficiency is of most importance. In Nigeria, Profits on various classes of investments are subject to different taxes, as set out below:

SHARES

Dividends received are subject to withholding tax (currently 10%) regarded as franked investment income and are exempt from further tax. Furthermore by virtue of section two of the Finance (Miscellaneous Taxation Provisions) Decree No. 19 of 1998 the provisions of Section three of the Capital gains Act 1967 have been deleted, thereby removing stocks and shares from the list of chargeable assets liable to capital gains tax. Therefore, there is no capital gains tax on the disposal of stocks and shares.

UNIT TRUST SCHEMES

Unit trust schemes are treated as limited liability companies and the income received by unit trust schemes, in respect of which no tax has been withheld, are subject to company income tax (currently 30%) in the hands of the unit holder. When dividend received by unit holders were redistributed, such dividends will be exempt from tax in the hands of the unit holder. The tax treatment of a unit trust is the same regardless of

whether or not it distributes or reinvests the profits. In addition, gains derived by a unit holder on the disposal of an investment are not subject to capital against tax.

INTEREST

Interest earned on treasury bills, commercial paper bank deposits etc are subject to personal income tax or company income tax (depending on the investor). When tax is withheld at source, this can be used to offset the final tax that is payable by the investor. In addition any amount of profits or gains arising from acquisition and disposal of short-term money instruments such as Federal government securities, treasury bills, treasury of savings certificates, debenture certificates or Treasury bond shall be subject to tax.

REPORTING

Investors should be provided with timely- and regular (e.g. monthly, quarterly and annually) reports on their investments. These reports should, ideally, show concise but informative details of transactions that have been undertaken on behalf of the investor, returns on the investor's investment and the investor's cash balance, as appropriate.

PERFORMANCE MANAGEMENT

In order to ensure that the investor is being provided with top quality service, there should be market indices with which the investor can measure the performance of his portfolio. The Nigerian Stock Exchange all share index. Treasury bill rates, the performance of other investment fund, can be used as a benchmark for measuring performance. It is important that the investor's objective be considered when measuring the performance. In this regard, an investor's objectives should be reviewed regularly by the investor (preferably in conjunction with the asset manager) to ensure that the investor's portfolio structure is optimally tailored to meet those objectives.



SECTION FOURTEEN

NATIONAL TOURISM POLICY

1.0 PREAMBLE

Development of Tourism and Hospitality Industry is already a global phenomenon, which has received wide acceptance all over the world. It should be noted that, Tourism is presently the largest employer of labour as well as the highest foreign exchange earner in the world. For over four decades, Nigeria has relied on monocultural economy and proceeds from petroleum products neglecting other vital economic sectors that could have equally contributed to the economic well-being of the Nigerian peoples. One of the cardinal interests of the present administration to diversify the economy through areas where the nation has comparative advantage, one of which is the hospitality and tourism industry. This policy derives its inspiration first from the NEPAD Baseline study on Tourism and secondly from the pronouncement and determination of the Secretary General of the World Tourism Organization (WTO) to develop and market Nigeria as a tourism destination.

2.0 POLICY THRUST

The policy thrust is to develop sustainable tourism by capitalizing on heritage diversity as the basis for promoting domestic and international tourism. This is aimed at competitive sustainable tourism development within the confines of the World Tourism Market and open up Nigeria as a major tourist destination in Africa through the **Development of International Tourism and promotion of domestic tourism**. Nigerians will be Encouraged to spend their holidays in Nigeria and to know more about the country. It is also proposed that the months of November, December and January be recognized as Harmattan Holiday season. The policy is further aimed at developing Nigeria into the **regional airline main hub** with a view to coordinating and facilitating air travels to all parts of Africa **and integrating** all blacks, particularly those of Nigerian origin.

3.0 POLICY OBJECTIVES

The main objectives of the National Tourism Policy are:

- To protect and promote Nigeria's cultural heritage as a resource for Home grown socio-economic development;
- To encourage community and public partnerships in tourism development;

that the local communities derive economic benefits from the tourism projects operating in their areas such as employment, income generation, infrastructural development and preservation of the local heritage.

4.1.4 Promotion and Marketing:

Promotion and marketing would embrace developing a unifying hallmark for the nation through the adoption of a national tourism slogan. Promotion and marketing of the tourism products of the nation shall be carried out by Federal Ministry of Culture and Tourism, supported by Federal Ministry of Information and National Orientation, Nigeria Foreign Missions, States Government and the Private Sector.

4.1.5 Capacity Building

Government shall initiate training programmes in the tourism, travel and hospitality industry through specialized institutions such as the National Institute for Cultural Orientation (NICO), Nigerian Institute for Hospitality and Tourism (NIHOTOUR) and tertiary institutions in the areas of tour guide, hotel and resorts management, catering etc.

4.1.6 Gender, Environment and HIV/AIDS

In order to ensure sustainable tourism development, Government would pursue policy that would impart:

Gender:

Ensure gender equality and sensibility through providing special assistance to women cooperative from the Tourism Development Fund to improve their earning capacity;

Environment:

Sound environmental practices, including Environmental Impact Assessment, will be carried out in respect of all major tourism projects with appropriate mitigation measures;

HI V/AIDS:

In order to sustain the level of awareness of the HIV/AIDS pandemic, vigorous and continuous campaigns shall be carried out at all major tourist destinations.

5.0 ASPECTS OF TOURISM ON FOCUS

5.1 The policy shall focus on the development and promotion of such products where the nation has relative, competitive advantage over other tourist receiving and -tourist generating countries of the world taking into account the future trend of the tourism industry.

5.1.1 Cultural Heritage

Conservation, Preservation and Presentation of the nation's cultural heritage, values and diversities are recognized as some of the critical factors for the success of the nation's tourism industry. Steps shall be taken to develop cultural tourism for both domestic and international consumption backed up with a systematic approach at every level.

5.1.2 , Nigeria is the country with the largest concentration of the black race in the world and these facts shall be exploited as well as the facts that over 50% of the black In diaspora from countries such as the Americas, Brazil, Cuba and the Caribbean trace their origin to Nigeria. This shall be exploited to the advantage of our tourism industry. A major focus therefore shall be to attract the blacks in diaspora back to their root and unifying all Nigerian descendants throughout the world through various tourism events.

5.1.3 A suitable festival resort shall be established to accommodate multiple events focused on the Nigerian descendants all over the world. These events shall be prominent annual events, which should be given immediate attention.

5.1.4 Calendar of Local Festivals and their grading or classification according to their popularity and organization shall be effected and disseminated throughout the nation. Details of various events shall be placed on the

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web site and marketed to international tour operators. Informative brochures on major events shall be produced through Nigerian Tourism Development Corporation (NTDC) as well as the Federal Ministry of Information and National Orientation.

5.1.5 Establishment and recognition of tourism events centered on our tangible and intangible heritage shall be brought to focus.

5.1.6 Inventory and documentation of the immovable heritage shall be comprehensively conducted in line with international standards.

6.0 CONFERENCES

6.1 The National Tourism Policy recognizes the importance of international conferences as a means of inviting foreigners and changing the image of the country. Nigerians from all sectors shall be encouraged to host international conferences at all levels.

7.0 SPORTS

7.1 Organized Sports of various types at both national and international levels shall be promoted through sponsorship by corporate bodies. Sports organizers shall collaborate with private tourism organization to harness the full potential of sport tourism.

8.0 SAFARI/ECOTOURISM

8.1 While acknowledging the importance and the present world focus on Ecotourism, Nigeria shall exploit her potentials in this direction through conservation and promotion of the environment for aesthetics and scientific. The protection of the country's wildlife, discouragement of degradation of the country's environment, beaches, water bodies, marine life and the general biodiversities will be pursued with vigour.

8.2 Of great importance to the nation's tourism industry are the national parks, which shall be rapidly upgraded to international standard for the promotion of

safari tourism within a short-period. Some of them may be franchised out for proper development and management to internationally reputable organizations. Efforts shall be made to identify more national parks, areas of peculiar vegetation such as rain and mangrove forests for the purpose of developing eco-tourism.

9.0 SHOPPING TOURISM

- 9.1 Encouragement of organized shopping tourism through creation of dedicated community shopping centers within tourist destinations for handicrafts souvenirs for example, shall be sustained.

1.0.0 OTHER AREAS OF FOCUS

- 10.1 The policy shall encourage nation-wide agro-tourism development within the short and medium programs, beach and youth tourism within domestic tourism development, student's excursions and study tours within and outside Nigeria, while the elderly and handicapped shall be accommodated in the process of planning and provision of tourism facilities.
- 10.2 Health Resorts
Shall be given priority attention at such locations as Ikogosi Warm Spring Ekiti State, Lamurdi Hot Spring in Adamawa State, Mambila, Plateau, Taraba State and Fari-ruwa waterfalls in Nasarawa State, ParYam Plateau State etc.
- 10.3 Private initiative shall be supported in the areas of Casino Villages/ Resorts. Setting up tourist hotels; restaurants and exportation of Nigeria culture through catering and cuisine services shall be encouraged.
- 10.4 The policy recognizes the appropriate usage of beach front all over the world and therefore proposes the transformation of various beaches to tourism beachfront complexes.
- 10.5 The provision of a special and dedicated retreat, where the President of the Federal Republic of Nigeria may receive his counterparts for private discussions shall be included in the medium and long term implementation of the tourism policy. Such project shall be funded through the Tourism

Development Fund with government providing necessary infrastructure and Security apparatus.

11.0 AVIATION RELATED MATTERS

- 11.1 The Policy shall encourage modernization of Nigerian Aviation procedures through the Federal Ministry of Aviation. Areas of focus should include dedicated cars and shuttle buses, operation of electronic meter tariff, at car parks, etc.
- 11.2 Only licensed organizations such as Nigerian Tourism Development Corporation (NTDC), Hotel Services, International Car Hire Companies shall be placed on information desks outside the arrival halls while the foreign exchange facilities shall be improved upon at the arrival hall.
- 11.3 Policy lays very strong emphasis on the quick establishment of a flag carrier, which should be a symbol of patriotism and pride for the nation especially in the mass movement of tourist in future. Such flag carrier shall be private sector driven.
- 11.4 Local Airline Services shall be encouraged to fly to major tourist destinations. However, local airline services shall also be controlled to ensure serviceability and airworthiness of aircraft being used.

12.0 TRANSPORTATION

- 12.1 The policy shall take cognizance of the National Master plan on Transportation with the aim of integrating Tourism within an overall transport implementation strategy (land, water air, etc)
- 12.2 Policy shall encourage particularly in the riverine areas promotion of water transport as an alternative means of transportation especially along the lagoons for recreation and Mass transit purposes.

13.0 ROLE OF THE PUBLIC SECTOR

- 13.1 Government shall provide the enabling environment for the provision of infrastructures.
- 13.2 Government shall initiate laws to protect local and foreign investments and tourist.

- 13.3 Government shall maintain control over standards and development of the tourism industry observing strictly the previous development strategies as may be stipulated in the Master Plan.
- 13.4 The sports administration shall consistently collaborate with the Tourism public and private sectors as a means of harnessing the full benefit of sports tourism.
- 13.5 Government shall develop Nigeria into a regional hub with a view to coordinating and facilitating air travels to all parts of Africa.

14.0 ROLE OF THE PRIVATE SECTOR

- 14.1 The private sector shall basically be the executor of tourism programs. It will be encouraged to provide necessary Super-structure and Material technical Basis such as good standard tourist accommodation, holiday resorts, amusement parks, restaurants, casinos. It shall be actively involved in tour operating, tour guide, provision of facilities for conferences such as public address systems, interpreters, transportation, travel arrangements, frontier receptions for organized tourism packages etc. The private sector shall further be encouraged to market Nigeria as a tourist destination abroad, licensed to organize (cruise & air) charters, make a choice of product it wishes to market in order to obtain the required market standard; organize national events in collaboration with National and State Tourism Organizations, Nongovernmental Organizations, package festivals, develop excellent standard souvenir entrepreneurship at tourist destinations.
- 14.2 The private sector shall be involved in creating environmental awareness on Eco-tourism, National Parks, Urban and Rural hygiene at tourist centres.
- 14.3 Private sector shall organize itself to a standard acceptable to Government which shall, from time to time be engaged in dialogue. Every tour operator shall obtain a Certificate of Operation from government having satisfied all requirements before being allowed to operate.
- 14.4 While encouraging foreign tour operators to operate from abroad, such must be affiliated with a licensed tour operator in Nigeria before it can be allowed to

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carry out business. All prepaid packages abroad shall have a percentage of net profit paid in Nigeria.

- 14.5 The policy recognizes the Federation of Tourism Association of Nigeria (FTAN) as the umbrella body of tourism and tourism related associations established to coordinate all their activities. The association shall be expected to relate with government on behalf of all these association as and when necessary.

15.0 INCENTIVES FOR DEVELOPMENT

- 15.1 Consequent upon government's initiative to stimulate and facilitate tourism development, and' considering the private sector as the main player, government shall grant the following incentives to enhance the private sector's participation.
- 15.2 All major tourism projects shall be given pioneer status.
- 15.3 Government would consider minimum excise duty on imported tourism project equipment, amusement park equipment and materials for hotel construction and furnishing, dedicated transportation for tour operators, equipment for restaurants not manufactured in Nigeria.
- 15.4 There shall be maximum excise duty on Casino Equipments;
- 15.5 Grant of work permit for foreign workers with specialized skills within the industry;
- 15.6 State Government shall provide tourism land at Concessionary Rate to tourism investors.

16.0 ROLE OF VOLUNTARY ORGANIZATIONS

Voluntary Organization such as the Lion's Club, Rotary Club, golf club etc shall be actively involved in the development of the nation's tourism industry .through development of recreational parks, promotion of international meetings and image of the country among their members worldwide.

17.0 INSTITUTIONAL ARRANGEMENT

- 17.1 The Presidential Council on Tourism, Federal Ministry of Culture and Tourism, State and Local Governments shall constitute the institutional frame for the

implementation of Tourism development process. (See Annexure A' for further details)

- 17.2 The Presidential Council on Tourism shall be responsible for the finalization of formulation of tourism policy, setting targets for development from time to time as shall be initiated, developed, and presented by the Federal Ministry of Culture and Tourism; It shall also discharge such leadership role that shall be initiated, developed, and presented by the Federal Ministry of Culture and Tourism; It shall also discharge such leadership role that shall propel and galvanize sustainable development of the industry. It shall always give final approvals on the usage and disbursement of the Tourism Development Fund.
- 17.3 Government shall set up a monitoring unit under the chairmanship of the Federal Ministry of Culture and Tourism and comprising of relevant Ministries to monitor the Implementation of the policy, establish development strategies through the Steering Committee of the Presidential Council on Tourism. It will also coordinate and maintain strong relationship with strategy verification stakeholders in the industry, Immigration, Customs and all Security agencies. and represent the interest of government in international organizations.
- 17.4 The policy recognizes Nigerian Tourism Development Corporation (NTDC) as a technical organ of government; therefore, (NIDC) shall be restructured to assume a technical posture of professionalism and effectiveness. Through technical orientation and assistance from the World Tourism Organization and International Labour Organization, it shall formulate guidelines for Tourist accommodation grading for the State governments to implement. It shall coordinate the exercise on the grading through well-trained inspectors and its Sectors Coordination Department.
- 17.5 The Nigerian Tourism Development Corporation (NTDC) shall ensure compliance of State Tourism Organizations (STO) with standards and regulations as laid down by the Federal Government and also issue certificate

on annual basis to all approved, certified and graded tourist accommodations and Facilities.

- 17.6 State Governments shall implement policies jointly agreed upon at the Presidential Council on Tourism and such shall include:
- Allocation of tourism lands at concessionary rates
 - Initiating viable tourism projects and operating within the frame work of national tourism master plan
 - **Promoting** both Inter and Intra State Tourism
 - **Involving** national and foreign entrepreneurship in the investment, management and development of tourism superstructure and material technical basis
 - **Creating** suitable sustainable enabling environment for investment in tourism for both nationals and foreigners
 - **Maintaining** security within the state and tourism destinations
Encourage formation of tour operating entities
 - **Licensing** them within the rules to be jointly set up by the Presidential Council on Tourism
 - **Set up** and operate aggressive information and marketing strategies for the state tourism products through nationally controlled and organized web site of the Federal Government.
 - **Cataloging** all tourism events and developing calendar of events, which shall be placed on the Nigeria web site. The State Governments shall preserve and protect tourism assets as maybe identified.
- 17.7 Local Governments shall operate within the regulations set up by the State Governments, conform with the planning strategy as set up by the relevant authorizing authority without deviation, support and contribute to the security in the local areas, encourage good hospitality to visitors 'and contribute to the development of tourism infrastructure as well as encourage cultural activities and sanitation of the environment in their respective locality. The State Governments shall adequately monitor local government participation in the

tourism programs. Small-scale initiatives aimed, at the production of souvenirs, arts and crafts etc shall be 'encouraged at this level.

18.0 FEDERAL MINISTRY OF INFORMATION AND NATIONAL ORIENTATION

18.1 The Ministry shall play a pivotal role along with Federal Ministry of Culture and Tourism in the implementation of aggressive promotional programs particularly in the area of Image Building for the nation and presentation of the tourism values to both nationals and foreigners.

19 TOURISM FACILITATION/SUPPORT SERVICES

19.1 There shall be committees at all tiers of Government to facilitate the entrance, stay and departure of all tourists.

19.2 Nigerian Missions abroad shall be adequately empowered to promote the country's tourism attractions.

All enquiries or order through the

Centre for Policy Research and Development (CENPORED)

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ANNEXURE "A"
DETAILS ON INCENTIVES

Work Permit Specification

Authorization to employ foreign personnel in the tourist establishments with a ceiling of up to 30% of work force of upper and middle grade executives, skilled and seasonal workers. Application must state position, duties and duration of stay of category of staff

Duty Free Import Conditions

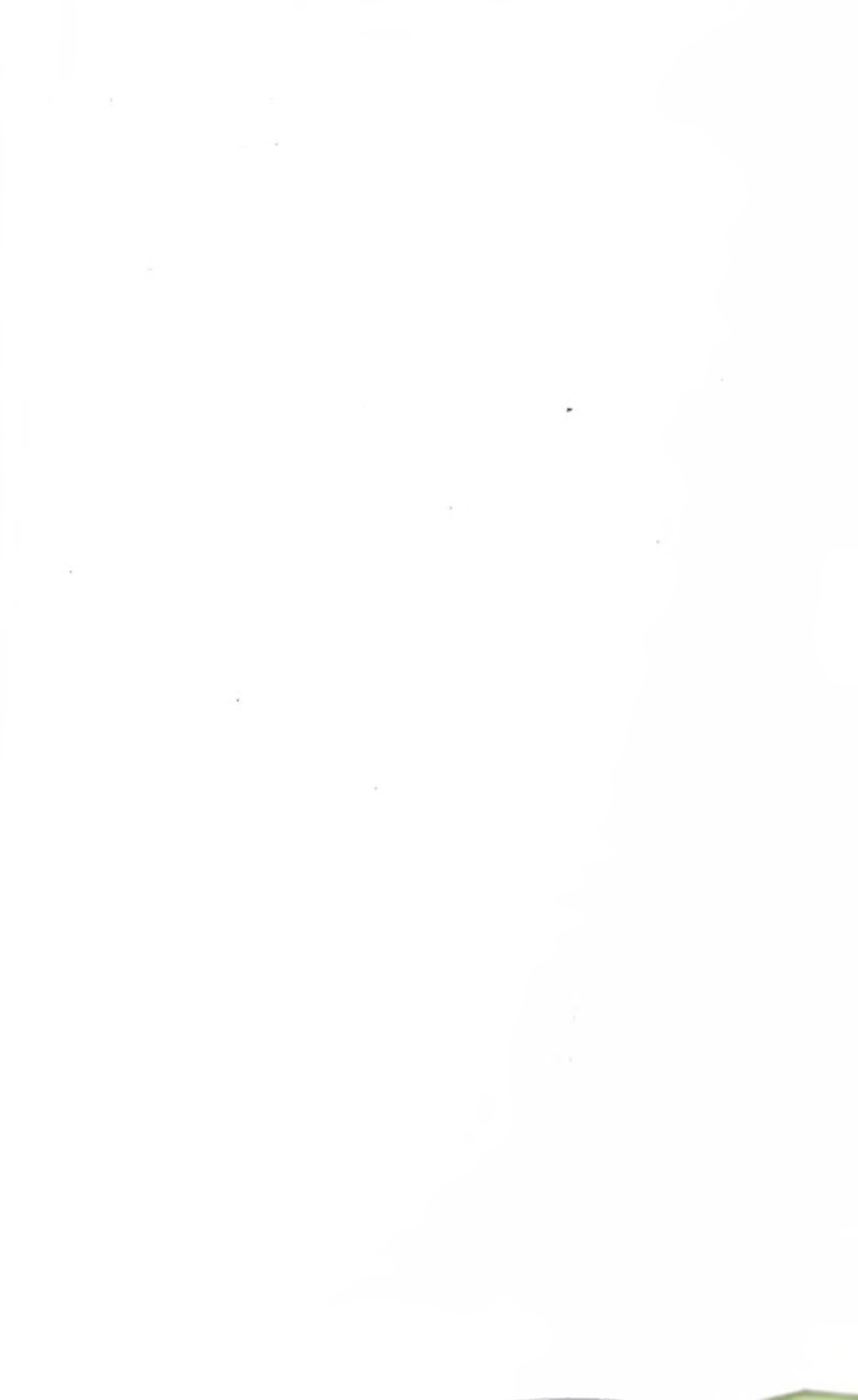
Specialized equipments not manufactured in and to the required standard in Nigeria such as lifts, kitchen, laundry, hotel and restaurant furniture and fittings, vehicles specifically meant for tour Operation. Part of foreign equity can be imported in the form of equipment for the project. All approvals under this segment shall be based on the QS submission and specification on project and up to specific limits. This condition is applicable to all new projects and expansion or old projects.

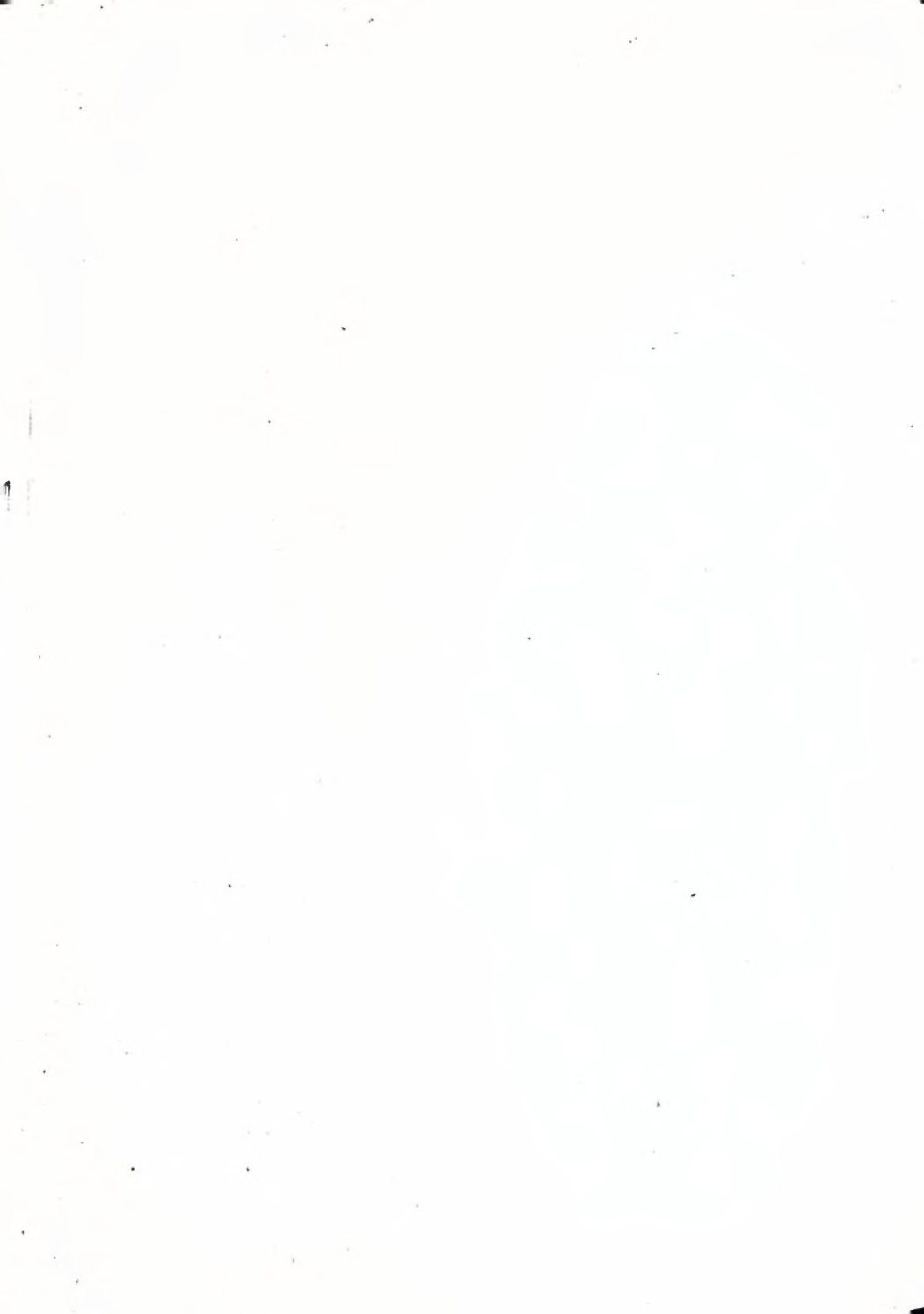
Incentive for Purchase of Tourism Land

Concessionary rates shall be granted on land designated within tourism zone or specific land earmarked for tourism facilities such as hotels, restaurants, casino villages, resorts, theme parks, sanctuaries, etc. Tourism lands are only granted on production of preliminary studies and feasibility studies on projects and identification of type of project. Project implementation must be in conformity with the body of preliminary studies and feasibility studies otherwise; incentives shall be terminated upon deviation and reversed to normal allocation. Besides, penalty of 50% of cost of land plus total cost of land shall be applicable.

Tax Reduction or Exemption

5-year income tax holiday is granted on custom-built tourism facility from a three-star hotel, through to theme parks, holiday resorts and other mega and medium tourism facilities. 50% thereafter shall be applicable for up to 10 years. Tax exemption shall be supported with application to the Federal Ministry of Finance upon completion of project and commencement of operation.







- **DR. HOBSON E NNEBE** is a 1976 graduate of Business Administration. He holds a Masters Degree in Planning, and a Masters Degree in Education Management. His professional memberships include the following among others.

Fellow, Nigeria Institute of Management, Fellow Institute of Management Consultants, Fellow Certified Board of Administrators member, American Management Association, Member British Institute of Management, and Member, International Institution of Certified Management Consultants (CMC).

He is the principle author of Obansanjo; The First 100days and the Editor-in-Chief of the (NIM management hand book.

He is a writer, researcher, speaker and management consultant. He is the Director General/CEO of the Centre For Policy Research And Development (CENPORED)



"Fellow citizens, I ask you all to a march with me into the age of restoration. Let us work together to restore time-honoured values of honesty, decency, generosity, modesty, selflessness, transparency, and accountability. These fundamental value determine societies that succeed or fail, we must choose to succeed ... "

" ... We have the talent. We have the intelligence. We have the ability. The challenge is great. The goal is clear. The time is now I thank you. And God bless you ... "

" ... I offer myself as a servant leader. I will be a listener, doer and serve with humility I will set a worthy personal example as your president ... "

- President

Umaru Musa Yar'Adua GCFR

"... It is well acknowledged that one of the failings of public policy in Nigeria has not been the dearth of policies but actually the nonimplementation of such policies ... "

- Former President

Olusegun Obasanjo GCFR

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GOVERNOR RAJI RASAKI SPEAKS

A collection of Speeches

from July 1989 — July 1990

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FOREWARD

We present these memorable speeches of the populist Military Governor of Lagos State, Colonel Raji Alagbe Rasaki, on the direction and vision, of his dynamic administration within the past two years. Since assuming the mantle of leadership on July 27, 1988, he has effected necessary structural and institutional reforms and installed appropriate facilities and linkages, designed to bring about high performance in the spheres of health, education, agriculture, environment, finance and other areas of human endeavours. In short, he has been promoting ideals that have contributed immensely to the happiness of the people.

His penchant for hardwork, dialogue and knack for pragmatic approach to solution of problems inform his result-oriented approach to governance. This, definitely has endeared him to the people of this state and earned him the sobriquet "Action Governor".

These collected speeches of Governor Raji Rasaki articulate his avowed commitment to an efficient and judicious management of the State resources. The recurring themes that permeate all these speeches are his vision for an egalitarian society, and the sacred duty to leave Lagos State better than he met it. Indeed, Colonel Raji Alagbe Rasaki has left a titanic foot print, on the sands of time in Lagos State. His tenure of office will always be chronicled in letters of gold whenever the history of Lagos State is mentioned. Colonel Raji Alagbe Rasaki, has by these achievements demonstrated a full grasp of the dynamics of Lagos geo-political complexities and exemplary administrative competence.

It is therefore hoped, that this publication would serve as a veritable reference book for historiographers, scholars, researchers, policy makers, analysts and all those engaged in promoting a new culture, of a people-centred administration, which this administration has nurtured to blossom in the last two years in Lagos State.

under the aegis of the United Nations, we should anticipate that the Western powers could do everything possible to protect their multi-billion dollar investment in South Africa. They have done it in several countries of Africa. The May 1960 election in the Congo and the events that surrounded it are still fresh in our memories.

This is why all Africans, of whatever breed or creed should support, in all ways possible, the authentic representative of the people of Namibia i.e. SWAPO to win the November elections. "No nation founded upon injustice could permanently stand". Apartheid South Africa will, therefore, fail in its bid to rig the forthcoming elections.

Distinguished Guests, Ladies and Gentlemen, I wish to invite you all to consider your present freedom as a blessing from the Almighty and that this blessing is not complete if it does not flow in equal measure, to other Africans still in bondage. In the circumstance, please extend this freedom to the people of Namibia, by donating generously to the Fund.

Once again, on behalf of the Lagos State Government, I thank you all for your kind response to our invitation and for the generous donations which will be forthcoming.

Thank you and God bless.

**AT THE INAUGURATION OF THE BOARD OF DIRECTORS, LAGOS STATE
LOTTO AUTHORITY ON MONDAY, 31st JULY 1989 AT EKO LE MERIDIAN
HOTEL, VICTORIA ISLAND, LAGOS**

It has become apparent to all discerning minds that the current revenue profile of the State can no longer meet the challenges and the problems of managing a conurbation such as Metropolitan Lagos along with the rest of the State. It is therefore in conscious realisation of this fact that the State Government is now striving to find new sources that could substantially increase the revenue base of the State. Although the traditional sources such as Taxes and Statutory Allocation may not yet be sufficiently exploited, it is abundantly clear that revenue sourcing must now extend to areas that are hitherto untapped.

Today's event therefore is indicative of the thrust towards the extension of the frontier of our revenue profile into a novel but potentially viable source of revenue. The formal inauguration of the Board of Directors of the Lagos State Lotto Authority, an independent organ established by the State Government Edict No. 4, i.e. Lagos State Lotto Authority Edict 1988, is to operate and market the instant Games and Lotto 6/49. The venture is expected to contribute more funds into Government revenue pool which will assist in funding the ever-expanding social welfare programmes for the benefit of the generality of the people.

The Board of Directors of the Lagos State Lotto Authority is being inaugurated here in Eko Le Meridien hotel to underscore the point that although the Lagos State Government is closely associated with the revenue through the Lotto Authority, it is nonetheless an independent entity, which would operate like any other commercial enterprise. Pursuant to this, the Lotto Authority has entered into a 4-year Technical and Management Agreement with NICAN INCORPORATED OF ONTARIO, CANADA to set up, operate and manage the project for an initial period of four years.

It needs be emphasized again that the Lotto Authority is set up to provide additional funds for social projects which our current revenue from traditional sources cannot adequately sustain. For instance, out of the total budget of ₦1.081 billion for the State in 1989, ₦425 million or 39.3% is allocated to social services. This amount is inadequate to sustain an acceptable standard of services even at the current level of needs, much less with increasing demands for more services. The situation becomes more critical when it is realised that only about 1.5% of the residents of Lagos State pay tax which is the highest source of revenue at 35%. The situation in Lagos State is not only peculiar, but it is also the most critical in view of the rapid rate of urbanisation and population increase. The Lotto venture will bring much-needed additional funds into Government coffers as well as generate employment opportunities for Agents, clerks and other ancillary staff. Members of the public will later be further informed and educated on the operations of the Lotto and the opportunities it offers.

We are aware of the success which the personnel of the Technical Management Group, NICAN INCORPORATED OF ONTARIO, CANADA, have recorded in the United States,

Canada and Europe where the Lotto Games have been extremely successful and we look forward to their recording the same success story here in Lagos State and perhaps in other sister States that might wish to take advantage of the venture.

The Board of Directors have been carefully selected to provide the much-needed sense of direction and initiative to the management of the venture. Therefore, a heavy load of responsibility devolves on the Chairman and his team whose performance will be closely monitored not only by Government but by all members of the society who would benefit from the social services that the additional revenue from this venture would provide. As you have promised, we are eagerly awaiting the launching of the first game in the series, the Instant Games, Scratch and Win, within the next few weeks.

Distinguished Ladies and Gentlemen, I now have the pleasure to formally inaugurate the Board of Directors of the Lagos State Lotto Authority for the service of the people of Lagos State in particular and Nigeria as a whole.

Thank you and God bless.

**AT THE 9th NATIONAL TREE PLANTING CAMPAIGN (LAGOS STATE CHAPTER)
ON 3rd AUGUST 1989 AT THE PERMANENT SECRETARIAT, IKEJA**

Today marks the ninth anniversary of the launching of the National Tree Planting Campaign throughout the country. This exercise, it should be stressed, is an off-shoot of the World Environmental Day which is normally celebrated on the 5th of June every year by member nations of the United Nations Organisation. It is, therefore, imperative that all member nations of the organisation should undertake annual stock-taking activities to re-affirm their concern for the preservation and enhancement of the environment.

As a result of the role trees play in enhancing the quality of the environment, the Federal Government of Nigeria is deliberately placing emphasis on the protection of our vegetation. To achieve this objective, a day has been set aside as the National Tree Planting Campaign day, the ninth of which we are launching today.

The theme for this year, is "Road-Side Planting". It is my belief that if this project is fervently implemented it will complement efforts made in Urban Forestry which has been a capital project in the Forestry Division of the Ministry of Agriculture and Co-operatives for some years. The objectives of the Project, apart from city beautification, include War Against Filthy Environment, Climate Amelioration and Pollution Abatement. These are necessary remedies in an industrial and thickly populated environment like Lagos State where air pollution is rampant as a result of rapid industrial growth and urban development. Trees act as filters for the poisonous and destructive chemicals released into the atmosphere in the course of industrial manufacturing processes.

Today's ceremony marks my second participation in National Tree Planting Campaign as the Military Governor of Lagos State. I am delighted to note that now, more than ever before, enlightened Lagosians plant trees and shrubs around their homes, offices and schools. This is encouraging and is welcome as it will go a long way in complementing the State Government's efforts of adorning the streets and open spaces with trees and ornamental plants.

This year's exercise is a symbolic one in Lagos State, in that apart from launching the 9th National Tree Planting Campaign today, we are also launching the "COMMUNITY HOMESTEAD FRUIT TREE PRODUCTION PROGRAMME". The latter programme, which is being funded by the Directorate of Food, Roads, and Rural Infrastructures, DFRRI involves the raising of fruit trees seedlings, the planting of same around homes, schools, barracks, hospitals and public places both in the urban and rural areas. In the execution of the programme, individuals, communities, government agencies and voluntary organisations will be encouraged to establish fruit tree orchards. In addition, the programme will provide extra sources of food, indeed good quality food, in the immediate homestead environment both in the urban and rural setting. It will also improve the quality of the environment.

The State Government has funded the production of 139,833 fruit seeds of various types, some of which have been sold at subsidised prices. The idea of fruit trees was introduced to further combat the problem of deforestation in the country. It is believed that members of the Public will be more interested in planting fruit trees which will produce food and at the same time increase our tree population. It is also another method of practising Agro-Forestry, since farmers are expected to plant these fruit trees along with their normal farming activities. It is our hope that with proper co-ordination of the programme we should move one step forward in the protection of the environment.

The unco-ordinated development of agro-forestry programmes and the "cut and burn" method of clearing forestlands for farming, among others, had resulted in the loss of a large percentage of our vegetation cover. May I therefore, seize this opportunity to enjoin all the citizens of Lagos State, to desist from the destructive act of bush burning which had caused tremendous destruction to forest and wide life resources in addition to jeopardising the State food production strategy. Experts are, however, saying that the intensive and continuous heating of the earth surface as a result of bush burning and emission from industries, motor vehicles, locomotive engines, as well as the wanton destruction of forest covers, are responsible for the adverse climatic conditions being witnessed at present. This has also been given as one of the main reasons for the freak rainfall patterns in the country today. The present Military Administration will, however, continue to work out a strategy for the conservation of our renewable natural resources so as to ensure a stable ecological system in the country.

The relentless efforts of individuals and voluntary organisations that have been supportive of government's action on provision and conservation of wholesome environment should not go un-noticed. I, therefore, seize this opportunity to commend such efforts and express sincere appreciation and gratitude to the Nigerian Conservation Foundation, the Forestry Association of Nigeria, Leventis Group, Ikeja Jaycees, Rotary Club of Opebi, Lagos State Horticultural Society and other such organisations. I hope they will not relent in their efforts in contributing to the beauty of the environment. In fact, the Merit Award Ceremony just performed by the Honourable Commissioner for Agriculture and Co-operatives is manifestation of the State Government's determination to acknowledge contributions by individuals, government agencies, and corporate bodies as well as voluntary organisations on preservation and beautification of our environment.

Distinguished Ladies and Gentlemen, I wish to appeal to you all to protect trees generally in view of their immense benefit to mankind. I now have the honour to formally launch the Ninth National Tree Planting Campaign.

Thank you and God bless

**AT THE COMMISSIONING OF ABIA FARM PROJECT
ON MONDAY, 7th AUGUST 1989**

I feel extremely delighted to address you on this occasion of commissioning of the Abia Farm Project of the Better Life for Rural Dwellers Committee, Lagos State Chapter. The Farm Project, which comprises crop farming and gari processing, shows the level of commitment of the Committee to Agricultural Development which is the mainstay of the rural economy.

You will recall that in his 1986 Budget Speech, the President, Commander-in-Chief of the Armed Forces, General Ibrahim Babangida proclaimed that rural development which until then had suffered neglect would be accorded greater priority. The entire nation was energised and mobilised to give the rural population, who constitute a large majority of the Nigerian populace a new lease of life. The measures taken nationally to implement this lofty ideal amongst others included:

- (a) Construction of rural feeder roads to open up the rural areas and make them accessible in all the States of the Nation, including Abuja.
- (b) A bold rural water supply programme based on very simple technology which would be easily acquired by the rural population was launched under the programme.
- (c) The rural electrification programme was also launched nationwide by the Federal Directorate of Food, Roads and Rural Infrastructures.
- (d) Food-production-related programmes were launched for livestock, fish farming, vegetable gardening and seeds multiplication sub-sectors.
- (e) The nation's First Lady, Mrs Maryam Babangida in 1987 also launched a Better Life for the Rural Women Programme at a workshop at Abuja which was meant to bring together the largest congregation of women from all spheres of life under one roof to discuss the problems of women in rural development and map out strategies for the solution of the identified problems. This programme was similarly extended to all States of the Federation and had been yielding fruitful dividends.

As a follow-up to this, the Lagos State Chapter of the Better Life Programme was launched at Obadore, a village in the Eti-Osa Local Government on the 9th of December, 1987. I am aware that the State's Committee has undertaken various tours of the rural areas in order to acquaint itself with first-hand information on the aspirations of the rural populace. On its part, the Lagos State Government launched a four-year rural development programme in 1986 to provide basic social and economic infrastructure in the rural areas of the State. Consequently, over 1,000 kilometres of rural roads have been opened up in Lagos State. I am also delighted to report that over 150 rural communities have been provided with potable water supply. In the area of rural electrification, about 50 communities now have rural electrification projects in operation. In the area of fish farming, about 20 fishing jetties have been constructed to enhance fishing activities and facilitate evacuation of the catch to the nearest fish markets.

I am indeed happy to note that Lagos State is in the forefront in the efforts being made to improve the lots of the rural populace. To enable the Better Life Committee achieve the aspirations of the rural populace, a budgetary allocation of 2 million naira was made to the Committee. It is heart warming to note that the Committee has through various co-operative societies made gari processing equipment, fish smoking kilns, fishing equipment and working capital available to the rural populace in order to reduce the drudgery associated with their daily chores and enhance their economic performance. It is also commendable to recall the stride taken by the Committee when a few weeks ago, it reactivated the Sunday Market to enable the general populace purchase direct from the producers at more reasonable and affordable prices.

The Abia Farm Project which we are all gathered here to commission formally today is another milestone in the achievement of the Committee. I am informed that the project is on a 150-hectare farm land, and to date 83 hectares of maize, 40 hectares of cassava and 3 hectares of pineapples have been cultivated. A gari processing centre which is expected to turn out 500kg of gari per day as against the 50kg which the age-long traditional method turns out had also been installed with more efficient equipment to enhance its output. The gari processing centre will also serve the surrounding villages in the quick production of gari at a very nominal fee. It is equally worthy of note that each Local Government Area is expected to have at least one gari processing centre which will serve the various co-operatives while the recipient co-operative society will charge the others a nominal fee for the use of the centre. This is very commendable and impressive.

Finally, I would like to congratulate the members of Abia Committee for their efforts in translating these various ideas and concepts into concrete realities. I urge you not to rest on your oars and continue to improve upon the Agricultural Production in the State.

Distinguished Ladies and Gentlemen, I hereby have the greatest honour to commission this farm project towards a better life for our people and the glory of God.

Thank you and God bless

**AT THE INAUGURATION OF THE LAGOS STATE LAW ENFORCEMENT AGENCY
ON TUESDAY 8th AUGUST 1989**

It affords me immeasurable pleasure to welcome you to this occasion of the reconstitution of the State's Law Enforcement Agency. You will observe that the composition of the Agency comprises, among others, some key functionaries of the Judiciary, the State Ministry of Justice, the Police and the Prisons Department. I therefore congratulate the members of the new Agency and I hope you will justify the confidence reposed in you.

As you are already aware, the constitution of our country recognises the structural differentiation of functions of governmental institutions. This is in line with the doctrine of separation of power. I have, however, been reliably informed that clear-cut definition of functions and of structures have never been in practice at any time. The dynamics of governance and especially the business of law enforcement have always necessitated functional inter-relation of the Executive, Judicial and sometimes Legislative machinery. Otherwise, the scientific approach and independent operation of these institutions would invariably lead to chaotic consequences.

Although, I am aware that a similar body had existed sometime in the past, we are however re-constituting the Agency today in order to revive it from its state of inactiveness, with a view of expanding its composition including its scope of operation. This decision becomes more imperative in Lagos State in particular and the nation generally because of the unhealthy development in the interpretation of the law that tends not only to give undue advantage to criminals but at times threatens the security of the State. I am particularly disturbed about the slow pace of trial as well as observable lapses in few instances of granting bail at the expense of justice, as well as the security of the State. How does one explain a magistrate who granted bail to confessed would-be assassins or a baron of armed robbers in whose possessions arsenal of arms and ammunitions were found. There is therefore the need for all concerned to ensure that the security of the State is paramount in almost all their decisions and actions. Nevertheless the need to protect the security of the State must be balanced with the need to protect the rights of each accused persons and not to unnecessarily hold suspects for lesser and bailable offences as that is the only way the system can survive as one entity. I therefore submit that crime is sufficiently dangerous to the society, but the failure of justice can be more dangerous to the ideal society we must all strive to evolve.

Let me point out here that Government is aware of and indeed dissatisfied about the increasing congestion in our prisons. The population explosions of our Society coupled with a phenomenal growth in crime wave in the society has put considerable pressure on prison capacity in recent times. Prison space has been stretched beyond the limits contemplated when these prisons were built. Beside, delay in the dispensation of justice in our courts, incessant adjournments coupled with the inability of the Law Enforcement Agency to adequately correlate or exchange information expeditiously between each other for the prosecution of criminal offences have been identified as some of the reasons for prison congestion. Although government is aware that prison control and management is a strictly federal matter, it is our duty to assist within our limits to the solution of some of

the problems or at least to make sure that the Lagos State Government does not contribute to or compound the problem.

One of the identified causes of prisons congestion is the increasing number of suspects awaiting trials and this has arisen from the following factors:

- (a) Bail conditions which have not been fulfilled by the accused persons.
- (b) Shortage of Judicial officers
- (c) Shortage and frequent transfers of Police investigators
- (d) Non-chalant attitude of the parties involved i.e. non-appearance of important witnesses from the public
- (e) Incessant adjournments by Legal practitioners
- (f) Use of fake names by suspects so that they cannot be easily identified or traced in prison. This is traceable to the tricks of legal practitioners.

I, therefore, charge you to make meaningful suggestions and proposals for action to assist in finding solutions to the above problems and advising government.

Other area of concern which must be addressed quickly is the issue of co-ordination of work between the Police and the Office of the Director of Public Prosecutions. This is desirable for many reasons. It will, first, bridge any communication gap between the two organs about the nature, type and class of cases that the Police could possibly prosecute without reference to the Director of Public Prosecutions and the cases which of necessity must be sent to the Director of Public Prosecutions for legal advice, bearing in mind their respective constitutional power. Secondly, I am of the firm opinion that the business of issuing legal advice by the Director of Public Prosecutions demands a closer co-operation between the two agencies. It is hoped that the reconstituted Agency will look into this problem along with other impending issues that are already a clog in the wheel of progress.

I am informed about the recent disturbing phenomenon now militating against efficient judicial administration whereby accused persons granted bail now produce fake contact addresses. When bail is approved, they take flight. This is highly undesirable. This Agency is, therefore, requested to make very meaningful suggestions in the direction of solving this problem and indeed proposals for action with a view to solving the problems of touting especially in our Lower Courts.

Finally, I wish to comment briefly on the issue of personnel which is crucial to the overall functions of your Agency. In this respect, I enjoin you to ensure that the calibre of persons to be employed as judicial officers and Police Personnel meet the minimum required standard. When necessary, it is your duty to fish out all the undesirable elements. Ladies and Gentlemen, the above do not represent an exhaustive catalogue of agenda for your action. You are not to be limited in your bit to ensure that the law is efficiently enforced in Lagos State. It is the firm belief of this administration that no real growth and development can be achieved in this State in the midst of lawlessness. The rule of law must never be compromised. The implementation of government policies, especially the Structural Adjustment Programme (SAP) and the Transition to Civil Rule Programme in the State are

very significant to the success of this administration, that any attempt by any persons to sabotage it will be resisted. This Agency, more than ever before, has a sacred duty to ensure that law is enforced in this State.

In conclusion, I wish to implore members of the Agency to ensure that peace, security and the Rule of Law is maximally achieved in Lagos State. If you are able to make impressive achievement in these laudable objectives, your Agency would, for long, be remembered as having contributed its quota to Law enforcement in Lagos State.

Once more, I wish you a successful and meaningful deliberations.

Thank you and God bless.

**AT THE ANNUAL SEMINAR/SILVER JUBILEE ANNIVERSARY OF THE LAGOS
STATE ECCLESIASTICAL PROVINCE OF THE CATHOLIC WOMEN ORGANISA-
TION ON 11th OF AUGUST 1989**

It gives me great pleasure to be invited as Special Guest of Honour at this august occasion which is a landmark in the history of your great Organisation. I wish to congratulate the Chairman and members of the Organisation on the successful hosting of the anniversary celebration.

Information available on the activities of the Catholic Women Organisation, show that the Organisation has well defined and enviable tasks of shaping the lives of its citizens. I am therefore, delighted to convey to your Organisation, the appreciation of the Lagos State Government for those lofty aims and objectives and the responsibilities which you have shouldered since the inception of your Organisation 25 years ago. There is no doubt that you have contributed in no small measure to the educational, moral and vocational aspects of the lives of the citizens of this great Nation.

On the occasion of this anniversary celebration, I have no doubt that as religious leaders, you will give fresh and sincere thoughts to some crucial and contemporary issues of our society. Therefore, as you deliberate, I would like you to focus on two fundamental issues:

First, your organisation should continue to concern itself with the orderly and peaceful development of our society. There is the duty to ensure peace and progress, law and order, concord and harmony in the society, especially during this transitional period. You will, therefore, not fail to encourage your members to lead good lives and help to build a united and peaceful nation. Permit me to say that religious organisations, like the Catholic Women Organisation, must spare no efforts in ensuring an atmosphere of peace in the nation.

Secondly, your organisation should address itself on the need for moral education of our youths. Let me emphasise the fact that efforts directed at equipping our youths morally, should be seen as an endless battle. The youths are still in dire need of a sound moral education and it is necessary for us to re-affirm our commitment to providing them with a solid moral base. In this connection, I wish to call on your organisation, and similar ones, to re-dedicate themselves to the ideal of bringing about a better social order which will make the coming generations to be proud of themselves and their nation.

Distinguished Guests, Ladies and Gentlemen, I will like to congratulate once again the officers and members of the Catholic Women Organisation, Lagos Ecclesiastical Province on this important occasion. I wish you purposeful and fruitful deliberations and more active service to the cause of Christianity and the progress of the society

Thank you and God bless.

**BORDER DEVELOPMENT: CURRENT EFFORTS AND FUTURE PROGRAMMES,
THE LAGOS STATE PERSPECTIVE PAPER PRESENTED AT THE INTERNATIONAL
CONFERENCE ON THE ACCELERATED DEVELOPMENT OF NIGERIAN BORDER
REGION ON 11th AUGUST 1989 AT DURBAR HOTEL, LAGOS**

INTRODUCTION

This Conference, no doubt is a follow-up to the first international workshop held a little over a year ago, specifically between the 8th and 14th May 1989, in a series of concerted efforts to resolve the problems of the border areas, assist in accelerating their social and economic development and more importantly, promote trans-border co-operation between our neighbouring countries. This conference therefore presents us another unique opportunity of reporting on our achievements and efforts at finding lasting solutions to problems identified and contained in the communique issued at the end of last year's workshop.

Let me say from the outset that this paper is not trying to conceptualise or define what constitutes border development in the strict academic tradition. I sincerely believe that a simple explanation will suffice, so that we do not lose sight of the main objective of this important Conference and become unnecessarily entangled in an exploration of terminologies and semantics. Needless to say therefore that the discussion on development of the border region is the acceptance of the historical fact that most of the territories in Africa as a whole, including the border areas, have suffered unpardonable neglect in the past and that this problem has been further compounded in the border areas by the imposition of artificial international boundaries by the Colonial powers. These boundaries divide peoples of common ethnicity, language and culture, and often times create the anomalous situation whereby normal interactions, such as trading, among the people on either side of the artificial divide, becomes illegitimate and is variously described as smuggling or currency trafficking. In most cases and in terms of development, the border regions have been turned into a no man's land in which adjoining Government Administrations do not consider as priority areas in their development plans.

Following from the foregoing explanation therefore, Border Development would seem to imply the totality of the social, economic, legal and political activities of Governments and private sector organisations in opening up the hitherto undeveloped areas through the provision of necessary facilities and infrastructures to further improve the quality of life of the inhabitants, facilitate closer social and economic interaction and foster mutual co-operation between the adjoining State and Local Government administrations.

In the course of my presentation, a number of policy issues and objectives would be raised to generate discussions at this conference. Such policy issues include what areas of development we want to prioritize in our border Region development programme for now, and in the future? What policy objectives ought to guide border developments? Which organs, institutions or programme should be put in place to allow for steady and controlled development? To what extent will this new trend in border development pose

a security threat to the adjoining countries? I leave these posers and others to you distinguished delegates to consider in your subsequent discussions.

The introduction to my paper will be incomplete if I leave you in doubt about the exact geographical extent of the border region in Lagos State. By the recent creation of more Local Governments in the country, the present area controlled by Badagry Local Government clearly stands out as the border region in Lagos State. The important settlements in this region include Badagry, Ajido, Ilogbo, Iworo, Iyafin, Epe, Ajara, Akarakumo, Seme, Apa, Gbaji, Asipa, Agonrin, Igbogbele, Inogi, Ropoji, Wesere, Gafara, Irosu, Yetekeme, Ganme, Aseri and others. The flow of this paper after the brief introduction will now be serialised as follows:

- (a) Current efforts by the State, the Local Government and the private sector organisation;
- (b) Future development plans for the border region of the State; and
- (c) The Conclusion.

DEVELOPMENT OF INFRASTRUCTURAL FACILITIES IN THE BORDER REGION

The socio-economic development of any nation, State, Local Government Area or any particular location for that matter is assessed by very many factors. The development of industrial and domestic water supply, electricity, highways and roads, industries, etc. are viable factors.

Until of recent, in some quarters, especially among urban dwellers, Lagos State is one homogeneous urban centre that is devoid of any element of rurality. Most Nigerians share this view. Therefore nobody thought of the rural settings of places like Kankon, Iworo and Apa in Badagry Local Government. It is however cheering to note that as a result of the State administration's determination to rectify this past erroneous belief coupled with the introduction of DFRR by the Federal Administration in 1986 with the major aim of bringing physical development to the rural areas, the notion that Lagos State has no rural areas is now gradually changing.

Vigorous execution of series of development programmes in all parts of the State with special emphasis on the rural areas, including the border region is now a deliberate policy of the State Government. We should now look at each facility and infrastructure presently on the ground and then later discuss what we have in the pipeline for future development.

ROAD DEVELOPMENT

In recognition of road development as a catalyst of rapid socio-economic advancement, the State in conjunction with the Local Government vigorously embarked on the construction of various classes of roads to open up and link about 127 communities living

in the present Badagry Local Government area. It will therefore not be out of place, at this juncture, to mention a few of the projects recently commissioned, completed and those under construction.

The first in terms of importance is the construction of Gbaji-Aseri Road, linking about 28 Communities within the Local Government. The overall full scale construction of the 26.1 kilometre road at the cost of ₦25 million is now 95% completed. It is also necessary to mention that the Badagry Local Government, with the assistance of DFRRRI, constructed 154 kilometres of Rural Roads to link 120 Communities within the last 2 years. This network of roads includes:

(a) Cleared/Graded Feeder Roads		
(1)	Enuko-Yetekeme-Pashi	4.00 km
(2)	Itoga-Aradagun	7.00 km
(3)	Imeke-Igbanko	6.10 km
(4)	Agelaso-Agbovipe-Erekiti Iragbo-Ikoga	10.00 km
(5)	Aivoji-Gberefu-Yovoyan-Topo Island Coastal Road	26.00 km
(6)	Epe-Ago-Ajo	4.00 km
(7)	Esepe-Mushin-Obele-Magbon-Ibiye Road	10.00 km
(8)	Abia-Ilogbo	6.00 km
(b) All Season Roads		
(1)	Oko Afo-Ilogbo-Pota	10.03 km
(2)	Iworo-Epe	5.03 km
(3)	Akarakumo-Ajido	7.06 km
(4)	Ajara-Agric Farm Road	3.00 km

In the last few years therefore, the State Government, the Local Government and the DFRRRI have spent over ₦30 million on the provision of road network in the border region.

RURAL HOUSING SCHEME

Rural Housing Scheme is considered a priority sector in the Rural Development Programme of the State Government based on the realisation that with the current exorbitant cost of building materials it will be doubtful if any rural dweller can be a proud owner of a house. The objective therefore is to identify and make readily available locally produced materials whose cost will be within the reach of the low-income rural dwellers. To accomplish this objective therefore, the State Government with assistance from the Directorate for Food, Roads and Rural Infrastructure (DFRRI) commissioned the construction of a model two-bedroom house ideal for Rural areas at a minimum cost of ₦10,000.00. Six of these model houses had been constructed in six Local Government areas including Badagry.

In order to further cut down the cost of erecting the model house and to ensure that the low cost housing objective is accomplished, workshops are currently being organised in each Local Government to teach the would-be house-owners how to produce burnt bricks, asbestos roofing sheets, louver blades, etc. It is our hope that within a short space of time, the present unhealthy, dilapidated buildings found in the rural settlements would be replaced by the new model.

RURAL ELECTRIFICATION

The Lagos State Government in its rural development programme from 1987 to date is providing rural electrification for Communities spanning the areas from Gbaji to Ganyingbo-Apa-Igbogbele and Kankon; Iragbo-Erekiti; Itoga-Zanmu and Ibiye at a total cost of ₦7,427,881.91.

The Badagry Local Government on its part has executed rural electrification programme for Agelaso-Tohon and Iyafin at a cost of ₦2,955,885.56. The people in the rural areas of the Local Government can now listen to the radio and watch television with corresponding improvement in their political awareness.

RURAL WATER SUPPLY

The State Government, in its bid to provide good drinkable water to the communities in this area, has constructed 2 Micro Water projects to serve Kankon and Iworo at a cost of ₦800,000 each. Three boreholes were also constructed at Iyafin, Seme and Ilogbo while about 70 Hand-Pump operated boreholes at a cost of ₦20,000 each have been provided for the Local Government to serve over 100 communities including Aseri-Farasime-Ganme-Igbogbele-Kankon-Wesere-Gbetherome, Ibiye, Ilogbo, Ireme-Ajara-Torikoh-Akarakumo-Ajara Zinvie, Ajara Agbovipe and Ajara Agadangba.

The Local Government similarly constructed a borehole at Apa to serve about 12 different communities. It is through this effort that the water-borne diseases like guinea-worm are being eradicated.

DEVELOPMENT OF JETTIES

A general transportation jetty constructed by the State Government in the Marina area of Badagry township at a cost of ₦1,803,160.70 was commissioned on the 2nd day of February this year. The aim is to encourage trade among the people in the area.

The Local Government on its part has embarked on the construction of some fishing jetties in the riverine areas as part of the efforts to boost the local fishing industry in the region. The areas covered include those at Ganyingbo and Ajido at a cost of ₦87,000.00 each.

EDUCATIONAL DEVELOPMENT

The important role which education plays in every society can not be over-emphasised and the State Government has taken cognisance of the unfortunate neglect which the border towns and villages had suffered in the past. In order to rectify this deficiency, the State Government had not only embarked on the construction of new schools but had also renovated the existing ones. The effort of the Government in this direction is most noticeable in the establishment of a model school with full boarding facilities at Kankon, a village which is about 5 kilometres from the border at a cost of ₦13 million to provide adequate and qualitative education for about 28 communities in the area. Proto-type Schools had also been built all over the area for the use of other communities. These include Methodist Girls Grammar School, Badagry; Ilogbo-Oke Afo Secondary School, Oko-Afo, A.U.D. Grammar School, Badagry and Ajara Community Grammar School.

It is also pertinent to mention that the reactivation of the vocational training school for Fishermen/Women at Yovoyon is being pursued with utmost sense of purpose which will ultimately foster the development of fish production in the region.

AGRICULTURE-RELATED PROJECTS

The agricultural programme focuses on fish farming, fruit tree seedling and vegetable production, livestock production and agriculture communities projects. There is a World Bank-assisted Agricultural Development project with which the State has established fish ponds at Alakotomeji. The pond is producing fingerlings which are being sold to the public as a means of giving impetus to fish production in the Local Government Area in particular and in the State in general.

There are also 800 homestead fish ponds constructed and stocked in various houses in the State, many of which are located in the Badagry Local Government Area. The objective is to encourage individual home participation in fish production.

The livestock projects located at Ilogbo involve cattle development, sheep and goats breeding/multiplication and rabbit breeding/multiplication.

Four communities (Apa, Iragon, Iworo/Ajido and Ikoga) have benefitted from the agriculture community programme in the Local Government area. This is a programme in which the farmers in the selected communities are being assisted with farm implements, seeds, seedlings and insecticides for improved farm products.

COMMUNITY SELF-HELP PROJECTS

Under normal circumstances, the border region Development Programme should be a joint venture between the Federal Government, the State Government, the Local Governments, and the benefitting communities. Therefore, in recognition of this fact, the Community Development Officers in the Directorate of Rural Development and in the Badagry Local Government has been going out to mobilise the Rural Dwellers in the border region to embark on self-help projects which will stand as their contributions towards the rural development programme of the State through the formation and encouragement of Community Development Associations. As a result of the mobilisation efforts, there are 83 such self-help projects going on in the Badagry Local Government area. Some of them have been grant-aided by both the State and Local Governments.

HEALTH CARE DELIVERY

For many years and up to the inception of the present Military Administration, health care delivery in the State has been mostly curative, but the present administration from the onset re-ordered its priorities by making Preventive Health Services through immunisation, clean environment and promotion of good nutrition, an overall health care delivery policy. The State and the Local Governments at the same time embarked on an intensive capital work programme to complete, rehabilitate and expand all existing physical facilities for the maintenance of a meaningful curative health service. To this end, the emphasis on Preventive Health Service was manifested through the Expanded Programme on Immunisation (EPI) which was launched in the State in December 1984 and a consistent drive against environmental filth.

In an effort to sustain and improve upon the existing Health care delivery facilities therefore, the State Government in conjunction with the Badagry Local Government is currently in the process of establishing new Health Institutions while at the same time expanding the existing ones in the border area. In addition to Government efforts, private individuals are also being encouraged to establish maternity centres and Health clinics within the border region.

The Health Institutions presently on the ground include:

- (a) State Health Institution, Badagry General Hospital.
- (b) Local Government Health Institutions, Ajara Maternity Centre, Apa Maternity Centre, Igbogbele Maternity Centre, Ajara Dispensary, Itohun Dispensary, Gbethrome Dispensary, Igbogbele Dispensary.
- (c) Private Health Institutions, Primus Hospital, Ogongo Hospital, Abimbola Hospital, Benard Hospital, Pentho Maternity.

TOURISM DEVELOPMENT

Tourism is one area in which the State has made steady progress in its effort to develop the border region of the State as part of its overall Rural Development Programme and in the process, enhance border trade among neighbouring countries. However, it should be recalled that at the last workshop held at ASCON, Badagry on "The Challenge of Parallel Administration Along the Common Border", we did mention in our paper a few problems capable of militating against tourism development at the border. They include the non-existence of banking facilities and use of convertible currency coupled with the poor attitudes of security agencies on both sides of the border. Furthermore, we enumerated the advantages which could accrue from the development of Tourism in the region. These problems are still much with us and inability to resolve them cannot in any way be attributable to lack of effort on our part; rather, this is due more or less, to the international nature of the problems which inevitably will require the involvement of the central Governments of the neighbouring countries for solution. It is gratifying to note however that a National Policy on Trade and Tourism is being put in place and its implementation will no doubt have a profound impact on the development of tourism and border trade to the immense benefits of the border region and its peoples.

The State's interest in Tourism development in recent times stems from our conviction that it is one virile industry which had suffered unpardonable neglect in the past but which if properly harnessed possesses the potentials of competing with the oil sector as a great foreign exchange earner for the whole country, accelerate the opening up of the Rural areas, (the border region inclusive) for there lies most of the Tourism products, and more than anything else, foster closer interaction and better understanding among peoples of different nationalities. To this end, the State Government had adopted the main strategy of creating a Ministry for tourism as distinct from previous practice where it is a subject matter within a division in a Ministry. This strategy has produced tremendous results with beneficial implications for the border region.

First, the State has achieved the singular distinction of producing a Tourism Policy for even development of Tourism potentials in the State. Among other things, the Policy has identified six Tourism Zones in the State, one of which is the Badagry beach Resort-based Zone. The Zone encompasses the entire lagoon and sea fronts of Badagry Division and Seme on the Border. For a start, the State Government has purchased a luxurious 365-Seater Cruise Boat christened 'Eko Tourist' at a cost of ₦12 million to enhance tourists' movement between Badagry lagoon and other parts of the State situated on the water fronts. Prompted by the unique position of Badagry as the cradle of Christianity in the country and the phenomenal growth of such unorthodox churches as Celestial Church of Christ in the border region, the State Government developed the Agia Tree site where Christianity was first preached by Rev. B. Freeman of the Methodist Mission, into a modern arcade at a cost of ₦89,000.00. The objective is to stimulate Christian Pilgrimage to the historic site from within and outside the border.

More importantly however, Government role in Tourism development as spelt out in the Policy is to serve as a catalyst for development by private entrepreneurs through

provision of incentives such as grant of concessions in the allocation of Tourism land and construction of infrastructure. Pursuant to this objective therefore, the State Government has allocated plots of land along the Marina waterfront in Badagry to some private developers and I am happy to note that within a short space of time beautiful parks and restaurants had sprouted in an hitherto desolate waterfront. Owners or developers of private beaches in Badagry Division had responded favourably to regularise their holdings in accordance with the provisions of the law. Similarly, the Anglican Mission of Nigeria is using its resources to develop the first storey building in Nigeria as a Tourism Centre for the benefit of tourists from near and far.

NEIGHBOURHOOD MEETINGS

L. T. Sargent in his book "Contemporary Political Ideologies" emphasises that citizen's involvement is one of the pillars of a democratic society. According to him, the basic assumption behind citizen involvement is obviously that a person should be able to have some say about public policy, about things that are done in the name of the Public. He believes that citizen involvement will ensure that Public officials are responsive to changing needs and demands amongst the citizenry. It is in this light that one could see the new method of information gathering recently introduced in the State. The meetings gave the people who are the final beneficiaries of Government's policies a voice in the planning and implementation of Government's programmes.

The people in the various rural areas are now in a position to inform the Government of their various needs unlike before when the Government planned for the people in isolation. For example, such meetings held in Ikoga, Apa and Akarakumo in Badagry Local Government on the 15th June 1989 afforded the two tiers of Government and insight into the urgent and immediate needs of the people. They are now closer to the Government and they have in turn developed a sense of belonging. Furthermore, the new system would enhance grassroot planning.

In addition, the State Government has earmarked a sum of N0.5 million for the establishment of an information centre in Badagry during the next plan period.

SURVEY ON INFORMATION BANK

A survey aimed at establishing a data base for the rural communities in Lagos State has ended. The survey was carried out by the Directorate of Rural Development to cover 12 model communities. The exercise represented part of this year's physical planning programme for the rural communities. The exercise was also devised to ensure planned development of the rural areas. The result of the exercise has provided information on the existing social and economic infrastructures in each of the communities. The Communities involved include Apa, border village in Badagry Local Government. The exercise was carried out under the authority of the 1957 Statistics Act and the Statistics Act (Amendment) Decree of 1979.

FUTURE DEVELOPMENT PROGRAMME FOR THE BORDER REGION

I have in the preceding section touched on the concrete efforts and achievements of the Lagos State Administration in the area of the development of the border region. Since development is a dynamic process particularly when one considers the influences of population, migration and resources available it becomes inevitable that government must continue to plan ahead to satisfy the wishes and aspirations of not only the people in the border region but also those who interact with them. For this reason, I will in the next few minutes draw the attention of participants to proposals of government in the provision of socio-economic services.

ROAD DEVELOPMENT

As earlier mentioned in the current efforts to open up the border region, Badagry Local Government and the State Directorate of Rural Development had commenced on the opening up of Feeder roads linking communities on both sides of the tarred Gbaji-Aseri Road. The plan is to encourage the Local Government to open up more of such roads and as it has been explained in some of my public pronouncements, the State Government will gradually consolidate such roads by converting them into all-season roads. Some of the roads in this category include:

- (a) Topo-Akarakumo-Ajido Road.
- (b) Enuke-Yekeme-Pashi Road.
- (c) Araromi-Esepe-Mushin-Obele-Magbon-Ibiye Road.

The State Government is to take over, in no distant future, the construction of the Aivoji-Tarkwa Bay Coastal road because of its great potentiality for border trade and tourism. Thereafter, it is expected that through bilateral agreement between Nigeria and Benin Republic the construction of Gbaji-Aseri Road to link Owode town on the other side of the border should continue. However, financial assistance from the Federal Government will be required because of the difficult terrain in the areas under focus.

TOURISM

The State Government in its development package intends to undertake the following for the Badagry beach resort-based zone:

- (a) Preparation of a Master Plan of the Zone similar in all respects to the Maiyegun-Lekki Master Plan so as to ensure even and controlled development.
- (b) Allocation of Tourism land at concessionary rate for development of Tourism based projects.
- (c) Rehabilitation of the Badagry beach, provision of beach roads, pipe borne water and electricity in the Tourism zone.
- (d) Construction of recreation parks and centres; and
- (e) Establishment of a museum to accommodate present antiquities and future collections.

It is envisaged that the border region would flourish in tourism and thereby earn more foreign exchange for the country.

EDUCATION

The State Government plans to construct prototype primary and secondary school classrooms as well as a Technical College in the area during the next plan period. The Government would also provide educational facilities such as science laboratories, Technical workshops, libraries, etc. The continued provision of adequate and qualified personnel will be pursued with more vigour while the Local Government would complement the efforts of the State Government in the maintenance of primary schools in its domain.

HEALTH

The State and Local Governments have a number of health programmes and projects for the development of the border region during the next plan period. These would include the establishment of a Traditional Clinic/Hospital at a cost of about ₦2 million, the upgrading of the existing Badagry General Hospital costing about ₦1.5 million and the provision of rural health facilities. The State Ministry of Health and the Badagry Local Government will continue their efforts to equip and provide capable personnel for health institutions in the rural areas of the border region.

AGRICULTURAL AND FISHERY PROGRAMME

The importance of agriculture in bringing about meaningful rural development programme in the Local Government area cannot be over emphasised. This is because agriculture is the predominant occupation of the people living in the border region of the State. Efforts will therefore be intensified to improve and stimulate agricultural production to service agro-based industries. More extension workers will be trained to provide agricultural services to farmers in the various extension zones.

Storage facilities will be provided in each agricultural zone. Such facilities will include on-farm storage warehouse, etc. in order to reduce losses through spoilage. In this way, goods would be made available in sufficient quantity and reasonable prices during or end of seasons.

Efforts will be geared towards expanding the livestock project at Ilogbo and Ereketi centres in order to ensure continuous production.

Fishing in the State is still largely traditional and in order to improve the situation, efforts will be intensified to provide fishing inputs such as out-board engines and fishing gears to improve fish production. More landing jetties will also be constructed at selected locations in the riverine areas of the border region to solve the landing and boarding problems of fish farmers.

COMMUNITY SELF-HELP PROJECTS

The State Government welcomes the participation of the private sector organisations and communities in the development of the border region. Efforts will therefore be intensified to mobilize and encourage the various Community Development Associations towards more self-help projects.

In the past, the State Government was awarding matching grants for virtually all self-help projects. However, the new policy is that only priority projects such as post office, police post/station, day care centre, construction of drainages, culverts, roads and rural electrification, etc. will now attract State Government matching grants. This is to make sure that community efforts are geared towards viable, profitable and advantageous projects.

RURAL WATER SUPPLY

The State Government is determined to intensify its efforts on the provision of micro-mini water projects particularly for Povita-Akarakumo, Imeke and Ilado while the reactivation of the mini water works station at Ilogbo will be carried out shortly. The State Directorate of Rural Development has in its pipeline the plan to go into the second phase of providing hand-pump boreholes to more communities.

RURAL ELECTRIFICATION

It is expected that before the end of the year, the on-going electrification projects along Gbaji-Aseri road will be completed and thereafter, work will shift to the Tarkwa Bay Topo Coastal road. The completion of the electrification projects on these two major roads axis will facilitate the extension of same facilities to all the settlements situated on both sides of the roads including outlying communities such as Akarakumo and Povita.

INDUSTRY

The future of industrial development in Badagry Local Government area is very bright in view of the existing infrastructural facilities and the abundant industrial raw materials. These raw materials include Clay, Silica sand, Fish, Coconut, Maize and Cassava.

The State Government, in collaboration with the Raw Materials Research Development Council, is intensifying its efforts at providing incentive package for small-scale industrialists to invest in the manufacture of products using the existing raw materials.

In order to set a developmental pace, the State Government plans to establish a Cottage Industrial Estate at Badagry at a cost of about ₦5.0 million during the next Plan period.

RECOMMENDATIONS

The Government of Lagos State will continue to support the development of border regions with its own resources and through the assistance of the State Government. The Government will continue to put in place real measures to the benefit of the border regions along the border villages.

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- (v) The Government will continue to put in place real measures to the benefit of the border regions along the border villages.

SUMMARY AND CONCLUSION

The meeting has discussed the current efforts and future plans of the Lagos State Government in the area of border development. In doing so, major attention has been focused on trade, tourism, agriculture, health, roads, education, law and order, etc. which are issues that affect the daily life of our people living in the border region.

In order to enhance the rapid development of the border region, people themselves have to show the necessary co-operation and give support to Government so that it can continue to pursue vigorously its social services delivery efforts. On the part of Government, enough vigilance has to be displayed to discourage smuggling which constitutes a seemingly intractable problem along the border. To this end, the State Government recognises the inter-dependence among the various levels of Government and hopes that this recognition will enhance co-operative federalism which our dear country cherishes. It is also my belief that the central Government of the neighbouring countries should continue to be partners in the ongoing efforts to develop all the border regions in the country in the provision of adequate security network without which the current and future programmes might be difficult to accomplish.

Finally, it is hoped that at the end of this Conference, the various States with border regions would have been fully informed on the parameters on which the development of the border regions should be based.

**AT THE HANDING OVER CEREMONY OF TORCH OF UNITY OF THE
8TH NATIONAL SPORTS FESTIVAL ON SUNDAY, 13th AUGUST 1989**

It gives me great pleasure to be present here today to receive the Torch of Unity which I am reliably informed has gone round the other twenty States and Abuja, the Federal Capital Territory. The Torch of Unity is a major feature of the 8th National Sports Festival which will kick off in a few hours from now.

This occasion marks another milestone in the Federal and State Governments' Programme to support sports development and give it a boost as an industry capable of making meaningful contribution to the socio-economic and political life of our nation.

In the true spirit of sportsmanship and African tradition, I assure all the participants in the Festival the hospitality and warm reception for which the citizens of Lagos State are well known, during their short stay here. It is my hope that the Festival will further unify the people of this great country in our onward march to a strong, stable, self reliant and prosperous nation.

In the spirit of the establishment of the National Sports Festival by the Federal Government, I, Col. Raji Alagbe Rasaki, Military Governor of Lagos State, on behalf of the people of Lagos State, hereby pass on the Torch of Unity for onward journey to the National Stadium, venue of the Festival for the glory of God and development of sports in this great country, promoting unity through sports throughout the entire country.

Long live the Federal Republic of Nigeria, long live Lagos State

Thank you.

**AT THE OPENING CEREMONY OF THE FIFTH ANNUAL CONGRESS OF THE
LAGOS STATE ALL NIGERIA CONFERENCE OF PRINCIPALS OF SECONDARY
SCHOOLS ON MONDAY, 14th AUGUST 1989**

I am delighted to be here today to perform the opening ceremony of the Fifth Annual Congress of the Lagos State Branch of the All Nigerian Conference of Principals of Secondary Schools (ANCOPSS). I congratulate the President and the entire members of ANCOPSS on the celebration of yet another anniversary and I wish you more successful years of service to the government and people of Lagos State. I wish to recall that on my assumption of office in the State, your 1988 Annual Conference was my first official assignment. It is gratifying to note that as I now enter my second year of service in the State, your Fifth Conference is again one of my earliest engagements. If the past is any guide to the future, there is no doubt that this conference marks the beginning of another year of fruitful dialogue and co-operation between the State Government and your Association.

Your Fifty Congress is being held at a very auspicious moment in the life of this nation. By the time you hold your next congress the political horizon of this country would have altered with the civilian administration taking over at the Local Government level. I am optimistic that members of the ANCOPSS and other educationists in the State School's system will maintain the usual level of co-operation and assist the Government in implementing the Transition to Civil Rule Programme.

The timing of this Fifty Annual Congress is also auspicious because this is the first Conference being held after the launching of the Lagos State Education Policy. I have no doubt in my mind that all members of the Conference of Principals, Lagos State, have read and digested Government's objectives and intentions as enunciated in the State's Education Policy.

The theme of this year's Congress i.e. "Implementation of the 6-3-3-4 System of Education in Lagos State — An Appraisal of the First Four Years", is thoughtful and topical as it would provide members of this Conference and opportunity to air their views based on the experience gained so far. This will provide the necessary feedback into the policy-making process of the State Education apparatus. For a thorough appraisal, I should take this opportunity to state some of the programmes, activities and problems of the Lagos State Government in the implementation of the 6-3-3-4 System of Education.

As a preamble, I wish to recall that the 6-3-3-4 system of education was introduced by the Federal Government in its bid to make education more relevant to the needs of the immediate Nigerian environment through increased emphasis on technology and science in line with the practices in all advanced and advancing nations of the world. The main focus of the 6-3-3-4 System of Education are:

- a. The emphasis on technical education.
- b. Skills acquisition, and
- c. The streaming of children.

I am pleased to inform this Conference that Lagos State has been selected as a model for the other States in the Federation by virtue of the 'Streaming Exercise' conducted by the State in 1988, in which it is certain that all of you participated. Despite the success of this exercise, the State Government cannot claim to have completely succeeded in the implementation of the 6-3-3-4 System in the State. Some of the problem areas have been identified as follows:

- a. The numerous Workshop equipment that are yet to be installed because of the insufficiency of Workshop space.
- b. The shortage of Technical Teachers.
- c. The preference of parents, guardians and pupils for basic education in the exercise of their legal rights in the choice of careers.
- d. The constant bias of parents, guardians and pupils against streaming into Teachers' Training Colleges; and
- e. The population explosion and the shortage of school space which should be tackled now in order to prevent a serious crisis in the Schools in 1991 when pupils will spend an entire stretch of six (6) years in the secondary school

All these problems are being effectively tackled by the Lagos State Government, We have ensured that over 90% of the 343 secondary schools in Lagos State have science equipment for Physics, Chemistry, Biology and Agriculture. All the remaining schools would be supplied with science equipment within the next three months and as a matter of deliberate policy, Parents/Teachers Associations have been encouraged to refurbish functional classrooms and convert them into workshops and multi-purpose laboratories. As a result of this initiative, the number of functional workshops in the State has been increased from 136 in 1988 to 189 in 1989. Government is also ensuring the supply of electricity to 35 of the schools which hitherto have no electricity supply. To prevent population explosion in our schools, the State Government has completed Phase II of the Bouygues programme made of of 74 Blocks of 1,258 classrooms. However, a review shows that 352 Blocks have been completed and handed over for use and out of these, 67 are science laboratory blocks. These figures represent 5,020 classrooms and 1,174 science laboratory classrooms. Price review has been undertaken and all contractors handling classroom projects have been asked to return to sites if they have abandoned the projects. The State Government, therefore, expects through this policy thrust, to add another 68 blocks or 1,156 classrooms before the end of the year 1989.

Streaming of students out of basic education courses into technical schools is a problem recognized even in the developed countries of the world. The Lagos State Government has, therefore embarked on a massive overhaul of the technical colleges to provide the necessary staff and modern equipment for the dual roles they will play as Technical Colleges and Skills Acquisition Centres for the whole State. We plan to provide accommodation for at least 10% of graduates of J. S. S. 3 to attend the Government Technical Colleges on their own volition. Grade II Teacher Training Colleges are also being appraised structurally to determine their role in the present and the future State education scene. After a careful analysis we have recently recruited 1,500 teachers especially in the areas of the Sciences, Mathematics, English, French and Nigerian Languages. We have also introduced the Common Entrance Examinations into secondary

schools to enhance the quality of education in the secondary schools. Rules and regulations designed to guide students during and after school hours have been worked out along with rules and regulations for classroom teachers, headteachers and principals. Rules and regulations have also been introduced to guide the running of private pre-primary, primary and secondary schools in the State. We have encouraged community participation in the running of schools by appointing Boards of Governors for the secondary schools. Organisational and structural re-alignment have been achieved through the setting-up of the Teaching Service Commission and offices of the Local Administrators of Education. The Inspectorate Departments are also being strengthened.

I must, however, express dissatisfaction with the present level of discipline in our schools. Information available to me shows that the following grave acts of indiscipline have been investigated by the appropriate arms of the Ministry of Education and the Teaching Service Commission in the very recent past:

Amongst Students

- a. Regular lateness to school and outright truancy among students who only surface during examination period.
- b. Smoking of weeds, cigarettes, sniffing of drugs and drinking of alcohol in bars situated in the vicinity of schools.
- c. Carrying of dangerous weapons, charms and talisman to school.
- d. Sexual assault and harassment of female students by their colleagues.
- e. Hooliganism, rioting and vandalism during and after Sports Meetings, Inter-School Debates and Quiz Competitions.
- f. Improper and indecent dressing.

Among Teachers and Heads of Schools, cases investigated have included:

- a. Absenteeism.
- b. Non-use of lesson notes and teaching aids.
- c. Improper dressing.
- d. Harassment of female students by male teachers.
- e. Leakage of examination papers and Official secrets.
- f. Illegal admission of pupils as a result of bribe collected from parents.
- g. Coaching after school hours for fees under the pretext of giving extension classes.
- h. Fraud and embezzlement of school funds.
- i. Victimization of teachers by School Heads.
- j. Condoning or engaging in unauthorised studies in Universities while engaged in teaching.
- k. Loitering in the Staff Room during classes.
- l. Drunkenness.
- m. Aiding and abetting students' misbehaviour
- n. Arbitrary collection of levies etc.

I, therefore, wish to warn and remind all operators of the Education System that teachers, like civil servants, are fully covered by the Civil Service Rules, Financial Instructions and the State Laws which forbid lateness to work, absenteeism, illegal

collection of money as well as illegal carnal relationship. Now that we have put in place rules and regulations for students, teachers and principals, all acts of indiscipline should come to an end as any continuation would attract stiff sanctions. We need to put at the back of our minds, the old saying that "the strength of any organisation lies in its level of discipline". The entire school system must, therefore, be disciplined if it is to justify the huge commitment of resources into the education sector.

At this juncture, I wish to place on record once again the State Government's appreciation of the noble and commendable role played by teachers and principals during the last revision exercise of the Registered Voters' Lists as well as the role played by most teachers in seeing that their students did not participate in the unfortunate disturbances of last May/early June. However, principals and headteachers shall continue to be responsible for their pupils and they should not, through acts of commission or omission allow their students to participate in criminal activities, such as looting or arson.

I also wish to seize this opportunity to warn against complacency and declining productivity amongst principals and other officers at the terminal grades of their careers. The principles, ideals and zeal which have brought you to this level of attainment should continue to apply for as long as you are in the Service. Declining productivity on the part of terminal grade officers, in both the Civil Service and the Teaching Service shall be stamped out. Officers found to be complacent and ineffective will readily be separated from the service.

I wish to point out that the traditional view of the Headteacher or Principal as a lonesome patriarch should still persist because the Principal is expected to uphold the dignity and responsibility of his office, espouse the values of good education and fulfil the moral responsibility expected of him as a Public Servant. Nevertheless, the fundamental challenge facing members of your Association is perhaps the ability to make the correct mix between the lonely patriarch and the friendly adviser.

Distinguished Guests, Ladies and Gentlemen, I rejoice and felicitate with you on this occasion of your Fifth Annual Congress. I wish you fruitful deliberations on the theme of the Congress and look forward to the report of the Conference. It is, therefore, my singular honour to declare the Fifth Annual Congress open.

Thank you and God bless.

**AT THE COMMISSIONING CEREMONY OF THE GOVERNMENT SECONDARY
SCHOOL BLOCK OF CLASSROOMS, IJANIKIN
ON SATURDAY, 19th AUGUST 1989**

It is my pleasure to be here on this auspicious occasion of the official commissioning of the Classroom blocks for the Government Secondary School, Ijanikin, in the Ojo Local Government area, having just performed a similar ceremony at the Vetland Schools Complex in the Agege Local Government area of the State. The siting or location of the Classroom Blocks in the State reflects a deliberate policy of Government in spreading educational amenities to all parts of the State in order to ensure even development. I, therefore wish to reassure all the citizens of Lagos State that the State Government has the interest of the entire State at heart and will, subject only to financial limitation, ensure that Educational facilities are spread to all the nooks and corners of the State.

The contract for the construction of the blocks of classrooms for the Government Secondary School, Ijanikin was awarded to Messrs Eyiwuawi Construction Company in 1987 at a cost of ₦1,173,000.00. The blocks have provision for 34 classrooms and adequate toilet facilities. I commend the efforts of the company for doing a good job and living up to expectation as a credit to our indigenous Contractors.

On assumption of duty in 1988 I undertook a detailed appraisal of available infrastructural facilities in schools and decided that the classroom replacement programme will continue, in spite of escalating costs, and that other key areas of our schools' system will be reviewed so as to bring about improvement where necessary. As a result of this exercise, the State Government fixed new prices for the Classroom construction jobs and contracts have been awarded for the completion of all abandoned classroom projects estimated to cost ₦80.9 million. In addition, a re-assessment of the cost of completing the abandoned Universal Primary Education (UPE) school projects has been undertaken and a decision will be taken soon. With regard to technical education, we are committed to a policy of technological advancement in the State and in this connection, existing Technical Colleges are to be provided with modern workshop equipment, and through a programme of re-orientation, we hope to lure the people from white-collar jobs into the technical fields. This step will help to combat the problem of unemployment in the State. In the area of secondary schools, laboratory equipment are being provided for all schools in the State.

The State Government will not relent in its efforts to ensure that the basic infrastructures are put in place for our education system. We share in the belief that through a sound education programme, we are raising the standard of living of the people, who are thus given the opportunity to develop themselves and contribute meaningfully to the progress of mankind and the world of arts and science. The provision of these facilities in the school system has a tremendous impact on the financial resources of the State. Nevertheless, Government will continue to invest in education in the belief that sound education is the greatest legacy which one generation can bequeath to another.

Since every good gesture deserves equal response, I wish to use this occasion to call for a positive action on the part of the youths of the State. They should shun all acts of vandalism as recently displayed in the guise of anti-SAP demonstrations. It should be realised that the public funds that will now be committed for the repairs or replacement of damaged properties could have been utilised for other beneficial projects. School children should never again allow anti-government forces to take advantage of them. Similarly, I wish to call on all parents and guardians to assist in educating their children on the need to eschew violence as a means of protest.

I congratulate the Principal, Staff and students of the Government Secondary School, Ijanikin whose classroom blocks are being commissioned today. I urge all concerned to take a good care of the buildings. I also congratulate Kabiyesi, the Onijanikin of Ijanikin, and his Chiefs, the parents, guardians and the entire community who wrote various letters to me for the early completion of this project. I thank them for their interest and support.

I now have delight in commissioning the blocks of classrooms for the propagation of knowledge of the present and future generations of our youths.

Thank you and God bless.

**AT THE COMMISSIONING CEREMONY OF THE VETLAND SCHOOLS COMPLEX,
AGEGE ON SATURDAY, 19th AUGUST 1989**

I am delighted to be here this morning to perform the official commissioning of the Vetland Schools Complex with provision for 255 Classrooms and a student population of 3,676. The Schools located here include Vetland Grammar School, Methodist Primary School and Vetland Primary School. The contract for the blocks of classrooms was awarded to Messrs Bouygues Engineering and Construction Company at a total cost of N1,734,000 and I wish to congratulate this Firm for a job well done.

The blocks of classrooms that are being commissioned today form the first in the series of classrooms to be constructed under the present Military Administration. Even though the programme of the systematic replacement of functional classrooms started in 1984, I wish to emphasise that the present Military Administration is very much committed to the Programme and will continue its execution in spite of the sharp rising costs involved. The Programme, itself, as conceived by my predecessors in office, is a lofty idea which has to be sustained in our resolute bid to provide the most ideal environment for encouraging meaningful learning in the school system. The environment in which learning takes place has been identified as either providing positive or negative impact on the learning process. Our objective is to enhance the full development of our student's potentialities and for this reason, we will continue to give the classrooms replacement programme the priority it deserves. Let me, therefore, use this forum to pay tribute to the foresight and thoughtfulness of the past Administrators who initiated this programme.

Our commitment to the prosecution of the Programme, in spite of the escalating costs, clearly demonstrates our belief in the need to support a reasonably high standard of education.

The Vetland Schools Complex was constructed to tackle decisively the problem of over-population in schools in the Agege Local Government area. I am informed that prior to the construction of the modern proto-type classrooms some teachers have had the unpleasant task of coping with up to sixty pupils in a classroom. With the completion of these blocks of classrooms, this problem is now fully eradicated.

In order to raise the standard of education, Government recently gave approval for the recruitment of about one thousand five hundred teachers for secondary schools. In selecting the teachers, the focus was on the Sciences Physics, Chemistry, Biology, Mathematics, Agricultural Science, Introductory Technology and the Languages. Similarly, a recruitment exercise for the Primary Schools would soon commence. By these actions, Government is poised to tackle the problems encountered in the implementation of the 6-3-3-4 system of Education which has already taken off to a fairly good start.

Ladies and Gentlemen, a conducive environment or well laid-out classrooms alone will not guarantee the best quality of learning in the School system. Accordingly, attention is being focused on happenings within the schools through the formation of Boards of

Governors for each secondary school. Parents and Guardians would henceforth assist the school authorities through these Boards, to arrest some unwholesome practices among school children, such as truancy, drug and sex abuse, wanton destruction of public property and arson. The school system is designed to bring up responsible citizens among our youth in preparation for leadership roles in future. Therefore, there can be no justification for the abdication of parental support and control in pursuit of other material benefits.

I should also seize this opportunity to request parents and guardians to show more interest in their children of school going age. Reports have reached me that many students attend classes ill-equipped with the tools for learning. Parents and Guardians must, therefore, be prepared to correct this anomaly and strive at all times to equip their children and wards with necessary materials books, stationery, and uniform. On top of this, they should provide the moral and financial support for these children as their own contribution towards the promotion of the course of learning.

I wish to congratulate the Headteachers, Staff and Pupils of the Vetland Schools Complex. They should ensure a judicious use and proper control of their new blocks of classrooms and strive to up-grade the beauty of the environment.

I now have the pleasure to declare open the Vetland Schools Complex to the glory of God and the use of mankind.

Thanks and God bless.

AT THE INAUGURATION OF THE BOARDS OF GOVERNORS OF LAGOS STATE POST-PRIMARY INSTITUTIONS ON MONDAY, 21st AUGUST 1989

I am delighted to be present here today to perform this epoch-making ceremony of inaugurating the Boards of Governors for all the 342 Post-Primary Institutions in Lagos State. This ceremony marks yet another milestone in Government efforts to put in place efficient and effective organisations, structures and institutions that will facilitate the smooth and successful implementation of the National Policy of Education as confirmed and amplified in the Lagos State Education Policy. As you will all recall, this year alone, apart from launching the Lagos State Education Policy, we have inaugurated the Teaching Service Commission, a Primary Schools Management Board, and the Pre-Primary School Curriculum Guide. Today, we are formally launching the Boards of Governors of the Secondary Schools which is in direct fulfilment of one of the cardinal principles in the new Policy.

Boards of Governors have always been found quite effective in the management of Post-Primary Institutions. Prior to the Government take-over of Schools in 1974-75, the missionaries made very effective use of Boards of Governors in the running of their Schools.

The present Military Administration has, after a careful review of the existing arrangement for the running of schools, decided to re-introduce Boards of Governors to our Post-Primary Institutions. The objectives for this move include the following:-

- a. To represent the interest of the State Government at Post-Primary School level and implement decisions of Government concerning Education also at that level.
- b. To instill discipline and curtail excesses wherever they occur in the school-system.
- c. To promote and enhance academic excellence, and general quality of Education.
- d. To ensure efficient utilization of human and material resources in schools.

Great care has been taken in selecting the members of the Governing Boards. Education is one of the big issues on which huge resources are committed by the State Government. The selection of the members of the Boards has, therefore, been based on personal merit. The qualities considered include integrity, personal experience and individual record of achievement of the members. There is a part-time Chairman and two representatives of the Old Students' Association of the School. A representative of the School's former proprietor and two representatives of the Parents Teachers Associations of the School are also on the Boards. Others represented on the Boards include the Local Administrator of Education, the Teaching Service Commission and the community in which the School is located. The Governing Board members should, in the circumstance, see their appointment as a challenge and an opportunity to contribute their own quota to educational development in the State.

The Governing Boards will ensure that both the teaching and non-teaching staff of the Schools perform their duties as expected and will exercise strict disciplinary control over the students. The aims and objectives of the schools shall apply strictly and all laid down curricular and co-curricular activities should be scrupulously observed. In carrying out your important assignment, you will put the interest of the State above any personal interest and uphold the virtues of honesty, hardwork and dedication.

The Boards of Governors' decision on disciplinary matters as they affect the students will be final. The Boards themselves will have to observe some Guidelines with regard to their operations and these have been approved by Government. Similarly, Rules and Regulations for the students, teachers and Headmasters have also been put in place. These Guidelines, Rules and Regulations are now available in printed form and should be obtained and studied by all interested persons.

Ladies and Gentlemen, I should now congratulate most heartily, the Chairmen and members of the newly constituted Boards of Governors of the Post-Primary Institutions in the State. I thank you for accepting the invitation to serve the State in this capacity and I wish you collectively and individually, a successful tenure of office. I charge you all to take up your appointment with such zeal and commitment as will justify the great confidence now being reposed in you. Because the Boards of Governors constitute some of the finest gentlemen and ladies in our society, I am optimistic that there will be no need to summon the Board of Governors of any school or call on them to explain any wrong-doing or negligence of duty.

Once again, I congratulate you all and wish you very many years of useful service to the growth and development of Education in the State.

Thank you and God bless.

**AT THE FOUNDATION LAYING CEREMONY OF THE STATE HEADQUARTERS
OF THE NIGERIAN AGRICULTURAL AND CO-OPERATIVE BANK LIMITED
ON TUESDAY, 22nd AUGUST 1989**

I am highly delighted to be invited to this auspicious occasion of the foundation laying ceremony of the State Headquarters of the Nigerian Agricultural and Co-operative Bank Limited.

The Nigerian Agricultural and Co-operative Bank Limited was established by the Federal Government in 1973 as a Development Finance Institution specifically to arrange credit facilities to the agricultural sector of the country's economy in the execution of its programmes and reach out to all its clients made up of individual farmers, co-operative organisations, limited liability companies and the Federal and State Government agricultural agencies. Since the Bank was established, it has designed various modules for its operations such as the on-lending and direct lending programmes, Small-Holder Loan Schemes and Medium-scale farmers' credit scheme.

In addition, the Bank has reviewed the policy concerning the provision of collateral securities which has for long militated against the peasant farmers in borrowing money from the Bank. I am happy to observe that following the introduction of the Small-Holder Farmers' Loan Scheme by your Bank, many farmers, more than ever before, are now benefitting from the bank's loan facilities. I, however, wish to point out that your Bank should still pay more attention to the peculiar needs of peasant farmers in your credit portfolio when you undertake future review exercises.

I should also emphasise that there is no panacea to the food crisis in this country other than liberalising credit facilities and arrangements to peasant farmers to enable them cultivate the fertile lands which we have in abundance all over the country. There can be no doubt that the peasant farmers constitute the bedrock of food production in this country.

In assisting the small-scale farmers the State Government has evolved and is vigorously pursuing a policy of group-lending through well organised and viable co-operative societies and other effective associations. We have also decided that any co-operative society that fails to repay any production credit, as and when due, will have its Certificate of Registration withdrawn.

All activities carried out under the State Government's Agricultural Programmes have the peasant farmers as their central focus. For example, an Agricultural Training Institute will soon be established to cater for the training needs of farmers and fishermen in cropping, livestock farming and fishing techniques. It will also provide opportunities for the unemployed within the populace to acquire necessary skills which will enable them set up their own agricultural ventures in due course. The Lagos State Agricultural Development Project (ADP), a tripartite arrangement between the World Bank, the Federal and Lagos State Governments, provides necessary input delivery services to the generality of farmers within the State. The State Government is taking a bold step to arrest the

downward trend in the poultry industry in the State by rehabilitating and reactivating poultry breeding and hatchery centres with a view to increasing the production of commercial day-old chicks for poultry farmers in the State. The State School Agricultural Programme was also launched in order to inculcate in the Youth the need to realise the importance of agriculture in the economic development of Nigeria and also contribute their own quota to the production of food in the State. The State Government has since approved that peasant farmers and fishermen in the State would now pay a flat rate of only ₦50.00 per annum to obtain their Tax Clearance Certificates.

Through these policy measures, the State Government is doing its utmost to develop the agricultural potential of the State to the fullest. Your Bank should also be seen to be contributing its quota effectively to agricultural development and also complementing the efforts of the State Government. I recall that during discussion with your Bank's Representative recently, I commended the Bank's efforts in introducing the Small Holder Loan Package Scheme of about ₦2,000.00 for Farmers and Fishermen Co-operative Societies in the State. This arrangement should still be improved upon in view of the number of farmers and fishermen in the State. I am informed that the total loan package of your Bank available to Lagos State as at the end of March, 1989 was ₦14.9m and only ₦8.89m has been disbursed. The administrative machinery put in place for administering this loan must be overhauled so that swifter disbursements could take place which in turn will assist the farmers to take full advantage of the planting season.

Distinguished Ladies and Gentlemen, I am delighted to extend my sincere and warm greetings to the Chairman and Board of Directors, the Management and the entire staff of the Nigerian Agricultural and Co-operative Bank on this joyous occasion. It is gratifying to note that the bank has worked relentlessly and has attained a level of success resulting in the laying of foundation of the State Administrative Headquarters, which we are performing now. I wish to advise the Bank's authorities to work even harder and ensure the timely completion of the project so as to reduce the risk of cost variation which might result if the execution of the project is unduly delayed.

It is now my honour and privilege to lay the foundation of the State Headquarters of the Nigerian Agricultural and Co-operative Bank.

Thank you and God bless.

**AT THE INAUGURATION OF THE LAGOS STATE
PUBLIC SERVICE FORUM ON THURSDAY, 24th AUGUST 1989**

This is indeed an auspicious occasion, which marks the inauguration of the Lagos State Public Service Forum. I am particularly delighted to have the honour of the distinguished presence of Chief S. O. Adebó, C. F. R. — a much respected and eminent citizen for whom I have the highest regard.

It should be said that the inauguration of the Public Service Forum is borne out of the desire of this administration to ensure the enhancement of the quality of the Public Service by creating an atmosphere where contemporary issues could be examined and reviewed through a medium of free interchange of ideas. We therefore have great expectations for it as a forum which will generate lively debate, rational and constructive discussion and a rubbing of minds on issues, policies and events of relevance to the State whether national or inter-national.

It is my hope that the establishment of this Forum would greatly assist public service functionaries to sharpen their minds and intellect and to promote the desire to be more probing and analytical of the matters and issues which receive their official attention. All officers are advised to participate actively in the learning experience afforded by the forum. No less is expected from them in line with the highest ideals of a selfless public service which is our joint responsibility to build. The gains from the forum are indeed enormous and I have no doubt it will serve to stimulate creativity and vision as well enhance capabilities for managing and motivating others.

Distinguished Guests, Ladies and Gentlemen, we are all indeed fortunate today to be part of a unique learning experience which is afforded us by no less a luminary than one of the architects of the indigenous Nigerian Civil Service. Chief Simeon Adebó, CFR is a foremost public functionary of high repute, both nationally and internationally. We are proud and honoured to have him blaze the trail in this State's hour of history. To crown it all, the topic of his address, "The Civil Service and the Nation" — cannot be more relevant than at this time when the nation is at the threshold of momentous political process towards the Third Republic. As public officers still in the saddle, we are opportuned by today's forum, not only to pick up priceless gems of experience but also to share the vision of a highly-esteemed elder, for the future role of the public service in the polity. The occasion is truly reflective of the saying that the words of our elders are words of wisdom.

Ladies and Gentlemen, I now have the singular honour and privilege to formally declare the Lagos Public Service Forum open, with the wish and prayer that it will grow henceforth, for the benefit of all who participate in it.

Thank you and God Bless.

**AT THE COMMISSIONING CEREMONY OF THE PORO-MOSAN RURAL ELECTRIFICATION PROJECT IN THE IKORODU LOCAL GOVERNMENT AREA
ON FRIDAY 25th AUGUST 1989**

I am indeed pleased to be with you all this morning to rejoice with the people of Poro-Mosan on the commissioning of their Rural Electrification project.

When I assumed office in Lagos State slightly over a year ago. I emphasised my commitment to uplifting the lives of the rural dwellers and to aid the momentum of development efforts in the State, so that in the very near future, the rural communities would be self-sustaining socially and their political consciousness aroused. This new impetus was clearly manifested in my 1989 Budget address to the people of Lagos State. On that occasion, I made it abundantly clear that the emphasis of the State's Rural Development Programme in 1989 would be on the restructuring of rural development programmes for effective mass participation by all sectors.

Consequently, I pledged that any community in the State that contributed 50 percent of the cost of a viable development project of its choice would receive the remaining percentage of the cost of such a project as matching grant from the State Government. This is because Government has taken the view that such a cost-sharing approach will accelerate the pace of development of such willing communities ahead of their placement in the State's four-year rural development programme. Therefore, the Poro-mosan Rural Electrification Project we are commissioning shortly, symbolises the fulfilment of that pledge.

In this regard, it is significant to note that Poro-mosan community embarked on this project in 1987 because of a major felt-need to have this modern agent of change. The State Government however took over the scheme in 1988 after the community had spent ₦187,000.00 representing 50 percent of the estimated project cost.

I am convinced that the pattern of lifestyle of this community will witness significant transformation within the next few months following the commissioning of this rural electrification project. Moreover, I wish to thank the Federal Ministry of Mines, Power and Steel and the National Electric Power Authority (NEPA) for their co-operation in seeing the project to a successful completion. It is my ardent hope that through our combined efforts, a better and more reliable electricity supply network would be put in place.

Distinguished Ladies and Gentlemen, I also wish to call on the entire community of Poro-mosan to keep a watchful eye on this rural electrification project. I am appealing to them to be vigilant and give adequate protection to the project at all times so as to prevent theft or any form of vandalism. You should regard this facility as your project and personal property to be guarded jealously.

I should also mention that another rural electrification project in Oke-Agbo in this Local Government area is in progress. Similarly, Maya Alade and Maya Olorijo Rural Electrification Projects which were earlier abandoned have been re-awarded and are expected

to be completed before the end of the year. In addition, the State Government has awarded another contract for Agunfoye/Idiorogbo Rural Electrification Project under the Federal DFRRRI sponsored Rural Electrification Programme.

I want to assure all and sundry that the State Government will continue to intensify efforts at providing basic infrastructure in our rural areas so as to make life more meaningful and abundant for the rural dwellers.

It is now my honour and privilege to commission the Poro-mosan Rural Electrification Scheme to the Glory of God and the benefit of the people of Poro-Mosan in particular and mankind in general.

Thank you and God Bless.

**AT THE COMMISSIONING OF BADORE MICRO-WATER SCHEME AND RURAL
ELECTRIFICATION PROJECT IN THE
ETI-OSA LOCAL GOVERNMENT AREA OF LAGOS STATE
ON FRIDAY, 25th AUGUST 1989**

I am indeed very pleased to be amongst you this afternoon, to perform the commissioning ceremonies of Rural Electrification project and Micro-Water Scheme for Badore in the Eti-Osa Local Government area. In the three years of intensive rural development activities in the State, many of our rural communities have begun to display some of the permanent landmarks emerging as consequences of rural development efforts. I am happy that Eti-Osa Local Government Area has had its fair share in the distribution of these amenities in addition to the development of tourism.

As you are aware, Badore is one of our demonstration villages in Lagos State. It is envisaged that these demonstration villages would be some sort of torch bearers in terms of what rural development should be in Lagos State. However, there are two sides to the coin of model villages worth highlighting here. Firstly, they would have priority attention in terms of the provision of basic amenities. Secondly, they would be the first to exhibit some of the negative consequences of development. Today's commissioning of a Micro Water Scheme and Rural Electrification Projects is a further testimony towards making Badore a truly demonstration community and a growth pole.

I am optimistic that with the commissioning of the rural electrification projects, and the micro water scheme, in addition to the model school, and modern road network, the necessary linkages would have been established to facilitate the rapid socio-economic development of Badore and similar communities in Lagos State.

Distinguished Ladies and Gentlemen, I can assure you that the Lagos State Government will continue to give the necessary assistance and support. Indeed, I will soon launch a programme for mobilising private sector organisations for rural development on a more scientific basis. This Administration is appreciative of the enormous contributions which private sector organisations could make to rural development in the State if the potentials are properly exploited.

Meanwhile, I rejoice with the people of Badore for having these laudable amenities in their community. In addition, the turn out here today is a demonstration of the people's appreciation of the State Government's gestures, towards transforming their lives for better.

I wish to bring to your attention, the issue of theft and vandalism of projects and amenities provided in the rural areas. I have had reports of burglary and various forms of vandalism in respect of infrastructure provided by the Government in this Local Government area in particular. This Administration believes that the best way of ensuring judicious use of these facilities is to involve the people themselves from the planning stage. This is a guarantee that the people will derive satisfaction from the use as well as the safety of such facilities.

I therefore enjoin the people of Badore to ensure the safety and upkeep of the two projects we are commissioning today so that the huge investment by the State Government would not be in vain.

It is now my honour and privilege to perform the commissioning of the Badore Micro Water and Rural Electrification Projects to the Glory of God and the benefit of the people of Badore in particular and mankind in general.

Thank you and God bless.

AT THE COMMISSIONING CEREMONY OF THE IGBEDE RURAL ELECTRIFICATION SCHEME IN THE OJO LOCAL GOVERNMENT AREA OF LAGOS STATE ON MONDAY, 28th AUGUST 1989

There is no doubt that this is an important day in the life of this community. It is a day of great expectation, a day of joy and exchange of pleasantries and I am indeed pleased to be here today to perform the commissioning ceremony of the Igbede Rural Electrification Project. This is the fourth in the series of rural development projects slated for commissioning today. One can never be bored doing this kind of exercise, for it is a happy reunion with our brothers and sisters in the rural areas. Moreover, our activities today are bound to bring immediate immeasurable pleasure and joy to thousands of people in the rural areas and for the generation yet unborn.

Igbede has had a taste of our rural development drive because a model rural housing scheme was built in this community about this time last year. The rural Electrification Project, we are going to commission in this community today, is therefore part of our rural development programme for Ojo Local Government Area. With the completion of the Igbede project, the State Government is now seriously considering taking over two community initiated rural electrification schemes at Sibiri and Ekunpa and complete them. This is in line with our cost-sharing approach. The modalities for taking over the projects are being worked out. Government has also awarded a contract for the completion of the abandoned rural electrification scheme Ilogbo-Elegba in this Local Government area. There is also the Ibeshe Rural Electrification Scheme.

Distinguished Ladies and Gentlemen, I am using this occasion to entrust the safety of this Rural Electrification Project to the people of Igbede. They have a duty to protect the project from any form of vandalism and theft thereby enhancing its durability. I am appealing to you to use any means at your disposal to ward off undesirable elements who might wish to deprive you of the use of this laudable heritage. In effect, you will be contributing your own quota to the socio-economic development of your community.

On the part of the Government, we shall not rest on our oars but intensify efforts at providing for the needs of our rural dwellers within the available resources.

I now have the singular honour and privilege to commission the Igbede Rural Electrification Scheme to the Glory of God and the benefit of the people of Igbede in particular and mankind in general.

Thank you and God Bless.

**AT THE COMMISSIONING OF IKOLA, ISOTO, KUYE RURAL ELECTRIFICATION
SCHEME IN THE IKEJA LOCAL GOVERNMENT AREA
ON MONDAY, 28th AUGUST 1989**

We are here again, to perform another pleasant ceremony as it is the turn of the people of Ikola-Isoto Kuye, to have a taste of the new trend in Rural Development. Hitherto, our rural dwellers had suffered untold hardship and utter neglect by successive administrations in this country, in spite of their immense contributions to economic development of the country especially in the area of agriculture. It was therefore a hall-mark of political ingenuity when this Administration introduced an integrated approach to Rural Development in 1986. It is inspiring to note that in a space of three years, there is abundant evidence that the Rural Development Programme has made significant and positive impact on the rural environment in Lagos State. More than ever before, we have succeeded in raising popular consciousness and changing the general attitude to Rural Development.

With the commissioning of this Rural Electrification Project, it implies that almost all the communities in Alimoso area and Ikeja generally, have been taken care of. The outstanding Rural Electrification Projects in this area are the Ikola Agbenoje, Ajasa and Akitan. The contract for Akitan Community is about to be awarded. Hopefully, the Rural Electrification Project for Ikola Agbenoje will be completed before the end of the year while that of Ajasa will soon be embarked upon. To date, about 12 schemes have been completed and commissioned in the Ikeja Local Government area with 24 communities benefiting.

The people of Ikola Isoto Kuye, however have a duty to take care of this Rural Electrification Project. They should regard the project as the property of their community as from today and not that of the State or Local Government. This is a way of fulfilling their role as partners in progress.

Distinguished Ladies and Gentlemen, I now have the honour and privilege to commission the Rural Electrification Scheme for Ikola Isoto Kuye to the Glory of God and the benefit of the people of Ikola, Isoto Kuye in particular and mankind in general.

Thank you and God Bless.

**AT THE OFFICIAL COMMISSIONING OF RURAL ELECTRIFICATION PROJECT
AT TOHON, BADAGRY LOCAL GOVERNMENT ON MONDAY, 28th AUGUST 1989**

It gives me great pleasure to be here this morning to perform the official commissioning of the Rural Electrification Project at Tohon. As you are no doubt aware, the cornerstone of the present Administration Policy is on Rural Development. This policy has started to yield the expected positive results through the co-operation and support the State Government is receiving from the Rural populace. These will go a long way to reduce the imbalance in the provision of infrastructures such as potable water, electricity, motorable roads and health-care delivery between the urban and rural areas of the State. The provision of these basic needs will not only open up the Rural Areas for increased economic activities, it will also enhance a healthy and fulfilled life, thereby checking the rural-urban drift. This is no doubt an indication of the commitment of government to make life in the Rural Sector more meaningful to the inhabitants.

It will interest you to know that the Tohon Rural Electrification is the eighth, of such projects to be commissioned within the last few days. There are six Micro Water Schemes already completed five of which I have commissioned, the last will be commissioned at Iworo-Ajido later today.

I am also happy to inform you that as part of this Administration's Rural Development Programme, there are other 28 Communities in the Badagry Local Government Area whose Rural Electrification Projects are in various stages of completion. The Communities include:

- (a) Gbaji-Yeketome, Ganyingbo, Joforo, Apa, Lopoji, Igbogbele and others.
- (b) Iragan-Erekiti Community
- (c) Ibiye and its environs.

You will recall that early this year, on 2nd February 1989, the Rural Electrification Project of Itoga-Zanmu was commissioned. The total cost of these projects was N7.4 million. Besides the State Government's efforts, the Badagry Local Government also awarded three (3) other projects at a cost of N2.9 million for:

- (a) Tohon-Zinvie-Seje-Agbovipe (to be commissioned today)
- (b) Iyafin; and
- (c) Ilogbo-Elegba.

The Tohon Electrification project which we are commissioning today cost the Badagry Local Government N673,007.93. The project is to serve four (4) Communities, namely, Tohon, Zinvie, Seje and Agbovipe.

May I, therefore, appeal to the citizens of this Local Government to show understanding and support for Government's effort in serving the best public interest of the State. I urge you to render your civic obligations promptly, as and when due, through payment of your taxes, rates and other charges without which, it would be impossible to sustain the levels of present services. All of the services that are rendered at State and Local Government levels, consume enormous amount of funds and unless each and everyone

of us perform our civic obligations with a singular sense of responsibility and patriotism, Government will not be in a good position to continue to render these services.

Your Royal Highnesses, Obas and Chiefs, I must emphasize, here and now, that all these facilities provided by the government are meant to be protected from theft, arson and the unwelcomed visitors. This government will not be disposed to replace any of the gadgets either stolen or vandalised. This project is therefore fully entrusted to the care of your Community. The resources of the State Government is limited, it is therefore Incumbent on your Community to protect this edifice for future generations of your community by ensuring proper maintenance.

Members of the State Executive Council, Secretary to the Military Government, the Sole Administrator, Badagry Local Government, I now have the honour and privilege to commission the Tohon Rural Electrification Project to the glory of the Almighty God and the benefit of mankind.

Thank you and God bless.

AT THE COMMISSIONING CEREMONY OF BADA/BALOGUN AND ALAJA RURAL ELECTRIFICATION SCHEMES IN THE IKEJA LOCAL GOVERNMENT AREA OF LAGOS STATE ON MONDAY, 28th AUGUST 1989

About 10 months ago today, precisely Saturday, 22nd November 1988, I commissioned the Camp Davies and Isefin Rural Electrification Scheme in this Local Government Area. On that occasion, the people of Bada/Balogun demonstrated and requested for the extension of the facility to their communities. Today is therefore symbolic in the life of this Community.

Rural Electrification has often been described as one of the most essential infrastructures that can speed up the developmental processes in any community. I, therefore, rejoice with the Bada/Balogun community for the provision of this facility which will, among other benefits, attract investors to this rural environment and develop the potentials of this area.

Meanwhile, I wish to express my gratitude to the two agencies of the Federal Government, i.e. the Federal Ministry of Mines, Power and Steel and the National Electric Power Authority (NEPA), without whose continued support and cooperation this effort would not have materialised.

While rejoicing with the people of Bada/Balogun, it is axiomatic to draw your attention to these salient points. First, is the need for a round-the-clock surveillance and security for these projects. The old thinking of regarding these amenities as "government-owned" must give way to new habits of shared responsibility. It is now a determined policy of this Administration that communities would be called upon to defray a substantial part of the cost of replacing any stolen equipment forthwith.

Shortly after leaving here, I will be commissioning another rural electrification project at Alaja.

However, I wish to assure all and sundry that as far as rural development is concerned in Lagos State, there is no looking back. rather, we will continue to intensify efforts at making the rural environment very attractive not only as a useful strategy for stemming rural urban drift but for the overall improvement of the standard of lives of the rural dwellers. I therefore ask for the support of all sectors of society in the arduous task ahead.

It is now my honour and privilege to perform the commissioning of the Rural Electrification Project for Bada/Balogun to the Glory of God and the benefit of the people.

Thank you and God Bless.

AT THE PRESENTATION CEREMONY OF A 26-SEATER COASTER BUS A/C TO STATIONERY STORES FOOTBALL CLUB ON WEDNESDAY, 30th AUGUST, 1989

May we observe a minute silence in honour of our beloved late Samuel Okwaraji, who until his death two weeks ago, was an accomplished footballer, a patriot and a shining example to the Nigerian Youth. He died on active service for his Fatherland. May God in His Infinite Mercy, grant him eternal rest (Amen).

On the 5th of July, 1989, I had the privilege to watch the State Challenge Cup Final Match at our 'Local Wembley' Onikan. I was moved and impressed by the high standard of performance, commitment and discipline displayed by the Stationery Stores Football Club and its Supporters. This reinforced my conviction that given the necessary assistance and support, the Club is capable of going places at the National and Continental Competitions.

It is the cardinal principle of this Administration, to support Sports Clubs, Organisations and individual sportsmen and women, who by their actions have shown total commitment and dedication to the worthy cause of projecting the State in the field of Sports. It is in pursuance of this objective, that the Stationery Stores Football Club is today, being given assistance in its efforts to bring further soccer glory and achievement to the State.

The presentation of a 26-Seater Coaster Bus to Stationery Stores Football Club by the State Government is by no means discriminatory. It is on record that the Club has won the State Challenge Cup more than any other Club in the last twenty years. The Club represented the State and won the much coveted National Challenge Cup thrice. It won the runners-up cup at the African Cup of Winners Competition. At the home front, it controls the largest followers in the State, while its admirers cut across the length and breadth of the Federation.

It is in realisation of this noble achievement that I now present to you on behalf of the Government and people of Lagos State, a 26-Seater A/C Coaster Bus. It is my hope that the bus would be used to further develop and promote football in the State.

Thank you and God bless.

AT THE SWEARING-IN-CEREMONY OF THREE CHAIRMEN OF ARMED ROBBERY TRIBUNALS HELD ON 1st SEPTEMBER, 1989

The swearing-in ceremony which you have just witnessed is a fulfilment of the policy of this administration to pursue avenues for quicker and more efficient means of judicial administration. Government has in the recent past been disturbed by the ever increasing problem of prison and court congestion. To tackle this problem, Government has decided to decongest the regular courts by removing from their work-load the trial offences under the Firearms and Armed Robbery Decree. Henceforth, such cases will be handled by Tribunals headed by retired Judges whose swearing-in ceremony we have just concluded.

The appointment of retired Judges to man these Tribunals has additional advantage of instilling in the public renewed confidence in the quality of judicial dispensation. It is expected that as retired Judges these Tribunal Chairmen will bring to bear on the business of dispensation of justice their wealth of experience, expertise and wide knowledge.

Let me also congratulate the newly-appointed Chairmen on this appointment. Government has decided to invite you from your well-deserved retirement to assist the State once more in the dispensation of justice mainly because of the confidence we have in your integrity and sense of impartiality. I trust that these qualities will continue to be maintained and demonstrated in your new assignment.

Ladies and Gentlemen, the menace of armed robbery and related offences in this State has reached unacceptable proportions, more so because of the propensity of the youths to take to such dastardly crimes. I wish to take this opportunity to call on Nigerians, especially the youths, to shun crime and follow the path of moral rectitude. The on-going restructuring of our national economy should give added impetus for Nigerians to seek meaningful, lawful and self-reliant enterprises. It challenges the ingenuity of the youths to seek and fashion our new avenues for self-employment and self-fulfilment. Armed brigandage is not an alternative and Government is poised to fight it with superlative vigour. The entire State Security apparatus of the Law Enforcement Agency, recently reconstituted is charged to take steps to rid this State of criminals.

I therefore, challenge the new Tribunal Members just sworn in to be part of the re-charged onslaught to rid the State of undesirable elements. This can be facilitated by quick and easy dispensation of justice. While Government notes the danger inherent in hasty and hurried dispensation of justice, the present level of court delays and prison congestion is unjustifiable. Justice delayed, they say, is justice denied. The Law Enforcement Agency in concert with the State Directorate of Public Prosecutions should ensure that cases are expeditiously prosecuted. Defence counsel on their part, are reminded that they are ministers in the temple of justice and should therefore be guided at all times by the need to do substantial justice and not justice determined by needless application for adjournments and incessant legal gymnastics.

Another disturbing aspect of judicial administration in this State is the rate at which Judges grant bail to suspected armed robbers. While Government does not intend to do

anything to detract from the discretionary powers of Judges to grant bail to deserving suspects, it is hoped that the granting of bail would be done with appropriate sense of responsibility. The right of suspected armed robbers to freedom should at all times be juxtaposed with the right of the entire society to be free from molestation by armed brigands. Justice is not a one-way traffic. It has been said that justice is a three-way traffic; that is, justice to the accused person; justice to the victims and justice to the State and general public.

The present system whereby the issue of bail to a suspected armed robber is viewed mainly with the interest of the accused in mind is not acceptable to Government. It is a sad departure from the duty of Courts to take, at all times, the interest and safety of the general public into consideration when making judicial decisions. If the law is a vehicle of social engineering, it must take into consideration the social realities of the times.

The judiciary has been asked to transfer all new armed robbery and related cases under the Robbery and Firearms Decree, 1984 as amended, to the Tribunals just reconstituted. There is no doubt that the task of the Robbery Tribunals is enormous. Government and the generality of the people expect that you will pursue the business with determination and a singular sense of purpose.

Once again, I congratulate the newly appointed Chairmen and wish you successful sittings.

Thank you and God bless.

**AT THE INAUGURATION OF THE MAMSER MEDIA COMMITTEE
ON FRIDAY, 1st SEPTEMBER 1989**

It is indeed a great honour for me to perform this inauguration of the MAMSER Media Committee, a body which is charged with creating political awareness amongst the people of Lagos State. Today's ceremony, is significant in the sense that it is set out to further crystalize an attempt made in the past to give formal recognition to the partnership between the Press and the State's Directorate of Social Mobilisation. This development is a clear manifestation of the tremendous power of communication in our political education in this country.

Having been motivated by the need to accelerate the economic recovery of our great nation and alleviate the sufferings of Nigerians, MAMSER campaign was launched by the President, Commander-in-Chief of the Armed Forces on Saturday, 25th July 1987. On that occasion, Mr President, having eloquently articulated the aims and purposes of MAMSER, summarized the overriding goal as, "inculcation in our citizens the values, the habits and the orientation which will lead, without coercion to the emergence, out of our disarray, of a great self-reliant, civic society, in which justice, duty, responsibility, tolerance and commitment to nation shall hold sway". We are, therefore, performing this ceremony in fulfilment of the duty of raising the political consciousness of our people. The need for this imperative function becomes more real with the inauguration of the MAMSER Media Committee which blends the press and the Lagos State Directorate for Social Mobilisation.

As the President, Commander-in-Chief of the Armed Forces, of the Federal Republic of Nigeria, General Ibrahim Badamasi Babangida had cause to say recently, and I quote "The Press has been doing well. And I mean it. I mean as I have always said, they make life worth living. They are vibrant". The truth is that the Press as the barometer of the society makes both the society and the Government tick. I, therefore, implore you as members of the MAMSER Media Committee and the Press in particular, to see it as further evidence of government's determination to work hand in hand with journalists for the betterment of the people. I should, therefore, be right to believe that we are partners in progress.

Distinguished Ladies and Gentlemen, may I reiterate that the commitment of the Social Mobilisation Programme is all-embracing and its main aim is educative. We shall spare nothing to fulfil the aforesaid mission within our limited available resources.

I am confident that the members of this Committee are capable of mobilising the people in preparation for a new social order devoid of corruption, Ignorance, injustice, political apathy, anarchy and a host of other social ills that have repeatedly been responsible for the negative upheavals in our history. This is now the time that the Press joins MAMSER in helping the present Administration attain that new order. The Committee must constantly explain through the media, Government's good intentions towards the betterment of the people. We must do away with negative interpretation of Government policies.

Ladies and Gentlemen, it is now my great pleasure to inaugurate formally the Lagos State MAMSER Media committee. I congratulate the Chairman and Members of the Committee for the opportunity given to them to be of service to the State and indeed the Nation. I wish you a successful tenure of office.

Thank you all and God bless.

**AT THE OPENING CEREMONY OF THE LAGOS '89 INTERNATIONAL
CONFERENCE ON BUSINESS EDUCATION HELD AT THE FEDERAL COLLEGE OF
EDUCATION (TECHNICAL) AKOKA, YABA, ON 20th SEPTEMBER, 1989**

It is my pleasure to be amongst you as Guest of Honour at this memorable occasion marking the opening of the Lagos, '89 International Conference on Business Education scheduled to commence today. I have noted, with admiration, the noble aim of your Association which is to bring together teachers of business subjects at all levels of education for the improvement of the content and methodology in their subject areas. The Association also exists to promote the interests of its members and those of the community. I wish, therefore, to congratulate the Association on its modest achievements since it was established in 1984. The Association has mapped out a course for survival and development as evidenced by its achievements so far, which include:

- (a) The Association's appointment by the Federal Government of Nigeria to rationalise and offer professional advice on Public Commercial Examinations which subsequently led to the removal of Pitman's Examination Certificates from the list of recognised certificates for the purpose of employment and grading by the Federal Government in 1986.
- (b) Hosting of a seminar on "Business Education for Self Reliance" and the launching of the Nigerian Association of Business Education Merit Award in Ilorin on 6th October, 1988.
- (c) Appointment of the Nigerian Association of Business Education to membership of the Joint Consultative Council (JCC) Reference Committee on Technical and Vocational Education in 1986.
- (d) Appointment of the Association to the Board of the West African Examinations Council (WAEC) also in 1986.

I also wish to recognise your choice of Lagos State as the venue for the Association's conference bearing in mind that the State is the leading Commercial and Business centre in Nigeria. The Lagos State Government is fully conscious of the place of business education in its overall planning. Our Staff Training School at Ikeja continues to train and retrain the main crop of our Secretariat Staff many of whom compare favourably in ability and competence with products of other similar institutions worldwide. Within the educational system, therefore, Government has continued to give support for the teaching of business-related subjects, i.e. Accounts, Secretarial Studies, Commerce, Business Management etc. at both Secondary and Post-Secondary Institutions.

The significance and relevance of the theme of the Conference, that is, "Research in Teaching and Learning Business Education," are underscored by the tempo of contemporary commercial and business activities in the country. The present state of the economy and increasing complexity of the business world necessitate periodic research in teaching and learning in Business Education. As professionals, therefore, I urge you to intensify your research efforts towards the teaching of the subject areas that are basic to a thorough understanding of this academic discipline.

I have observed that among the twenty-eight elective subjects enumerated under the 6-3-3-4 system of Education, subjects in Business Education for the JSS include Book-keeping, Commerce, Shorthand and Typewriting. At the Senior Secondary School level, subjects such as Principles of Accounts, Business Methods (Introduction of Business Management), Commerce, Shorthand and Typewriting are offered for the Business Education Curriculum.

However, those in Tertiary Institutions such as the college of Education have to offer Accountancy or Office Education according to the curriculum designed by the Association. This approach ensures that the students offering either of the two courses have to do the same subjects for the first two years of the three-year NCE Programme and then specialise in either of the options in the third year. This system of teaching the same courses to NCE students of Business Education during their first two years as recommended by the Association is commendable and will no doubt help to ensure wide-spread knowledge of the discipline and also enhance the effective teaching of Business Studies by these student-teachers when they themselves are eventually engaged in the teaching profession.

I should also seize this opportunity to give some suggestions to your Association, in line with your theme for the year:

- (a) The Association should be able to review the Business Education Curriculum of our Tertiary Institutions and make suggestions.
- (b) Offer suggestions on ways and means of improving the teaching of Business Studies, and
- (c) Suggest ways of ensuring greater coverage of activities of those in Business Education since Business practice is very central to our everyday activities.

Distinguished Guests, Ladies and Gentlemen, once again, I congratulate your Association on this occasion, in the firm conviction and belief that the Association will refresh, inspire, and take a proper leadership role in our common quest for proper Business Education to solve the complex problems of our society.

I wish you fruitful deliberations.

Thank you and God bless.

**AT THE NATIONAL WORKSHOP ON MANAGEMENT OF GRAINS AND FALLOW
CROPS FOR INCREASED PRODUCTIVITY AT THE NIGERIAN INSTITUTE OF
MANAGEMENT, VICTORIA ISLAND, LAGOS, 20th SEPTEMBER, 1989**

It gives me great pleasure to be invited by the authority of the Nigerian Institute of Management to deliver the goodwill message at this Workshop on "The Management of Grains and Fallow Crops for Increased Productivity and Project Development" This workshop could not have come at a better time than now, as we move to that harvest season which demands the use of our energies and skills in the management of grains from our production line.

You will agree with me that the management of grains in particular starts from our handling of the processes of harvesting, extending to shelling or threshing, drying, winnowing, milling, dehusking, polishing and storage either in silos, warehouses or rumbus. The improvement and the maintenance of the quality of grains in storage could be carried out in many ways depending on the level of production, the available technology, the financial outlay, manpower resources, and the overall turnover of the enterprise. The importance of fallow cropping can not be downplayed in the sequence of food crops production schedules. Perhaps the fragility of most of our soils could have been improved through the astounding effects of the organic matter.

We are at present witnessing a remarkable improvement in the nation's productive capacity in grain production. Our production figures for maize, rice, wheat, sorghum and millet have increased tremendously in recent times. There is a general awareness in the benefits of co-operative efforts in farming enterprises, and this had led to various growers associations for many crops including cassava.

The increase in grain production forces on us, the need for proper storage and management practices if we are to avert heavy grain losses which could be as much as 30 - 40% of the harvested crop. It is important to note that this workshop is a step in the right direction as it will lend support to the efforts of the Federal and State Governments in the task of increasing food production in the country. I want to express my deep appreciation for the ingenuity and resourcefulness of the organisers of this workshop for hosting it at this crucial period when the deliberations and resolutions emanating therefrom could be harnessed almost immediately for increased productivity.

While I wish you most fruitful deliberations and useful discussions, I thank you immensely for the invitation extended to me.

Thank you and God bless.

AT THE PRESENTATION OF TOYOTA BUS TO LAGOS STATE CHAPTER OF ANCOPSS ON 22nd SEPTEMBER 1989

First, I will like to seize this opportunity to thank the ANCOPSS, the outgoing executives for the cooperation and at the same time for their interest especially within the last one year of their activities as it concerns the improvement of our secondary schools and on the awareness of the tutors in our secondary schools to their responsibilities.

As was said earlier, it is true that during your last conference, I did promise to donate a bus to your association because of the belief in the Government of Lagos State on the various activities being performed by your association. Again in the last two years, both in Ogun and here in Lagos State, I have observed at a close range the activities of the ANCOPSS and I wish to say publicly here that so far I am impressed by the various actions and contributions towards the course of promoting the highest ideals of education both in Lagos State in particular and Nigeria in general. Honestly, I must again commend your dedication to duty especially that of your executives and that of generality of your members. I appeal to all other organisations to emulate the steadfastness as well as the commitment of ANCOPSS towards the progress of their various States. We are very appreciative of your efforts and again, it is the responsibility of the state to encourage you in your various activities and at the same time to improve on your activities.

The donation of this bus is a testimony of our support for your organisation so that you can use this bus for the purpose of improving the standard of the schools in Lagos State. As you will recall, we have of recent employed 1,500 Secondary School Teachers to fill some vacancies in our schools. I want to use this opportunity to urge your association to ensure maximum utilisation of the teaching staff for the betterment of our educational system. It is true that presently we are still short of the required numbers of teachers in our schools but I still believe that what we have presently can still be managed to meet all our periods and it is my wish that you will use the opportunity to effectively utilize the teachers we have, to be able to fulfill the periods required by the various students and in fact, it is my wish that with the present recruitment, we should not have any of our students roaming around without actually having lectures. We will again look into the possibility of trying to meet the present shortage we have.

On this note, on behalf of the Government and the people of Lagos State, I am pleased to present this bus to you to assist ANCOPSS in the execution of a better Secondary School education in this State in particular and in Nigeria in general. I like to say again that, we thank you very much for your maturity in handling our educational problems in this State and it is my wish again that the new executives you will be having will emulate the contributions of the outgoing executives of the ANCOPSS and at the same time, will be able to improve on the successes you have made so far.

I thank you all and God bless.

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**AT THE OPENING CEREMONY OF THE ANNUAL CONFERENCE/DINNER OF THE
INSTITUTE OF MANAGEMENT CONSULTANTS OF NIGERIA (IMCON) AND THE
NATIONAL ASSOCIATION OF MANAGEMENT CONSULTANTS OF NIGERIA
(NAMCOM) IN COLLABORATION WITH THE CENTRE FOR MANAGEMENT DE-
VELOPMENT (CMD) HELD AT THE FEDERAL PALACE HOTEL, LAGOS
ON TUESDAY, 26th SEPTEMBER 1989**

When I received your invitation to be the Guest of Honour and perform the official opening ceremony of the 1989 Annual Conference of the Nigerian Management Consultants, I was extremely delighted and I accepted to perform this role in recognition of the contributions which this Conference Organisers i.e. the Institute of Management Consultants of Nigeria (IMCON), the National Association of Management Consultants of Nigeria (NAMCON) and the Centre for Management Development (CMD), have made towards the socio-economic emancipation of our country, particularly in the areas of manpower development and human resource utilisation in the Public and Private Sectors of the economy. The Government of Lagos State fully recognises the contributions made by these Organisations and is hereby publicly acknowledging these roles.

I, however, hope that these "three Management Musketeers" will not relent in their efforts but will forge ahead to attain greater heights. May I, then, seize this opportunity to welcome you all to Lagos State and in particular to the great city of Lagos. The Government and people of Lagos State wish you a wonderful and enjoyable stay in their midst. The theme of this year's Conference is "Promoting the Export of Managing Consulting Services", while papers will be presented and discussions focused on three sub-themes, which are as follows:

- (a) Opportunities for African Management Consultants in the World Bank System;
- (b) The experience of a Nigerian Consultant in undertaking international assignment; and
- (c) Managing Consultancy projects funded by International Development Agencies

I note with satisfaction, that the main theme and the sub-themes of this conference are properly conceived and are very relevant at this time when we are, as a nation, seeking a viable economic structure which can ensure a steady development and provide the much-needed impetus for the Nigerian business community to widen the business horizon and promote the required competition in the World Market. It is, therefore, my hope that you will tackle the assignment before you with all the zeal and courage they deserve so as to achieve the objectives of your conference.

Ladies and Gentlemen, permit me, at this juncture, to draw your attention to some weaknesses identified in the Management Consulting Services in this country, which I hope, will be addressed at this Conference. It is a cause for concern that at the present stage of Nigeria's development, the role of the Management Consultant in the growth and development of the economy is yet to be fully appreciated by the members of the public.

In fact, those who should seek the services of the Management Consultant shy away perhaps they view the Consultant with an eye of suspicion. Regrettably, the Management Consultant is seen as a confusionist who may likely, at end of the assignment, compound the organisation's problems rather than diagnose same properly and offer practical suggestions and solutions which will assist the management to improve on the performance of the business venture.

The suspecting public may not be blamed entirely as some practising Management Consultants have carved out for themselves the poor image of "Portfolio" salesmen on the move. The negative impression held by the public about the Management Consultant has unfortunately been created by some bad eggs amongst the Consultants who had been instrumental to the initiation of some white elephant projects. It is, therefore, the collective responsibility of the Institute of Management Consultants of Nigeria, the National Association of Management Development to check such un-professional and un-patriotic acts of a few of their members. The good image of the professional must be protected at all times and at all costs.

Another area this Conference should address is the need to formulate a policy and regulate the practice of Management Consultancy so that those who are not professionally qualified are not recognised by the professional body and are not allowed to practise. It is, therefore, imperative for the Conference to examine this problem and proffer solutions which will ensure that the practice of Management Consultancy, as a profession, will continue to occupy a pride of place in our social setting.

With your indulgence, I wish to dilate in a small measure, on the themes of this Conference. It appears that the most effective strategies to employ in promoting the export of Management Consulting Services is for the Nigerian Management Consultants to:

- (a) Take the initiative to promote their own image;
- (b) Set up international network and avoid over-dependence on foreign partnership.
- (c) Capture the world market by relying on organisational force with clear-cut strategies; and
- (d) Create a corporate culture suitable for globalization, as this is a vital force of management philosophy of any enterprise.

To face the challenges posed by the importation of Management Consulting Services, the Nigerian management Consultants have to develop dynamic contemporary methods and make a choice between importing technology from other countries and developing local technology. Emphasis will also have to be placed on the training and re-training of Management Consultants to ensure the acquisition of those skills and ideas which will help them in the practice of Management Consultancy. Moreover, the Nigerian Management Consultants should acquire such management styles and techniques as would enhance Management Consultancy in the initiation, stimulation and monitoring of technological progress. This will evolve work ethics that could attract global patronage.

Before I conclude this address, I wish to urge Management Consultants in Nigeria

to continue to seek ways and means of complementing Government's efforts in its bid to revamp the nation's economy. It is imperative for us to sharpen or professional skills, find viable local substitute to imported raw materials, improve the quality of locally manufactured goods and so find a strong basis to compete effectively in the World Market.

Distinguished Guests, whilst wishing every participant at this Conference fruitful and rewarding deliberations, it is my pleasure to declare open, the 1989 Annual Conference of the Institute of Management Consultants.

Thank you all and God bless.

**AT THE OPENING CEREMONY OF THE PROJECT LAUNCH WORKSHOP ON
THE LAGOS WATER SUPPLY (WORLD BANK ASSISTED) PROJECT ON
WEDNESDAY, 27th SEPTEMBER 1989 AT LAGOS SHERATON HOTEL, IKEJA,
LAGOS**

I am here this afternoon to perform the initiation ceremony of the Implementation Phase of the Lagos Water Supply Expansion Projects. Today's formalities include the Project Launch and the Workshops which have been arranged as part of the initiation ceremony. I congratulate the Organising Committee and I express the hope that the Workshops that follow will run successfully.

The Water Supply Expansion Project is designed to improve the living conditions of the people of Lagos State and on its completion, potable water will be available to many more of the residents of the State. In 1984, the World Bank was invited by the Lagos State Government to complement its efforts in defining the Water Sector Investment priorities, and also to participate in financing the priority programme. This invitation resulted in the mobilisation of the support of some other financing communities, namely, the European Investment Bank, the United Nations Development Programme and the Canadian International Development Agency, culminating in a project finance package of US \$461.8 million. The resultant co-financing arrangement for the first phase of the programme looks like this:

International Bank for Reconstruction and Development (IBRD) (World Bank)	—	US \$173.2m
French Commercial Banks	—	US \$164.8m
European Investment Bank (EIB)	—	US \$47.4m
Canadian International Development Agency (CIDA)	—	US \$3.2m
United Nations Development Programme (UNDP)	—	US \$0.6m
Lagos State Government	—	US \$72.6m

The CIDA and UNDP funds are grants, while the other foreign components are loans to be repaid in accordance with the specific terms under the finance agreements.

The Project, which is in three phases, will substantially increase the production capacity in metropolitan Lagos. In this first phase, an additional 80 kilometres of Primary Trunkmains, 280 kilometres of Secondary Mains and 877 kilometres of tertiary distribution mains, will be laid. The Project will also facilitate the provision of additional new consumer connections; rehabilitation of the existing Water Supply facilities; and the provision of necessary administrative infrastructures and institutional support for Lagos State Water Corporation.

As part of the Project objectives, the Executing Agency i.e. Lagos State Water Corporation, will be strengthened and its administration and operations will be greatly improved. The short-term benefits expected from the Project include the elimination or curtailment of recurrent subvention support from the Lagos State Government to the

Water Corporation thereby assisting in the attainment of new Government public expenditure control policies. The strengthening of Lagos State Water Corporation as the Institution responsible for the provision of potable water throughout Lagos State will be undertaken during this early stage of Project implementation. In order to achieve this objective, the staffing position of the Corporation, particularly such key positions of direct consequences to both the Projects and the Institutional development of the Water Corporation will be reviewed. In addition, adequate emphasis will be given to the training of all cadres of Lagos State Water Corporation staff.

Of significance also is the future financial performance of the Corporation and this will now be brought into prime focus. As a deliberate policy, therefore, the State Government has approved new tariff structure and levels to assist the Corporation in its operations. At this point, I would want to assure the general public that the tariff levels approved for operation by the Water Corporation have been found to be realistic and affordable. It is my hope that as the Corporation improves on its efficiency in its service to the consumers, it will gradually start to operate an economic tariff structure which will continue to make due allowance for the ability of each consumer to pay.

The Lagos State Water Corporation, as the Implementing Agency for the Project, has the responsibilities, under the direction of the Task Force set up for the Lagos Water Supply (World Bank Assisted Projects) to initiate, co-ordinate and monitor activities related to the Project and also, on behalf of the State Government, to interact with Ministries, Departments, Agencies and Organisations of Government and non-Government Organisations, that have direct, indirect or peripheral responsibilities on this Project with a view to ensuring that the implementation programme is kept within the time-schedule.

Distinguished Guests, it is my fervent hope that the Project Launch and the Workshops would achieve the objectives we hold in view. It is also my expectation that the Workshops will succeed in:

- (a) Igniting the enthusiasm of the participating bodies for the Project;
- (b) Building a feeling of joint participation and responsibility for the Project;
- (c) Mobilising the Lagos State Water Corporation staff in purpose and strategy for Project implementation; and
- (d) Providing the opportunity for both the Lagos State Government and the lending Organisations to learn more about relevant issues concerning the implementation of this Project.

I wish to take this opportunity to express the full appreciation of the Lagos State Government and of all the people of Lagos State to all Lending Agencies involved in this Project including the French Consortium of Banks, the European Investment Bank and the World Bank for their support, assistance and understanding. Finally, let me assure you all that with the support of the Federal Military Government and in fulfilment of its commitment to meeting the potable water needs of the people, the State Government will ensure that the Lagos Water Expansion Project is completed on schedule.

Ladies and Gentlemen, I now have the greatest pleasure in declaring this Workshop open and I wish you all happy deliberations.

Thank you all and God bless.

**AT THE OPENING CEREMONY OF THE MEETING OF THE NATIONAL COMMITTEE
ON FLOOD AND EROSION CONTROL HELD ON 28th SEPTEMBER 1989**

It gives me great pleasure to be here with you today. At a time when the nation has been shocked into a critical reappraisal of all that we took for granted, it is wholly appropriate that a distinguished body like this should be examining the issue of soil erosion and flood control as part of environmental planning and protection since we must not only plan for the environment but also take great pains to protect it.

Erosion is known to occur whenever the natural ecosystem is disturbed by activities such as land clearing for farming, exploitation of forest and animal resources. Some human activities such as the construction of interstate highways especially without adequate environmental baseline data have resulted in erosion and flood problems.

These problems are now threatening the huge investments on these structures. Here in Lagos State, pronounced erosion of the coastline has been experienced in the Victoria Beach for many years. We are all aware of the identified main cause of the Bar Beach erosion which was the construction between 1901 and 1930 of three breakwaters (the East and West Moles) to provide a relatively calm deepwater channel into the Lagos Harbour. The presence of these Moles accelerated the hitherto natural rate of erosion of the Victoria Beach from an annual rate of about two (2) to three (3) metres to an alarming rate of about 20 metres. One of the Moles i, e, the East Mole was later reinforced.

In recognition of this, the Federal Military Government appointed the Hydraulics Research Unit of the University of Lagos to study the Victoria Beach and design models for solutions to the erosion. As you are probably aware, only negligible portion of the recommendations of this study had been implemented and this consists of depositing some 3 million cubic metres of sand at the beach in 1986. Other aspects of the study's recommendations are yet to be implemented. Meanwhile, the sea continues its forceful devastation of the coastline and the beach unabated such that it is feared that the strip of land between the East Mole and the Eko Le Meridien end of the Kuramo Waters runs the risk of being eroded. If this happens, the whole built up areas between the Five Cowries and Kuramo Waters will also be threatened.

The Lagos State Government has made persistent attempts to impress on your Committee the seriousness and urgency of the problem so that it could be accorded the priority attention it deserves. It will also be recalled that during the official visit to Lagos State in 1987 of the President, Commander-in-chief of the Armed Forces, he paid a visit to the problem area and my predecessor in office sought his assistance to implement the recommended solutions.

Apart from the Victoria Beach erosion problem area, the Lagos State Government has identified other erosion risk areas such as:

- Ifako/Magodo Gorge
- Agboyi/Oworonshoki Foreshore
- Makoko Foreshore
- Ibeshe Foreshore

- Awoyaya Foreshore
- Langbasa Foreshore
- Oreta/Baiyeke Foreshore
- Ijede/Egbin Foreshore
- Ikorodu Foreshore
- Queen's Drive

These areas have come up for study by both your Committee and the State Government and it is my fervent hope that your Committee will confirm them for further study and appropriate action.

Lagos State, lying within the coastal belt, is generally flat with very high water table. Some of the areas regarded as dellanic and are surrounded by swamps. Naturally also, some areas are below the mean sea level and ground water table, sometimes resulting in water bodies being land-locked. The Otto, Ijora and Iganmu Island is a typical example of this, Okunde water is another example. Lagos State is also typified with high intensity rainfall of long duration coupled with poor soil permeability.

Besides, the State is highly urbanised and regretably, urban soil erosion and flood control projects are not properly funded. This is because the problems are erroneously assumed to be caused by bad planning or lack of it. For example, the problems of Ogunpa River and other rivers in Auchi, Maiduguri, Minna etc., were only able to receive the attention they deserved only after untold damage had been done. It is in view of this and in pursuance of our effort to systematically and completely rid Lagos State of floods and prevent disasters that the Lagos State Government has gone ahead to prepare a drainage master plan for the whole of the State.

For the purpose of drainage problem analysis, the State has been divided into six zones each with zonal officers. These officers monitor the environment and provide the basic inputs for planning and engineering design. The zones are:

- (i) Creek (Lagos Island, Badagry, Ikoyi and Victoria Island).
- (ii) Lagos Mainland.
- (iii) Ikeja (including Ogba and Oworonshoki)
- (iv) Kosofe
- (v) Mushin and
- (vi) Somolu

The zones cover approximately a total catchment area of 85,000 hectares. In addition, drains in Lagos State are classified into three categories.

- Street drains, normally referred to as tertiary drains which are the responsibility of the various Local Government Authorities.
- Secondary Collectors. These are intermediate between Primary and Tertiary drains and are being maintained by the Ministry of the Environment and Physical Planning.
- Primary Collectors. These include outfall channels and canals. They discharge into the Creeks and Lagoons. These are the responsibility of the drainage Department of the Ministry of the Environment and Physical Planning.

Thus a drainage network referred to as a system is made up of a network of tertiary drains discharging into secondary collector drains and into the primary collectors and ultimately to the sea.

The Waste Disposal Board is also co-opted into the drainage scheme as they are responsible for the primary and secondary channels in Ikoyi, Victoria Island and Lagos Island. The State Ministry of Works and Transport continues to construct drains associated with their roads. As a co-ordinated programme, we have completed some in-house study and design of flood prone areas in Lagos State. All of these are naturally occurring water bodies and they include:

- Itinrin Waters Flood Control
- Odo-Iyaaloro Flood Control
- Somolu Channelization
- Iwaya, Onike and Yaba Flood Control
- Alaka/Iponri Flood Control
- Surulere, Idi-Araba through Tin Can Island Flood Control
- Mushin, Itire, Oshodi and Ajegunle Flood Control

The Okunde Waters and the Itinrin Canal are situated in Victoria Island between the MacGregor Canal and the Lagos Lagoon. They absorb the oceanic surges, ground water as well as surface water flow which could otherwise have resulted in ground saturation and subsequent floods. However, soil erosion is a natural phenomenon that always accompanies water movement. This is further aggravated by the uncovered drains and unpaved side walks. Thus water-ways become silted and blocked and maintenance of drainage facilities become a pertinent part of deflooding. In order to prevent a natural disaster, it is being proposed that the receding Itinrin and Okunde waters be enlarged and redredged. At present, the in-house design of the Itinrin waters is being considered for award to consultants of repute for consideration for funding out of the 1% ecological funding under category A. Similarly, the Otto/Ijora/Iganmu problem is being studied to be considered for presentation to the Sub-Committee on Erosion and Flood Control for funding.

Otto/Ijora, Iganmu Island lies to the East of Lagos and is surrounded by the Ebute Metta Creek and the Lagos Lagoon. The Eko Bridge and the National Theatre are notable features on the aforementioned islands. At present, it is a swamp with low soil bearing capacity and is heavily silted and sandfilled. The capacity of the Ebute Metta Creek is thus drastically reduced. The area has, however, an existing channel constructed on piles. Unfortunately, the invert is now higher than the ground level and water from the swamp is having to be pumped into the otherwise dysfunctional drain. The proposed project includes redredging, channelization and provision of bridges at Ijora Causeway and Otto.

I am fully convinced that after your deliberations you will be better armed to tackle the enormous task of improving, protecting and enhancing the quality of the environment by solving the soil erosion and flood problems. Your Committee is expected to assist by according the issues the priority treatment they deserve so that appropriate financial allocation could be made to tackle the problems.

Ladies and Gentlemen, I welcome you to Lagos State and wish you a pleasant stay and a meaningful deliberation.

Thank you

**AT THE LAUNCHING OF THE LAGOS STATE LOTTO AUTHORITY INSTANT
GAMES "SCRATCH AND WIN" PROJECT
ON FRIDAY 29th SEPTEMBER 1989**

It is with the greatest delight that I am here this morning to perform the official launching of the Lagos State Lotto Authority Instant Games. "Scratch and Win" Project, which is one of the two projects which the State Lotto Authority is introducing into the Nigerian Market. The other project is the Lotto 6/49 which hopefully will come into operation in January 1990.

Let me congratulate the Board of Directors of the State Lotto Authority on today's launching which incidentally coincides with their two months stay in office. I should also congratulate NICAN Incorporated of Ontario, Canada who are the Technical Partners and Managers of this project for coming with us so far to witness the launching of the Instant Games "Scratch and Win" Project. I urge you all not to relent in your efforts.

I wish to point out that the State Government's involvement in this Game is borne out of the need to identify and tap alternative sources of revenue. You will all agree with me that the revenue generated by the State Government is far short of the expenditure on the services that have to be provided. The Government resorted to Lotto Business when it realised that some more economically advanced countries especially United States of America and Canada, embarked on the same method when they found themselves in the situation where normal Government tax revenue was no longer sufficient to fund social and municipal projects.

It may therefore interest you to note that the State Government only gave legal backing to the Lotto Authority and has not financed it directly. All the capital and operational funds involved in setting up the project came from commercial banks, while the management Team was provided by the Technical Partners. This method has been adopted because Government wants to encourage the viability and profitability of the project.

A significant characteristic of the Lotto Game is that it is entirely open. Members of the public will know at any weekly draw the total sales recorded, the prizes paid out to winners, commission to agents, proceed to the Lotto Trust Fund and running expenses. The Games being launched today I am told, involve the use of a computer-programmed price distribution ticket that sell for only N1.00 per ticket. A player buys the ticket, scratches its surface and if he or she finds Identical Three Figures, he or she has won that prize.

Finally, let me congratulate, though in advance, the lucky Nigerians who will win prizes.

Distinguished Guests, Ladies and Gentlemen, it is my greatest delight to formally launch the Instant Games Scratch and Win Lotto.

Thank you all and God bless.

**AT THE 29th NATIONAL INDEPENDENCE ANNIVERSARY CELEBRATIONS
ON SUNDAY, 1st OF OCTOBER, 1989**

I extend to you and all citizens of the State warm greetings and felicitations as we celebrate today the 29th Independence Anniversary of our beloved country. I also wish to convey to you a message of goodwill from the President and Commander-in-Chief of the Armed Forces, General Ibrahim Badamasi Babangida. At this point in time, we should all express our profound gratitude to the Almighty God for his infinite mercies and for sparing our lives to this day to celebrate yet another anniversary in the history of this great country.

This year's Independence Anniversary is to be celebrated on a very low key in recognition of the realities of the grim economic situation the nation is passing through. The difficult times require that all men of goodwill, in every part of the country, should rally round the present Military Administration in order to ensure the successful implementation of the various programmes designed to return the country to Civil Rule and also lay a sound economic, political and social order for the future development of the nation. It behoves us, therefore, at this period of our Anniversary Celebrations, to reflect as individuals and groups, on the positive contributions we can make towards the rapid national economic transformation and a smooth transition to Civil Rule.

The country's march towards the dateline of 1992 has so far been eventful, but on the scoreboard, I am happy to observe that, as a nation, we have remained on course and are unflagging. The Military Government has taken a number of far-reaching decisions which sometimes are working hardship on the people but, on balance, let me say that whatever measures are being introduced are in the best interests of the nation and the people either on the short or long run. Thus, on the economic scene, the nation has been called upon to implement the Privatisation Policy and the Structural Adjustment Programme whose harsh effects are being currently cushioned through a package of relief measures recently announced by the Federal Military Government. On the political aspect of our national life, Nigerians are currently implementing the Transition to Civil Rule Programme; they have had to contend with the ban on certain politicians and are now experiencing the new two-party system. Our social life is also being restructured so that we, as individuals, can revalue our habits, beliefs and general perception of life in order to reflect the basic goodness in us. It is gratifying to note that Nigerians have adjusted creditably to these measures some of which are inevitable if the nation's economic, social and political life will not head towards irreversible and total collapse. The critics admit that the measures are important and unavoidable but disagree only on the implementation strategies. This is akin to begging the issue since the nation has been diagnosed as being afflicted with a seemingly terminal cancer which can best be cured by a surgical removal and not by palliative herbal treatments.

Every one agrees that there is no way the poor economic and social life can be reshaped without some inevitable sufferings. It is to alleviate these sufferings that the Government had had to introduce a number of economic relief packages. For workers in the public sector it is 'christened' SAP relief payments, and to the population at large, the relief measures introduced by Government include generous Foreign Exchange Alloca-

tion to the transport and manufacturing sectors, introduction of mass movement transport programmes all over the Federation through the purchase of buses and the refurbishment of rail coaches and tracks. In the Health sector too the local drug manufacturers had benefitted from generous Foreign Exchange Allocation while the Government had placed orders for mass importation of scarce drugs and hospital equipment for use in our hospitals and clinics.

At the State level, we are making unrelenting and concerted efforts at up-grading the standard of living of the people by improving the health care delivery service and enhancing infrastructural facilities such as roads, rural electrification, street lights and pipe borne water. In addition, the State Government is also improving the standard of education in the State and has set up the Teaching Service Commission and the Primary Schools Management Board. Boards of Governors have also been established for the Schools apart from substantial annual financial allocation to that Sector. In short, we are pursuing programmes which will improve the welfare and well-being of our people. We are also tackling the menace of flooding in Lagos Metropolis and we have not relented in our efforts in upgrading rural life through the various programmes and projects undertaken by the Directorate of Food, Roads, and Rural Infrastructure (DFRRI).

Fellow citizens, at this juncture, I wish to commend the efforts and initiatives of Government for your active support and approval. I also wish to appeal to all and sundry, not only for further support and interest, but also for the performance of their civic responsibilities. The next 12 months will be very crucial in the implementation of the various programmes already put in place by Government. The Local Government elections on political party basis will take place at the end of the year and the two approved Political Parties are expected to contest the elections. It is relevant also to point out that the 3rd Republic Civilian State Governors will be elected into office in the 3rd quarter of next year. These are momentous developments reflecting our current efforts at re-establishing a stable political order for the nation. I expect everyone to make his own positive contributions and desist from such acts which are capable of detracting from the will to accomplish the laid down programmes of Government.

I, therefore, seize this opportunity to reiterate the State Government's open door policy under which we whole-heartedly welcome suggestions, ideas, concrete and positive criticisms as long as they contribute positively to our programmes and policies. Your collective co-operation and support for all worthwhile efforts at the various levels of governance will no doubt be much appreciated.

This period calls for sober reflection in our day-to-day activities and I wish to appeal to the entire citizens of the State to join hands with the Federal Government, the State and the Local Governments to facilitate a smooth transitional process. May the Almighty God grant us the collective wisdom, vision and energy to prosecute the various programmes and measures that would serve the best interests of the nation and our people.

Once again, I wish the citizens of Lagos State a happy and peaceful 29th Independence Anniversary Celebrations.

Thank you and God bless.

**ON THE OCCASION OF THE 1989 WORLD HABITAT DAY CELEBRATION
TAKING PLACE IN THE DEFUNCT HOUSE OF ASSEMBLY COMPLEX
ON TUESDAY, 3rd OCTOBER 1989**

I am delighted to be present at this morning's celebration which has been arranged to mark the 1989 World Habitat Day.

This is the fourth time that we in Lagos State have joined the Federal Military Government, other State Governments in the country and the World at large to reflect on some of the global problems facing humanity. The problems which are multi-dimensional are too numerous to be listed here as they vary from one community to another. The theme for this year's celebration, which I observe, has been carefully selected by the Main Organising Committee is "Shelter and Health for the Family".

This theme, emphasises two prime necessities of life. The first is that no man prides his life fulfilled without a decent shelter over his head. In the second place, all legitimate life pursuits will not be seen as worthwhile in the absence of a sound health, both in body and the mind. This makes the popular saying "Health is Wealth" rather relevant. It is common knowledge that in human life, shelter is rated very high on the priority list. The significance of a good shelter is readily appreciated if examined from the viewpoint of security, privacy, protection and as a status symbol. The growing concern for the quality of human life has, therefore, made it imperative for the State Government to declare that adequate shelter and good health are a "sine qua non" for the Family. For a long time, therefore, the State Government has prosecuted policies and programmes which are directed at upgrading the quality of urban and rural life in the State. The environment in which we live contributes positively or negatively to our Health and the State Government is mindful of meeting the wishes and aspirations of the people in this regard. For example, financial allocation has recently been approved to the Ministry of the Environment and Physical Planning for the surfacing of five major roads in the Sare Iganmu areas gutted by fire sometime ago. Drainage works are also to be executed in the area before the end of this financial year.

The State Government will constantly ensure that the citizens of the State enjoy reasonably decent living standards and in pursuance of this resolution, has taken up the challenge posed by the theme of this year's celebrations to set the goals for achieving good health and shelter for many of its citizens by the year 2000 A.D. Some of the steps already taken by the Government to improve the quality of life include:

- (a) Completion to date of 13,860 housing units consisting 2/3 bedroom flats meant to cater for the low income strata of the society;
- (b) The construction of Medium Income Duplexes at Ojota/Ogudu and Amuwo-Odofin GRA; medium and Upper Medium Housing Units at Ebute-Metta and Dolphin area to cater for those in the high income strata. Infrastructural facilities are also being provided in the Housing Estates.
- (c) Granting mortgage facilities to qualifies allottees of low-cost houses, through the Lagos Building Investment Corporation.

of population into the peripheries thereby reducing the pressure on infrastructure in the present blighted areas. This banking programme would further enhance the quality of life of the people which we all desire.

Mr President, Distinguished Guests, Ladies and Gentlemen, I once again, on behalf of the people of Lagos State, welcome you all to Ajegunle on this august visit and I wish you a very successful commissioning ceremony.

God bless.

**THE OPENING CEREMONY OF THE 1989 MOTOR CASE FAIR
ON 4TH OCTOBER, 1989.**

on behalf of the people and Government of Lagos State I wish to congratulate the Organisers of the 1989 Motor Case Fair for their interest and foresight. Automobiles have become particularly important to human life because they offer the facility of moving people from place to place. However, the cost of acquiring and maintaining an automobile in Nigeria today is so prohibitive that it is imperative that the private sector should join hands with the Government to find a viable solution to the nation's transportation problems. I, therefore, see this Motor Case fair as a form of contribution by the organisers towards the solution of a national socio-economic problem.

It is appropriate that the Fair is taking place at a time when the Federal Mass Transit Programme is being implemented with a theme as cogent and relevant as you have chosen, namely, "Maintenance culture and Safety Consciousness". This well-thought out theme bears direct relevance to the clarion call by the Federal Government to all Nigerians to imbibe the maintenance culture. statistics of motor accidents worldwide show a frightening high incidence of road accidents in Nigeria and a Motor Fair such as this should provide the forum where solutions could be preferred towards the reduction of road accidents to the barest minimum.

Since the downturn in the national economy, the emergence of sub-standard motor components and spare parts in the country has contributed to the high incidence of road accidents and since a high proportion of these sub-standard products is imported. I wish to appeal to those who engage in this anti-social practice to refrain from doing so. The private sector should seize the opportunity, therefore, of the scarcity of good quality motor parts in the country to invest in the production of these high quality spare parts. Investment in the auto components and spare parts sub-sector of the Automobile Industry will ensure that our automobile industry becomes manufacturing rather than assembling vehicles.

The State Government, in its march towards the Industrial and commercial growth of the State, will continue to attract genuine investors into the State through the provision of a conducive investment climate. The automobile industry is particularly welcome because of its favourable multiplier effect on employment, and the opportunity it offers for the co-existence of small-scale support firms which service the large automobile plants. The State's Ministry of Commerce and Industry will continue to collaborate with the Lands Department to provide necessary assistance on the allocation of land for industrial and commercial use in the State.

I congratulate all the exhibitors, the organised private sector in the State, Sponsors, Supporters and the Organisers of Lagos Motor Case Fair. I wish them further success and greater achievements in the future.

AT THE LAUNCHING OF THE SECOND PHASE OF THE SCHOOLS AGRICULTURAL PROGRAMME IN LAGOS STATE AT THE FORMER HOUSE OF ASSEMBLY, IKEJA. ON 6th OCTOBER, 1989.

It gives me great pleasure to address you this morning on the Schools Agricultural Programme of Lagos State. You will all recall that the first phase of this Programme was launched by me on the 14th February, 1989 at this same venue. It is most impressive and gratifying to observe that within a period of eight months, the Programme has made such a remarkable and tremendous progress to the extent that other States of the Federation are now following our footsteps. This is the second time that the State Government has blazed the trail in the formulation and execution of laudable Agricultural Programmes with commendable success, the first of such Programmes being the Graduate Farmers Scheme.

In my Budget Speech at the beginning of this year, I announced that a sum of N1.0 million has been earmarked for the Schools Agricultural Programme. The Programme was envisaged to cover 1,213 schools in both primary and secondary categories. It was planned that 851 schools would take part in various forms of arable cropping, 82 in poultry and 92 in rabbitry development. For the implementation of the Programme, however, a sum of N391,755.00 was released to the Ministry of Agriculture and Co-operatives for phase I. The preparedness of the schools was a paramount factor and this necessitated a slight modification in the phasing of the Programme since some of the schools could not mobilise immediately.

The performances of the schools in the various components of the Programme vary from school to school, depending on the factors that affected the availability of inputs and materials. Let me give a short account. In arable crops production for example, 152 secondary schools participated in the production of maize, cassava and vegetables. The number of schools that planted fruit trees rose to 1,089 from the initial 123 planned to take part, indicating 885 percentage performance. In livestock production, 28 secondary schools are now keeping point-of-lay birds which have served as a regular source of eggs to many people in the schools' localities. Five schools are involved in keeping pig weaners while 20 schools are engaged in rabbitry. Six schools have completed the stocking of their fish ponds with fingerlings.

The results of harvests and sales of the products under this Programme which are just coming in are very promising and encouraging. So far, about 20 tonnes of maize have been produced and at a conservative price, the market value of the maize is about N30,000.00. One of the schools, Luwasa Grammar School at Ijede in Ikorodu Local Government Area produced about six tonnes of maize resulting in a revenue of N6,380 to the school. The returns from cassava production is expected in the first quarter of 1990, but from reports reaching me, about 125 hectares of cassava have been planted involving 103 secondary schools. The production of vegetables such as soko, tete, igbo, ewedu supplied to 148 schools have yielded more than N12,000. In a short analysis of the production cost, it was shown that for a packet of vegetable seed sold at N2.50k to the Schools, the sale of vegetables have given returns varying between N15 to N40. This fact

demonstrates the profitability of vegetable production as a lucrative enterprise with little outlay.

The 28 schools participating in poultry production have collectively produced over 90,000 eggs within the eleven weeks of egg production by the point-of-lay birds supplied to them. The schools have recorded varying egg production levels ranging from 23 — 45 crates of eggs per week. It is estimated that the total revenue from the poultry component of the Programme as at now, is over ₦57,000.

The returns on the three components of the Programme i.e. poultry, vegetable and maize production, have fetched about N100,000 between the time the Programme was launched in February, 1989 and August 1989. Returns from the other components of the Programme such as cassava and fruit trees production, fisheries, rabbitry and piggery are yet to be assessed because of their long gestation periods. The Programme has shown in clear terms that agriculture can be a lucrative business in Lagos State and we are happy that our youths in both primary and secondary schools are embracing the scheme with much fervour.

The second phase of the Programme which we are launching today, will involve the planting of cassava cuttings by 109 secondary schools and about 874 primary schools. It is also expected that 200 secondary schools and 874 primary schools will grow vegetables under this second phase. In addition, 301 secondary schools will plant more fruit trees and pineapple suckers will be introduced under this Phase. Following the successful keeping of poultry by those secondary schools in the first phase of the programme, another batch of 26 schools would be involved in poultry production. For rabbitry, 12 secondary schools have been selected for the second phase of the Programme and 4 schools with the necessary infrastructures would keep pig weaners. Six additional secondary schools will be assisted to establish fish ponds and be adequately stocked with fingerlings.

Our experience in the first phase indicates that the execution of the Programme was partially affected by the inavailability of simple farm implements. It has, therefore, been resolved that in order to remove such constraints, 343 secondary schools involved in arable cropping would be supplied with five cutlasses each while about 1,420 hoes would be distributed to other primary and secondary schools involved in arable crop production. I wish to remark here, that the performances of all the schools involved in the Programme are being recorded and monitored, and it is planned that those schools that excel in their performances in each Local Education District would receive a reward eventually. As I pointed out during the launching ceremony of the 1st phase of the Programme, the financial outlay granted to each participating school is a loan which should be repaid into a revolving loan fund from which other schools which are yet to take part will benefit in the succeeding phases of the Programme.

Accordingly, I have directed that the remaining sum of ₦608,245 be released for the execution of the second phase of this laudable Schools Agricultural Programme. In order to put the second phase of the Programme on a proper footing, appropriate seminars will commence immediately after this launching ceremony for the tutors of the participating schools. I am also aware that there have been other seminars conducted and lectures delivered in various education districts for the rubbing of minds towards the successful implementation of the Programme.

I enjoin you all to step up your interest in this Programme so that we could succeed in our current crusade of setting our school children on a constructive and highly rewarding course in food production, thereby guaranteeing their present and future economic well-being and at the same time ensuring increased food production for the State. It behoves all Principals, Teachers and students to play their part in ensuring that the Programme achieves greater success in the years ahead. The Parents/Teachers Associations are also invited, once again, to contribute their quota in the expansion of the Programme.

Distinguished Guests, Ladies and Gentlemen, it is now my pleasure to launch the second phase of the Schools Agricultural Programme in Lagos State to the benefit of the State and the nation at large.

Thank you and God bless.

**AT THE LAUNCHING OF THE PEOPLE'S BANK OF NIGERIA, MAROKO
BRANCH, ON SATURDAY 7TH OCTOBER, 1989**

I am delighted to be among you in Maroko today on this historic occasion of the launching of the Lagos State Chapter of the PEOPLE'S BANK of Nigeria. You will recall that the President, Commander-in-Chief of the Armed Forces, General Ibrahim Badamasi Babangida, performed the national commissioning of the Bank at Ajegunle, on Tuesday 3rd October, 1989. On that occasion, the six States of the Federation selected for the pilot scheme were directed to launch their State Chapter on Saturday, 7th October, 1989. We are therefore gathered here this morning to launch the Lagos State Chapter of the Bank.

Let me quickly add that today's launching will be followed by other launchings to be performed by the Sole Administrators of the respective Local Governments where branches have been approved in this State. Currently, six branches have been approved to be at Ajegunle, Maroko, Mushin, Agege, Epe and Badagry. Each of these branches has registration centres spread all over the State. Hence, that an area has no branch does not mean that it is being excluded from the scheme. The bank officials have been listing the various trade groups and associations as well as communities to which the facility would be extended. What remains to be done by those qualified for the loan is to form themselves into trade groups in their respective areas and submit their lists to the bank officials covering the areas.

A beneficiary is entitled to a loan of between ₦50 and ₦2,000 repayable within one year. There is no interest but only a service charge of 5%. As soon as you repay a loan, you can take another one. Let me emphasise, however, that only people with small but legitimate businesses or vocations are qualified for the loan. These are petty traders, fishermen, peasant farmers, babers, tailors, palmwine tappers, small poultry keepers, mechanics, bicycle repairers, carpenters and other artisans. There is no collateral or guarantor required. What is required is that you must belong to a group and your group will recommend you and also ensure that you use the loan correctly and repay as and when due.

Fellow citizens of Lagos State, this is another unique opportunity for all of you to boost your trade and establish your capital base. You should not allow the opportunity to slip by. Neither should you misuse the loan in such a way as to discourage the Federal Government which has provided the fund for the scheme. Indeed, a multiplier effect of the scheme is that it should be possible for you now to employ more apprentices for your various trades once you are granted the loan for either the expansion of your business or the establishment of it. With this scheme, the Federal Government has saved you from the clutches of the shylocks who lend you the money at such an interest rate that makes repayment very difficult or indeed impossible. You do not need to go to such money lenders or usurers any more.

In the opinion of the Lagos State Government, the establishment of the People's bank is another remarkable event in the life of this regime. It is a reflection of the fact that the Federal Military Government is always seeking ways and means of improving the well-being of the masses of this country. The People's Bank is the balm introduced to soothe

the ordeal and pains of the masses and bring greater relief and comfort to them. It is now left for beneficiaries to ensure that the loan is repaid promptly so as to allow it go round every eligible beneficiary.

For the purpose of clarity, I wish to reiterate that there is no need to go through middlemen or intermediaries. Only the Chairmen and Secretaries of your various trade or vocational groups need to submit your names and other requirements to the Bank. You must ensure, therefore, that only the honest, hardworking and acceptable members of your groups are elected as Chairmen and Secretaries.

At this juncture, I wish to congratulate the Federal Military Government for this unprecedented innovation and to also rejoice with the people of this State for being one of the six States to enjoy this facility at its inception. It is my hope that the less privileged members of our society will make the best use of the opportunity the facility has afforded them.

Distinguished Guests, Ladies and Gentlemen, it is now my great pleasure to launch the People's Bank of Nigeria, Lagos State Chapter, with this Maroko Branch.

Thank you all and God bless.

**ON THE OCCASION OF THE FOUNDATION LAYING CEREMONY OF
THE 5—STAR ALPHA SOFITEL, VICTORIA ISLAND, LAGOS
ON TUESDAY 10th OCTOBER 1989.**

I am happy to be at this foundation laying ceremony of the 5—Star Hotel Alpha Sofitel. It was only in February this year that the allocation of this plot of land for this project was approved. It is most gratifying to note, therefore, that the project is taking off eight months after. The Lagos State Government is encouraged by this development and commends it to other Nigerian entrepreneurs and their foreign partners who are interested or, involved in our tourism development programmes.

The thrust of the State Government's tourism policy is to stimulate and lend necessary support to tourism development through provision of incentives and construction of infrastructure in designated tourism zones. Since the State Government blazed the trail in tourism development in the country about two years ago by launching its tourism policy, it has embarked on a number of implementation strategies not only to actualise the policy but to give positive encouragement to both Nigerian and foreign entrepreneurs to invest massively in tourism in the State.

In this regard, the State has been divided into six tourism zones so as to give entrepreneurs ample choice of location and spread of tourism facilities. Also, Government has consciously made the acquisition of land and issuance of Certificate of Occupancy in tourism zones and water fronts much easier and cheaper such that the burden of capital outlay of developers would be reduced. In spite of the foregoing, while a few allottees have reciprocated our goodwill through prompt attention to their projects, there are others who have embarked on a game of land speculation hoping that in the foreseeable future, they would hoard these parcels of land for their selfish gain. It is therefore necessary for me on this occasion to advise individuals and corporate organisations who had been allocated tourism plots to commence their projects; otherwise, the Certificate of Occupancy issued for such plots would be revoked and the plots reallocated to more serious investors,

The Lagos State Government accords tourism development the necessary priority attention because of its firm conviction that tourism could be a viable source of foreign exchange to supplement its dwindling revenue. Indeed the time is ripe to exploit and develop the tourism potentials of this State in particular and Nigeria in general. If smaller islands in the West Indies, Gambia, Kenya and Morocco with perhaps, relatively less tourism resources could earn so much foreign exchange from tourism, there is no reason why we should not do better with our vast natural endowments. On its part, the Lagos State Government is set to exploit its tourism potentials to the fullest. For the State, there is no looking back in this regard.

Distinguished Ladies and Gentlemen, I should not end this address without a word of appeal to all citizens of Lagos State. In our quest to develop tourism, we must revolutionise our present attitudes and behaviours. We must also improve our level of aesthetic appreciation. For instance, dropping of litters just anywhere is wrong and learning to say 'welcome' to visitors or strangers in our midst means a lot of difference. I am informed that there are efforts at the national level to ease procurement of visas to visitors and to reduce the burden of bureaucracy at all points of entry into the country. This

is a welcome development that should be commended as it will encourage tourists to visit our country and thereby enhance our foreign exchange earnings from tourism.

On this note, may I congratulate the Chairman and the entire Board of Directors of Hotel Alpha Sofitel on this august occasion of the laying of the foundation stone of your new edifice. I enjoy you to complete the project with the same spirit with which you pursued its take-off.

Thank you all and God bless.

**AT THE ANNUAL YOUTH RALLY ORGANISED BY THE NIGERIA MUSLIM
COUNCIL TO MARK THE EID AL-MAOLUD NABIYYI 1410 A.H. CELEBRATION
ON 11th OCTOBER 1989**

It is with great pleasure that I accept the kind invitation of the Nigeria Muslim Council to be the Chief Guest of Honour at this Important ceremony to mark the Eid Al-Maolud Celebration this year.

I was particularly delighted to observe that this year's celebration shows a remarkable improvement on past experiences, There is, besides the usual march past, a Quranic recital competition as well as the award of prizes. This new feature is obviously an attempt by the Council to encourage the youths to pay greater attention to the study of the Sacred Book of Islam, and thereby ensure a good moral education of our youths. This is a highly commendable gesture; and I would like to congratulate the Council, the prize donors and all who have worked to ensure the success of this novel enterprise. I would also like to congratulate all those who have taken part in the competition, particularly the prize-winners of today. To them all, I say "well-done, keep it up."

An august occasion such as this affords all of us, the young in age as well as the young in spirit the opportunity to deliberate on the vital purpose behind this celebration and to relate this to our current efforts at national progress and development. All of us would no doubt agree that when we mark the Eid el-Maolud, we are doing more than going through a series of socio-cultural events. We are indeed doing more than according honour to a rare personality who for centuries has held world attention. For us, we are setting aside a whole day to focus attention on the principles and ideals which inspired the actions and ideas of this distinguished prophet. We are doing so, so that we can be imbued and inspired by these as well. In this regard, I would like to draw the attention of all to one over-riding fact for our edification. First the Holy Prophet was fully and utterly committed to his principles and ideals. He did not waver in his dedication, Secondly, he transformed his society for the better. In a space of twenty odd years of work, he achieved for his society such progress and development that will always stand the test of time.

In the light of these, I would like to urge all of us, particularly our Muslim Youths, to seize the opportunity afforded us by this celebration to make two firm pledges:

First, a pledge for the betterment and upliftment of our beloved country; and two, a pledge to be dedicated to the noble principles and ideals of this last Prophet of Islam.

If we observe these two resolutions, I believe that we can assuredly entertain hopes of a better future. For if Muhammed (May the peace and Blessings of Allah Be Upon Him) in a space of twenty odd years of work achieved such a triumph that we now celebrate his birthday, I earnestly hope and pray that all our youths can aspire to bringing at least some progress and development to their society.

Your Royal Highness, Distinguished Guests, Ladies and Gentlemen, I will like to greet you once again on this happy celebration and wish you all divine blessings and mercy.

Thank you for your attention.

AT THE GRAND FINALE OF 1989 LAGOS STATE FESTIVAL OF ARTS AND CULTURE AT THE CITY HALL LAGOS, ON THURSDAY, 12th OCTOBER 1989

I am indeed delighted to be present at the Grand Finale of this year's Lagos State Festival of Arts and Culture. I am informed that the zonal competitions which took place in all the 12 Local Government areas were designed to promote, enhance and improve the socio-cultural and economic welfare of the citizens of Lagos State in particular, and of Nigeria in general. With this objective in view, the State Government will seek to impress constantly on the populace the significant role of Arts and Culture in the total development and welfare of the nation.

It is worthy of note that this competition which began at the Badagry Local Government on Saturday, 9th September, 1989 and has gone round all the Local Governments in the State, has been of immense value towards the discovery of artistic talents among our youths and adults in Lagos State.

In appreciation of the impressive showing, the Lagos State council for Arts and Culture has invited artistes from all the 12 Local Government areas of the State to compete for the various events, such as Traditional Instrumental Music, Choral Music, Popular Music, Traditional Wrestling, Exhibition of Foods and Food Preservation Devices and Techniques at the State level. It is this Grand Finale that we are all witnessing today and I hope that all the participants will comport themselves and observe the relevant rules and regulations throughout the period of the ceremony.

I wish to emphasise, however, that the contribution of Arts and Culture to the socio-political and economic development of the nation cannot be over-emphasized as most of our daily activities depend, to a large extent, on factors relating to our cultural heritage. To ignore our culture is to ignore the very root of our existence, a calamity which should not be allowed to befall the nation.

At this juncture, I wish to enjoin all citizens of Lagos State to rekindle their interests in our valuable past, particularly our cultural heritage, and use this as a factor of political stability, and not as an instrument of disorder and chaos. After all, we have on record that our forefathers had such incontestible wisdom which they applied in resolving the difficult socio-economic and political problems of the day. Before we start to look beyond our frontiers for solutions to some of our problems, therefore, we should first have recourse to our own cultural background and see whether some solutions can be available to us.

During festivals and cultural displays, reports have reached me that some bad elements use the occasion to foment trouble and harrass innocent citizens and motorists. Whilst giving support to the promotion of our Arts and Culture, the State Government cannot aid lawlessness or hooliganism. The Law Enforcement Agents have, therefore, been urged to deal firmly with those who might be taking the laws into their hands.

The State Government, through the Council for Arts and Culture, has issued specific guidelines for the conduct of festivals in the State. Any departure from these laid-down rules will no longer be tolerated. I also implore our traditional rulers to use their good offices to ensure that between now and the end of the Local Government elections

scheduled for the end of the year, there is no cause to complain about misuse of traditional festivals to foment trouble, encourage disorder or molest innocent citizens. This is my charge to you, as keepers of our traditional heritage.

Ladies and Gentlemen, it is my fervent wish that the particulars from all the Local Government areas would put in their best not only at this State Grand Finale but also at any future engagements where their skill and expertise would be endeavored.

It is now my pleasure to declare open the Grand Finale of the 1989 State Festival of Arts and Culture.

Thank you all and God bless.

**ON THE OCCASION OF THE 9TH WORLD FOOD DAY CELEBRATIONS
AND AGRICULTURAL SHOW, FARMERS/FISHERMEN FESTIVAL
ON MONDAY, 16th OCTOBER 1989**

Today, we join the rest of the World to celebrate this year's World Food Day.

The Food and Agriculture Organisation of the United Nations (F. A. O.) approved 16th October of every year as the World Food Day at its 20th session held in Rome in November 1979. This day is the anniversary of the founding of the Food and Agriculture Organisation (F. A. O.) and was first observed by about 140 countries on 16th October 1981. The Food and Agriculture Organisation recognised the fact that the world has witnessed a lot of revolutionary changes in our socio-political life and that these changes have transformed a lot of nations and individuals from a State of poverty into affluence but despite these developments, millions of other men, women and children all over the world still remain in abject poverty.

The World Food Day was, therefore, established primarily to increase public awareness, induce critical analysis of the World Food situation and examine possible remedial steps to help the situation. The World Food Day also serves to remind us of the following:

- a. That hundreds of million of human beings still do not have enough to eat and they suffer from inadequate shelter and clothing;
- b. That most people in the developing world are fed by food produced by small-scale farmers and fishermen who toil under difficult conditions and against enormous obstacles;
- c. That hunger and poverty are not just isolated local problems but are critical global concerns that affect directly or indirectly all of mankind ethnically, economically and politically; that the earth has become a "global village", increasingly linked together and sharing a common destiny;
- d. That many policies and practices of developed countries have a direct and often decisive effect on the agricultural and economic health of developing nations.

Since 1983, World Food Day had always focused on a theme which highlights some particular dimensions of food production. The theme for this year is "Food and the Environment".

This theme is particularly appropriate because a lot of damage is being done to the environment and this takes a serious toll on food production. The earth's environment is already showing signs of severe strains and pressures from human activities. The ecosystem is continuously destabilised through the process of industrialisation and populations pressure which now pose serious problems to food production. Unfortunately, the developing countries are worst hit by the destabilisation. This unwholesome situation must be reversed. It has been estimated that, all over the world, at least 11 million hectares of tropical forests are cut down for agricultural, industrial and residential purposes every year. Food and Agriculture Organisation studies have shown that between 5 and 7 million hectares of arable land are lost every year to soil degradation. Like land, fisheries resources are also being depleted rapidly as a result of over-exploitation. In the last 3—4 decades for example, the world fish catch increased by 7% a year but this decreased

to about 2% in the 70s as a result of over-fishing which has seriously depleted the stock. The air around is also continuously subjected to pollution by gaseous wastes from industries which have also caused major climatic changes as recently witnessed by the present rain patterns. The causes and solutions to these environmental disturbances may differ from place to place, but the basic fact is evident that no human being can thrive or survive if the environment is continuously defiled. The threat posed by this environmental assault is enormous and we must arrest the situation before it is too late.

The theme for this year's celebration, "Food and the Environment" is, therefore, very crucial to us in Lagos State because Lagos is the commercial and industrial nerve centre of the country. It is also the smallest State in the Country, being only 3,577 sq.km. in size and about 0.4% of the size of the entire country. About 22% of the total area of the State is occupied by lagoons and creeks, and according to the 1963 census, the population of Lagos State was 1,433,569 which has been projected to 7.3 million by 1985. Thus, the ratio of land per person is very small and this means that the intensity of the use on the land is very high. This probably explains why environmental pollution is highest in Lagos State compared to other States of the Federation. In recognition of these problems the Department of the Environment in the Military Governor's Office has been upgraded to a Ministry and charged with the responsibility of controlling all physical developments in the State. A soil laboratory has also been established in the State Ministry of Agriculture and Co-operatives to control cropping activities in the State and arrest "fertilizer abuse" on the soil. The Fisheries and Forestry Department of the Ministry of Agriculture and Co-operatives is also contemplating a programme for the replenishment of the lagoons with fingerlings and is poised to enforce the law on size of meshes for nets to ensure that immature fishes are not fished out of our waters.

This occasion is also being used in Lagos State to celebrate the Annual Agricultural Show and the Farmers/Fishermen Festival. The idea of the Agricultural Show and Festival is to provide a forum for farmers and fishermen to exchange views and learn from one another. It will also enable Government to have an on-the-spot assessment of the impact of Government Policies and Programmes on the Welfare of Farmers and Fishermen. This administration has rededicated itself more than ever before to the provision of essential inputs to Farmers and Fishermen in Lagos State. The success recorded by phase I of the Schools' Agricultural Programme, which I enumerated recently when I launched Phase II of the Project, is a testimony of the willingness of the citizens to respond positively to the implementation of well-planned and progressive Government programmes. It is impressive to observe that more and more farmers are responding to the call to embark on mass production of food crops such as cassava, rice and maize for which Lagos State has comparative advantage in view of its geographical location. As a further testimony, the Lagos State Chapter of the Nigeria Cassava Growers Association was launched recently in Lagos and I regard this as a commendable development. In conclusion, I wish to point out that the Government will soon come out with a bold programme for accelerated vegetables and fish farming in the State. I enjoy all farmers and fishermen in Lagos State to embrace the Programme when it is launched.

Distinguished Ladies and Gentlemen, it is now my pleasure and honour to declare open this year's World Food Day Celebrations and Agricultural Show for the Farmers/Fishermen Festival.

Thank you and God bless.

**AT THE COMMISSIONING OF THE INTEGRATED VEGETABLE OILS AND
PRODUCTS LIMITED (IVOPL) FORMERLY COCONUT
INDUSTRIES LIMITED, ON 17th OCTOBER 1989**

I consider it an honour and privilege, to welcome most warmly, on behalf of the Government and the entire citizens of Lagos State and the Board of Directors of Integrated Vegetable Oils and Products Limited, the President, Commander-in-Chief of the Armed Forces, General Ibrahim Badamasi Babangida, to this memorable occasion of the Commissioning of Integrated Vegetable Oils and Products Limited.

Mr President, permit me to recall that in your 1986 Budget Speech, you informed the nation that as part of your Administration's Economic Recovery Programme, Government would privatise some publicly-owned enterprises and commercialize some others. This policy is informed by the need to bring about a more efficient and rational allocation of functions and resources in the economy, with the private sector playing the major productive role. Accordingly, and in consonance with the Federal Government's economic policy, the Lagos State Industrial Policy provides that the State Government's equity in commercial enterprises shall not exceed thirty per cent. The factory which Mr President is about to commission today is another manifestation of the successful implementation of the present Administration's privatization policy. Coconut Industries Limited, now known as Integrated Vegetable Oils and Products Limited, was incorporated in 1980 as a private 100 per cent owned company by the Lagos State Government, to process coconut seeds, which were in abundant supply in Badagry and other coastal areas of Lagos State, into edible and industrial oils, as well as processing coconut fibres into footmats and ropes. Thus, the objective of setting up the industry is laudable in many ways. Firstly, it seeks to utilize the abundant local raw materials for manufactured goods and secondly, to enhance economic activities in the area and provide employment opportunities for the people.

However, these laudable objectives were not attained immediately because of the inherent weaknesses now noticeable in the management of profit making ventures by Government. Though it was a limited liability company, the enterprise, before it was privatized, was run and managed like a Government Agency. As it was the case with some other enterprises run as a Government Agency, the company until it was privatized about a year ago, remained a burden on Government instead of being a catalyst for economic growth and development. The fibre section of the company, which in a normal business environment would have been the last section to be commissioned in view of the fact that it uses the waste product of the main raw material, i.e. the fibre of coconut seeds, was in fact the only section of the company in operation as at the time of privatization.

Consequently, it became necessary to give loans to the company almost on a recurring basis for the payment of recurrent expenditure. We were in the process of finding a lasting solution to this problem when the present Administration's Privatisation Policy was announced. The significance of today's event, therefore, derives from the fact that the Integrated Vegetable Oils and Products Limited is the first successfully privatised Lagos State Government-owned business venture.

Following the successful conclusion of negotiations between the Lagos State Government, ably supported by its team of professional advisers led by Continental Merchant Bank Limited, and R. T. Briscoe (Nigeria) Limited, the Securities and Exchange Commission approved the privatization package which provided for the increase of the share capital of the company, the sale of 60% of the company's equity to R.T. Briscoe (Nig.) Limited who are the managing investors and 10% to Nigerian citizens, with the Lagos State Government retaining 30% of the equity of the company.

Within one year of the implementation of the privatization package, Integrated Vegetable Oils and Products Limited has demonstrated the efficacy of the current economic policy of the Government which is anchored on the principle of self-reliance and the prudent utilization of our human and material resources. The operations of the revitalized company now have a positive multiplier effect on economic activities of its immediate environment, i.e. Badagry. The rural-urban drift and the level of unemployment in the area have been reduced. For example, the company's labour force has increased from only 23 in August 1988 to 245 employees at present. Its presence in the area has attracted urban funds to the rural banking system through cash purchases of the company's products. The demand for transport services has increased in the area with favourable impact on the incomes of the transport owners. The farmers, the landlords and others are not left out. In a nutshell, the industry has now brought happiness to this area as a result of the successful implementation of Mr President's Privatization Policy for which the Government and people of Lagos State express their profound appreciation.

Let me also seize this opportunity to call on the farmers to realise that Integrated Vegetable Oils and Products Limited is a company based in Badagry because of the area's potential to supply the raw materials it requires for its operations. You must give the company all the support that it deserves so that it will continue to thrive in the interest of Badagry, its people and the company itself. The farmers in Badagry will ensure that the company remains viable by sustaining the production of coconuts and other agricultural raw materials required by the company. The support and cooperation of the farmers are necessary to ensure the continued profitability and success of the company for the benefit of us all.

Distinguished Guests, Ladies and Gentlemen, I once again welcome Mr. President and his entourage most heartily and it is now my honour and privilege to invite Mr. President to deliver his address.

Thank you.

**AT THE LAUNCHING OF THE PRIMARY HEALTH CARE PROGRAMME IN
SOMOLU LOCAL GOVERNMENT AREA OF LAGOS STATE
ON WEDNESDAY, 18th OCTOBER 1989**

I am delighted to be with you today at the launching of the Primary Health Care Programme in the Somolu Local Government Area. Primary Health Care Programme is one of the best things that have happened to our Health Care Delivery System in this country and it forms the bedrock of the National Health Policy. The system ensures that essential care is made available at affordable cost to individuals and families whose full participation in both the planning and implementation processes, is guaranteed.

Since the Primary Health Care Programme was launched by the President, Commander-in-Chief of the Federal Republic of Nigeria, on 17th August 1987, more than one hundred (100) Local Government areas have commenced the implementation of the Programme. A critical appraisal of the concept and components of the Primary Health Care will, however, confirm the tremendous benefits derivable from the system which involves Community participation in its development. The concept embraces other disciplines such as Engineering, Education, Communication, Pharmaceuticals, etc., giving technical support and advice on the implementation of programmes through inter-sectoral collaboration. Let me hasten to point out, however, that I am quite impressed by the progress which the Somolu Local Government has made towards delivering Health Care to the people at the grass-roots level.

The acceptance of the Primary Health Care by the people of Somolu Local Government area confirms that the people now recognize the necessity for a re-appraisal of their Health Care Delivery System, which had hitherto been predominantly curative in outlook. Four million children (4,000,000) are dying throughout the world annually as a result of malnutrition, ill-health, and other preventable health problems. Of every one thousand (1,000) children born today, five are liable to be crippled by Poliomyelitis; ten might die of Tetanus, while another twenty might die of Whooping Cough. Another thirty might die of Measles or its complications. The technological 'know-how' to solve these problems are now available at affordable cost to most families, even in these hard times. Only active Community participation can make the Primary Health Care Programme and others, such as Oral Rehydration Therapy (ORT) and Childhood Immunisations fulfil their full potentials.

However, I should also point out that as Government can no longer do everything for the people, it behoves all of us to show more concern for our own health. We should be more interested in the general results of environmental sanitation and become closely acquainted with the social and material causes of environmental hazards that endanger our health.

Now that the Primary Health Care Programme is being introduced in this Local Government area, it is my hope that the residents of the area will embrace the system and enjoy the benefits of health education, maternal and child health, family planning, treatment of common ailments, control of endemic diseases, mass immunisation and the provision of essential drugs.

Honourable Minister of Health, Distinguished Ladies and Gentlemen, it is now my pleasure to launch the Primary Health Care Programme in the Somo'u Local Government area of Lagos State to the Glory of God and the benefit of residents of the area.

Thank you and God bless

**AT THE OPENING CEREMONY OF THE 11th NATIONAL
CONFERENCE OF LOCAL GOVERNMENT SERVICE COMMISSIONS HELD IN
LAGOS ON WEDNESDAY, 25th OCTOBER 1989**

I have great pleasure to be in your midst this morning on the occasion of the Opening Ceremony of the 11th National Conference of the Local Government Service Commissions holding here at the City Hall, Lagos. Your gathering here today is the result of the unanimous decision taken in Yola, Gongola State about a year ago that Lagos State should host this year's Conference. Your decision was conveyed to me by the Chairman, Lagos State Local Government Service Commission and I gladly accepted the challenge in spite of the present financial constraints of the Government. I am delighted, therefore, to welcome the representative of the Chief of General Staff and all the delegates to the City of Lagos and indeed to Lagos State on this occasion. I am also glad to bring to you the greetings and kind wishes of the people of Lagos State.

I am informed that this is the first Conference that you are holding since the introduction of the Implementation Guidelines on the Application of the Civil Service Reforms to the Local Government Service in the Federation. The Implementation Guidelines re-emphasise the professionalisation of the Departments in the Local Government Service with additional responsibilities assigned to the Local Government Service Commissions. These institutional changes are a testimony to the determination of the Federal Government to enhance effective administration, particularly at the grassroots level. I wish to say that it is the concern of the present administration to improve the general welfare of the people of this Nation. Like the new National Scheme of Service for Local Government Employees, the Implementation Guidelines have enhanced the uniformity of approach in the handling of personnel matters as they affect the staff of the Local Government Service. With the introduction of the new Local Government Service Structure and Management style, I am confident that the service delivery capacity of the Local Government Workers will be improved.

On its own part, the Lagos State Government has introduced a number of measures aimed at making the Local Government Service in the State a virile, effective and efficient instrument of mobilization and development at the grassroots, in order to improve the quality of life of the citizenry and enhance accountability. As part of these measures, human and material resources of the Local Government Service in the State have been strengthened. Additional qualified staff such as Engineers, Accountants, Legal Officers, Information Officers, Internal Auditors, Planning Officers, and various Health and paramedical personnel are being recruited since 1988 to man the various Departments within the new Administrative structure introduced in the State Local Government Service. Furthermore, in order to enhance the management of Nursing cadres in the Unified Local Government Service of the State, Government has approved the establishment of a Nurses Affairs Unit in the Local Government Service Commission to offer professional advice on matters affecting the Nursing personnel.

Distinguished Delegates, let me seize this opportunity to inform you that substantial progress has been made in the implementation of the Application of the Civil Service Reforms at the Local Government level in Lagos State. In this regard appropriate

professional Departments have been created in all the Local Governments, guidelines have been issued on the appointment, promotion and discipline of staff and each Local Government has established a Junior Staff Management Committee. I am also happy to mention that the salaries of the Chairman and members of the Commission have been harmonized with those of their counterparts in the State Civil Service Commission. Similarly, the status of the Executive Secretary of the Commission has been raised to that of a Director-General.

Since Commissions have crucial roles to play in the management of Local Government Service, it is essential that your conference should examine and deliberate on ways and means of injecting into the Local Government Service professionally-qualified officers without jeopardizing the career prospects of serving employees. You should also take a critical look at ways and means of enhancing high level performance, accountability and service delivery generally by the Local Government staff. In this regard, effective strategies should be worked out to promptly reward new hardworking and honest staff and bring to book erring ones in line with the dispensation.

Finally, I enjoin you all to find time to move round and meet the people of Lagos State. I wish you all fruitful and successful deliberations. Once again, it is a great pleasure to welcome the representative of The Chief of General Staff and all delegates to Lagos State.

Thank you all and God bless.

AT THE 110th ANNIVERSARY CELEBRATION OF THE METHODIST GIRLS HIGH SCHOOL, YABA ON THURSDAY, 26th OCTOBER 1989

Methodist Girls High School, Yaba is a renowned institution with established traditions of the fear of God, discipline, hardwork and academic excellence. The present students must therefore count themselves lucky for the golden opportunity afforded them to train in this noble institution. It behoves them to work hard and imbibe the lofty ideals and tenets of their Alma Mater and display a sense of service in conformity with the motto of the school "In Love We Serve".

The foresight of the founders of your school in the training of girls is being justified by current programmes such as women education, better life for rural women and the gifted and talented education programme.

As you are no doubt aware, Boards of Governors were recently re-established in the State to ensure efficient, effective and smooth running of Post-Primary Institutions. It is worthy of note that an old girl of your school; Chief (Mrs) Folake Solanke (SAN) was appointed as the first Chairman of the Board of Governors of your institution.

It is hoped that the old students will continue to be in the forefront in the execution of educational and other public spirited programmes as well as the crusade against the ills of our times.

I am indeed happy to be oportuned to share in the joy of this historic occasion.

Finally, I wish on behalf of myself and the entire people of this State to congratulate you on this memorable and happy occasion.

May your institution grow from strength to strength.

Long live your Alma-Mater.

**AT THE FIRST ORLANDO MARTINS AWARDS NIGHT HELD
AT THE MAIN AUDITORIUM, UNIVERSITY OF LAGOS, AKOKA, YABA, ON
FRIDAY, 27th OCTOBER 1989.**

It is, indeed, a great honour for me to be the Chief Host at this First Orlando Martins Awards Night, in answer to a call to join others in saluting excellence as exhibited by a great son of Africa, who through sheer determination and dint of hardwork, put Nigeria on the World map in the film business, thereby encouraging the pursuit of excellence in the profession of film-making in the country.

Emmanuel Alhandu Martins, alias 'Orlando Martins' was born on 8th December 1899 at 22 Okesuna Street, Lagos to the Late Mr Emmanuel Akintola Martins and Mrs Paula Idowu Martins (Nee Soares). He had his primary education in Abeokuta and St. Peter's School, Faji, Lagos. He later attended Eko Boys' High School, Mushin for his secondary school education.

He started his film career in London in 1920 at the tender age of 21. He played many roles on stage and acted in many films. He was presented to royalties all over the world and rubbed shoulders with Presidents and Heads of State such as Mr Ronald Reagan, the former American President and the late Jomo Kenyatta of Kenya.

Returning home in 1959 to a tumultuous welcome after a 42-year absence, Pa Orlando Martins took up employment with the then WNTV-WNBS where his wide knowledge and experience proved of immeasurable value to the young ones in whose care the development of the first Television Station in Africa had been entrusted. Many remember him to this day for the excellence he imbued that profession with. It is most significant, however, to note that until the ripe old age of 85, Pa Orlando Martins served Lagos State as Cultural Adviser in emeritus.

Nigeria in its short spell as an independent nation has been blessed with a plethora of great names whose exemplary lives and achievements cannot but spur the younger generations to higher goals and aspirations. It, therefore, becomes necessary to venerate the achievements of our fore-runners, when such veneration can be tied to concrete and viable programmes that will promote industry, enhance employment opportunities, promote a unity of purpose and give direction for the positive development of talent and creativity.

The Lagos State Government was thinking along this line when it inaugurated on 8th December 1987, the 10-member Orlando Martins Awards Committee, charged with the responsibilities of managing and organising the first ORLANDO MARTINS AWARDS. The Committee launched its first Special Variety Performance and Fund-Raising activities on Monday, 14th February 1988. The 8th of December of every year has now been set aside as Orlando Day—to commemorate the birth of Pa Orlando Martins. The Awards ceremony being witnessed today is a crowning achievement of the Committee.

Today's Awards will go to Pioneer Film-makers, Script Writers, Producers and Actors while subsequent Awards in the years to come will be for the Best Actor, Best

Actress, Best Dramatist, Best Cameraman, Best Cinematographer, and so on and so forth. These first awards, therefore, are in the very noble tradition of recognising pioneers in relevant fields of human endeavour. We consider the awards necessary as we cannot continue to undermine our own development, because by so doing, we neglect the very foundation of our existence.

Distinguished Ladies and Gentlemen, it is with the conviction that this is a worthy cause that can benefit many citizens of this country that the ORLANDO MARTINS AWARDS TRUST FUND was launched at the occasion of the Special Variety Performance. A TRUST DEED to ensure that the initial purpose of the Awards is institutionalised is soon to be given legal backing by the State Government. This will ensure accountability of the fund and enable the fund generate revenue on its own. I wish to use this occasion to commend the Chairman, Prince Lekan Fadina and members of the Orlando Martins Committee for their efforts and to congratulate them for bringing to fruition this noble idea. We thank them for devoting their precious time and working diligently for the success of today's events. Indeed, they have every cause to be proud of their achievement by fulfilling their mandate to organise and execute the first ORLANDO MARTINS AWARDS. My sincere thanks also go to all those who contributed one way or the other to the success of this laudable programme.

May I also thank all those who have set aside this day to commemorate with Lagos State, an occasion which can only augur well for the future of our country. It is hoped that with this kind of Award in place, there will be a marked improvement in our films, and that our film-makers will make greater efforts towards excellence in their chosen field of endeavour.

The Honourable Minister of Information and Culture, Prince Tony Momoh; the Acting Chief Judge of Lagos State, Members of the State Executive Council, the Acting Secretary to the Military Government, Lagos State; Directors-General, Sole Administrators of Local Governments; Your Royal Highnesses, Obas and Chiefs, Your Excellencies, Members of the Diplomatic Corps; My Lords, Spiritual and Temporal; the Chairman and Members of Orlando Martins Committee; Special Guests, Distinguished Ladies and Gentlemen, I thank you all for your patience.

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Thank you all and God bless.

**AT THE GRAND FINALE OF THE 21st ANNIVERSARY FESTIVITIES OF
FOUNDING, THE IKEJA GOLF CLUB ON SUNDAY, 29th OCTOBER 1989.**

Before I read this address, I will first and foremost like to thank you all on behalf of myself and my wife for the honour of making the two of us honorary members of your club. Also, I received your letter yesterday and I have gone through it. The appropriate quarters within the establishment of the Lagos State Government will look into all the problems you have mentioned and will do justice accordingly.

I feel highly honoured to be invited here as a Special Guest of Honour, on the occasion of the 21st Anniversary of the founding of your great club, Ikeja Golf Club. Foremost, I should congratulate the present and the past executives of the Club for their invaluable efforts at nurturing the Club to this enviable stage. Similarly, efforts of your Club to develop amateur Golf players to professional standards are very commendable. There is no doubt that your contributions will enhance the efforts of our beloved nation to attain the desired heights especially in the international competitions.

You will no doubt, agree with me that the game of golf is yet to gain mass participation in Nigeria as it is still being regarded as essentially elitist game. It is therefore, necessary now more than ever before to encourage the young ones, especially students, to embrace the game of golf and to prepare them to win honours for this country as obtained in other sporting competitions.

On its part, the Lagos State Government has allocated 101 hectares of land at Ologe, Badagry, for the construction of Golf Course. Since golf construction is a specialised field, it is very important for the Lagos State Amateur Golf Association to assist government in providing vital information as to the designs, architectural drawings and the various facilities to be put in place. At this juncture, I wish to assure all sports lovers that the Lagos State Government will not relent in its efforts to promote sports culture among children of tender age. The idea will afford the State and indeed, our country the opportunity to identify talents and develop them. The present administration in Lagos State believes very much in the philosophy of "catch them young" in sports.

Before I end this address, I will again like to thank the club for your efforts and contributions to Lagos State Government for us winning the last National Sports Competition.

Distinguished Ladies and Gentlemen, I wish to seize this opportunity to appeal to business firms, corporate bodies, private and philanthropic organisations to complement government's efforts in the development of the land allocated for the proposed golf course at Ologe, Badagry.

Finally, I congratulate the Chairman and members of the Ikeja Golf Club on the 21st Anniversary of the founding of the Club and wish you more successes.

And again, on behalf of the government and people of Lagos State, the State Government will like to donate a sum of one hundred thousand naira (N100,000) towards your new building.

**AT THE PASSING-OUT OF THE 1st-TIER ORIENTATION COURSE FOR CORPS
MEMBERS AT THE NYSC ORIENTATION CAMP, OTO-IJANIKIN
ON MONDAY, 30TH OCTOBER 1989**

I am highly delighted this morning to be here to congratulate you all for a very successful completion of your Orientation Course. I have personally monitored the activities of the Camp since it started four weeks ago and I must say that I am impressed with the achievements in spite of some constraints.

The President, Commander-In-Chief of the Armed Forces, General Ibrahim Badamasi Babangida emphasised in his address to you at the beginning of this orientation course — 4 weeks ago, that the task before you is an important one. It revolves largely on a perceived leadership role that is transparently honest, energetic, highly effective, resourceful and above all, positive and convincing. Yours therefore, is not just that of an astute and dedicated worker, but also of a thorough and daring crusader, spreading and practicalising the new dream, sentiments and aspirations of a nation embodied in the objectives of the NYSC.

In the spirit of this administration, our emphasis and thrust of action are deliberately on development at the grassroots level. This involves the provision of basic infrastructure, industrialisation, self-sufficiency and the deliberate promotion of awareness of the political and socio-economic happenings in our rural areas.

You are therefore expected to adjust quickly to your new environment and face the challenges of the time. As I look forward to receiving positive reports about you, you are enjoined to look to the future with determination, high spirit and the desire to succeed.

If you are to leave your foot-print on the sands of history, like most of your predecessors, you have to really address yourselves to the task ahead in the key areas of the NYSC scheme. These are the Primary Assignment, Community Development Service and All-Year-Round Community Development. I am convinced that where you positively play your roles, particularly in the rural areas of the State, you will be helping in the accelerated development of the State and the fulfilment of the noble objectives of the NYSC Scheme.

I have been briefed that the importance of such traits as discipline, tolerance, nationalism etc, were stressed during the course. It is hoped that you will use these sterling qualities throughout the service year. There should be no room for prejudice, unpatriotic acts, truancy and rejection of postings. As usual, hard work will be adequately rewarded in this State while negative response to national service will attract appropriate disciplinary measures.

Finally, I want to remind you that ours is a lovely and friendly State so feel free with everybody and interact as much as possible.

My dear corps members, as you depart the premises of this camp for the places of your primary assignments, I pray that the Almighty God will guide and protect all of you. While I look forward to meeting some of you during the course of the service year, it is therefore my pleasure to declare the 1989/90 1st-Tier Orientation Course close.

Thank you and God bless.

**GOODWILL MESSAGE TO THE ONE-DAY SYNOD OF THE LAGOS DIOCESE
(ANGLICAN COMMUNION) TO COMMEMORATE THE 70th ANNIVERSARY OF
FOUNDING THE DIOCESE ON TUESDAY, 31st OCTOBER 1989**

I am delighted to be here this morning to deliver a Goodwill Message on the occasion of a special one-day Synod organised to mark the 70th Anniversary of the founding of Anglican Communion, Lagos State Diocese. The Anglican Communion in Lagos, which in the past 70 years has grown by leaps and bounds, has made very remarkable mark on Lagos Society. I, therefore, rejoice sincerely with the Anglican Diocese of Lagos on this momentous occasion and I join you all in thanking the Almighty God for His infinite mercies and guidance over the Diocese for the past 70 years.

I am reliably informed that a Synod of this nature offers an opportunity to discuss and decide questions of policy as they affect the Church Organisation, its members and the society at large. I, therefore, expect that the result of your deliberations will not only affect Christians within the Diocese but also the various communities within the State. The Government welcomes this arrangement in view of its very positive contributions to the welfare of the citizens of the State.

This Goodwill Message is premised on the theme 'Religious Peace In Our Time'. The Nigerian community is pluralistic in nature with many Religious beliefs. Even though Christianity and Islam are the two major Religious beliefs in the country, Nigeria of necessity remains a secular nation. The need for religious tolerance and peaceful co-existence is, therefore, prominent and urgent. It is in an atmosphere of peace and harmony that any meaningful development of the nation on all spheres, political, social and economic, could take place. The role that the Christian community has played towards the forging of co-operation and peace among the various religious groups is commendable but I still urge the Anglican Diocese of Lagos to continue to assist in propelling the wheels of progress in our society by further contributing positively towards the promotion of peace.

Having said this, I wish to pay tribute to the founding fathers of the Anglican Diocese for their foresight, thoughtfulness and devotion. I have to recall the great sacrifice and dedication to the service of mankind of distinguished clergymen such as Reverend Townsend who in 1845 planted the seed of the Anglican Christian Mission in the ancient town of Badagry.

It is also an appropriate occasion to appeal to other religious bodies to continue to make positive contributions towards the sustenance of a peaceful atmosphere within our communities. Religious strife and intolerance could only lead to dis-integration, destruction, retrogression and decay. Jesus Christ preached peace, harmony, love and demonstrated these attributes through his exemplary life. There is need to show love to fellow Nigerians and assist where possible, those in need. Besides, it is a manifestation of religious intolerance to read religious motive into every intention or action of the Government. The result could only lead to incitement or provocation and disharmony among the people. In some other parts of the world beautiful cities have been ruined and devastated through religious wars and intolerance. I, therefore, enjoin our people to always utilise peaceful avenues to seek redress and make appropriate enquiries where Government policies or decisions are not clear.

Another area of importance I will like this Synod to address is the issue of drug abuse which has reached alarming proportions among the youths, who still need a sound moral education. It is necessary that we do not shirk our responsibility of providing the youths with a solid moral base.

My Lord Spiritual, I cannot but make a passing remark on the on-going Transition to Civil Rule Programme whose successful accomplishment depends on the inputs of every Nigerian. Very soon, the entire nation will be embroiled once again in the ding-dong of partisan politics, but we should remember that the President, Commander-in-Chief of the Armed Forces had in his recent address to the nation emphasised the hall-marks of future politics in the country. Future political campaigns, according to him, would centre on relevant social and economic issues. Our past experience in politics had clearly demonstrated that our leaders preferred using the cheapest means of political power through bare-faced exploitation of cult-personality, ethnicity and religion. Government, therefore, requires your assistance in preventing political aspirants from exploiting things that divide us rather than those that unite us as a nation. Nigeria belongs to all of us and together we must salvage it and put it on the right footing.

I am happy to observe that the Lagos Diocese has blazed the trail for pioneering Religious Tourism through its plan to develop the 1st storey building in Nigerian at Badagry as a Tourism Centre. This is welcome development and I wish to appeal to the Synod to take the decision on the commencement of the project without further delay. I expect other Religious Missions to borrow a leaf from the Lagos Anglican Diocese, example towards Tourism development in Lagos State.

My Lords spiritual, Distinguished Guests, I wish to express my profound gratitude to the Anglican Diocese for extending an invitation to me to address this august gathering and I wish you all fruitful and fulfilling deliberations.

Thank you.

AT THE SWEARING-IN CEREMONY OF NEWLY APPOINTED JUDGES IN THE STATE, ON TUESDAY, 31ST OCTOBER 1989

The retirement of some Judges in the State Judiciary eminently called for the appointment of new ones whose swearing-in ceremony you have just witnessed. The swearing-in ceremony could not come at a more apposite time than now when Government is carrying out a crusade for the decongestion of our Courts and prisons. The appointment of Judges to fill available vacancies has taken some time because the process of selecting lawyers to carry on the mantle of dispensation of justice has itself been infinitely arduous. Government undertook a meticulous search for a crop of lawyers who intimately combine the rare qualities of sobriety, industry intellectual vivacity, high level of integrity and poise. This has to be so for Judges are the fountain head from which the waters of justice flow. Government cannot afford to pick just anybody to occupy that revered office, for when the fountain head is polluted, the fluid that emanates from it cannot be expected to be wholesome. I am happy to state that the persons that have just been sworn-in meet these desirable qualities and it is hoped that they will not betray the confidence reposed in them.

One phenomenon gradually gaining prominence in our Courts especially within the corpus of our civil jurisprudence is the attitude of judicial activism indulged in by some judges. It is a trend in which Courts make pronouncements critical of Government's political policies and practices. Sometimes this activism needlessly borders on open opposition to state laws and policies. This is impermissible in any common law jurisdiction for good reasons. For one thing, an unguarded exhibition of activism is violative of the hallowed duty of Courts to pronounce on the legality of conduct and not to indulge in judicial legislation, or using the courts to settle personal scores.

The business of law making and its enforcement resides in the legislative and executive arms of Government. Under our present dispensation, both functions are combined in the Executive. The Executive alone is indeed the custodian of the political will of the state. The Executive and the Legislative determine what constitutes public welfare and translates its determination and policy formulations into law enacted in accordance with laid-down principles. The business of the Court is to give effect to these laws. It does not reside in the Courts the power to make evaluative statements about the propriety of the political policies and practices of Government except where they violate the laws of the State. Again, it is my firm belief that once Government policies and programmes do not offend against the ground norm of the society, it would amount to extending the frontiers of judicialism to question the competence and, indeed, the legitimacy of the political role actor. To do this will be a usurpation by the courts of the functions of the Executive and inevitably bring the Courts into direct and avoidable confrontation with Government.

This Administration recognises the independence of the Judiciary. Judicial independence means impartiality. A situation where some Judges take a predictable and consistent posture against Government in all matters brought before them smacks of partiality. To some Judges, any case involving Government in their Courts is fait accompli. Government must lose come what come woe. Even when some Judges have

no jurisdiction in law, they expand their jurisdiction to accommodate the case and then proceed to make pronouncements that border essentially on judicial legislation. This must be objectionable even to the judiciary.

However, it must be admitted that judicial independence does not mean a slavish submission to the whims of Government. To do this will erode public confidence in the judicial process and this will not augur well for the Government. I am pleased to say that there is mutual respect between the Executive and the Judiciary. We see ourselves as partners in the administration of justice and progress of the state in particular and the nation in general.

You must have noticed that two of the Judges just sworn- in have, in part, served in the lower bench as Magistrates. That they have been elevated to the higher bench has a broad implication for the lower bench. It is that a Magistrate who conducts himself within the frontiers of upright and conscience will be elevated to a higher calling. This is not to say, however, that the quality of justice that flows from our lower bench is completely satisfactory. I hereby charge the State Judicial Advisory Committee to immediately carry on continuous surveillance on the lower bench with a view to flushing out erring Magistrates from the system. Magistrates are warned to cultivate the spirit of honesty, uprightness and dignity which their calling demands. The water of justice must be kept pure all times. Any standard short of judicial purity is unacceptable in this State.

Also just sworn-in is a private legal practitioner. This State will continue to encourage private legal practitioners to take up appointment both in the higher and lower bench. It is observed that private practitioners are often not interested since the remuneration for appointment as judicial officer may not be as lucrative as the income of some private legal practitioners. But one should look at it as a call to duty.

My Lords, the new Judges, the task ahead of you is challenging and intimidating. Our Courts are overloaded with cases. Our Prisons are congested with detainees. There is at present a process of decongestion of the Prisons and Courts going on in the judiciary. You are to take part in this process of decongestion. The business of dispensation of justice is challenging. It alters your disposition, it changes your demeanour and moderates your comportment and the company which you keep. As you take your seat in the sanctuary of the higher bench, legal historians are watching you. I hope that when the history of great jurists will be written, your names will be printed in gold. I wish you a blissful tenure of office.

Thank you all and God bless.

**AT THE 23rd MEETING OF THE NATIONAL FISHERIES DEVELOPMENT
COMMITTEE HELD IN BADAGRY, LAGOS STATE ON WEDNESDAY,
1st NOVEMBER 1989**

I am delighted to welcome you all to Lagos State for the 23rd meeting of the National Fisheries Development Committee. I am sure that some of you are coming to the ancient town of Badagry for the first time. I hope you will find the quiet scenery a unique opportunity for purposeful deliberations.

I am informed that since its inception, this is the second time that the committee will be holding its meeting in the State. It is not often that we are privileged to have such an august assembly of scientists in this part of the State and I sincerely hope that you will have good cause to repeat your visit.

I am particularly happy to address a gathering of this magnitude that is made up of fisheries experts, biological scientists and seasoned researchers drawn from both Federal and States Ministries of Agriculture, River Basin Authorities, Research Institutes and Universities. This meeting could not have come at a more appropriate time than now when all efforts are geared towards increased food production to feed the populace of this great nation. You are all aware that the emphasis on revamping the economy is on industrialisation and self-sufficiency in food production. It is therefore my hope that as a technical committee, you will deliberate exhaustively on the role of fisheries in food production. A recently published information indicated that since 1983, there has been a general decline in fish production in this country, reaching its lowest level in 1987. Similarly, fisheries statistics also revealed that while the projected fish demand for 1988 was 1.2 million metric tons the supply was only about 490,000 metric tons which is less than 50%. This wide gap between supply and demand has been met in the past by importation of fish which contributed to the drain in our foreign exchange. With the introduction of the economic relief measures, fish importation has been pegged down and this has resulted in exorbitant prices of fish thus making the commodity beyond the reach of the common man. This is one area your committee must look into. Records also show that the artisanal fisherman or small-scale fisherman contribute 60 — 80% of the total local production, yet most of these fishermen still live below the subsistence level. Your deliberations should come out with concrete suggestions to increase their level of production, their income and their standard of living.

Lagos State as you all know, is a maritime State with about 200 kilometres of coastline as well as a network of lagoons, creeks and rivers with abundance of fish and fishery resources. As a result of this geographical location, the predominant occupation of the inhabitants especially those in the rural areas is fishing. In realisation of this fact, the policy of the State Government over the years has been directed towards providing necessary assistance to the fishermen directly and through Co-operative Societies so as to increase their production. The assistance comes mainly in making essential fishing inputs like outboard engines, nets, hooks, floats etc., available to the fishermen under the Input Delivery Scheme. In 1988, over 150 outboard engines and about 2000 bundles of nets were distributed through the State's Ministry of Agriculture and Co-operatives and the State Agricultural Development Project. This year alone, inputs worth about ₦4 million are being purchased for distribution to the fishermen. Also new technologies to improve

catches are passed on to fishermen by practical demonstration of improved materials and methods. Government also assists in the evacuation, preservation and marketing of fish produced in the rural areas. It is a happy thing for me to note that the recently introduced locally made fish smoking kiln "Chorker Smoker" was first demonstrated in Nigeria in Lagos State at Imagbon-Alade, one of our coastal rural fishing communities.

Apart from servicing its over 200 registered Fishermen Co-operative Societies all over the State, Government has intensified its homestead Fish Pond Programme and has also recently launched its Schools Agricultural Programme in which Fisheries is one of the major components. Six selected schools have constructed and stocked fish ponds ranging from 0.1 to 0.5 hectares. All these efforts are to boost fish production in the State.

Another area that both the Federal and State Governments have focused attention is Aquaculture. Aquaculture or fish farming came into prominence as a result of the decline over the years in the production from capture fisheries both from Artisanal and Commercial Sectors. Substantial amount of money has been invested on aquaculture particularly by the Directorate of Food, Roads and Rural Infrastructure. The Lagos State Government alone spent ₦453,182.00 in 1987 and 1988 on aquaculture. I am reliably informed that, nationwide, aquaculture still has a lot of potentials and could provide the answer to declining production from capture fisheries if a well articulated programme can be implemented. This is yet another area for you to deliberate upon.

My challenge to this august gathering is to ensure the realisation of the huge investment already made by all concerned in terms of availability of fish, which is a cheaper source of protein to the entire populace. Adequate data to show for the achievements so far made must be harnessed if industrialists and private individuals are to be encouraged to invest in fish farming. They would want to be assured of adequate returns on their investments. There is the need to collect and make public data on all aspects of fisheries for better planning. Researches carried out and locked up in the cabinets are as good as if they were not carried out at all.

Finally, I hope that at the end of this meeting, your Committee would come up with useful recommendations and advice to the Federal Military Government on how to improve fish production in this great country of ours. I also wish you safe journey back to your various destinations at the end of your deliberations.

It is now my pleasure to formally declare open the 23rd Meeting of the National Fisheries Development Committee.

Thank you and God bless.

AT THE LAUNCHING OF THE LAGOS CHAPTER OF THE NIGERIAN CONSERVATION FOUNDATION AND N2 MILLION ENDOWMENT APPEAL FUND , AT THE FEDERAL PALACE HOTEL, VICTORIA ISLAND, ON THE 2nd NOVEMBER 1989

I recall that my first official assignment outside the office as Military Governor of Lagos State involved the launching of the 8th National Tree Planting Campaign. Subsequently, I also had the rare privilege and honour to be present at the unveiling of the Foundation plaque of the Lekki Conservation Center at Igbo-Effon, by His Royal Highness, the Duke of Edinburgh, during his visit to Nigeria in February this year. These two occasions are connected with the Conservation of the Environment. I am, therefore, delighted to be here this evening to witness yet another occasion involving the application of efforts towards the Conservation of the Environment.

It is an undisputable fact that Lagos State is the smallest State in the country. The high demand for the limited available land in the State, however, compels an urgent move, both by the Government and the private sector organisations, to preserve the remaining fragile environment so that the existing natural endowments would not be damaged beyond repair.

Recognising this urgent need to preserve our natural endowments, the State Government on its part, is committed to a policy of preserving the remaining resources from further depletion and destruction. We are compelled to execute this policy because the State, in spite of its small size, is blessed with a variety of flora and fauna. In furtherance of the policy, we have created other forest reserves in the State in addition to the Ogun River Forest Reserve which was inherited from the former Western Region of Nigeria. These are Ologe Lagoon, Yelwa Creek and Ishasi in Ojo and Badagry Local Government areas. We have also earmarked other areas for preservation and water catchment and we are making efforts to survey these areas for consolidation as forest reserves.

The Government has also directed the State Ministry of Agriculture and Cooperatives to submit proposals on the creation of more "Green Belts" and the establishment of "Foresters' Club" in schools in the State. We hope to inculcate the idea of conservation in the minds of our youths since the mantle of leadership will rest on their shoulders in future. I, however, wish to appeal to the voluntary organisations, particularly the Nigerian Conservation Foundation, to complement Government efforts both at the State and National levels so that our objectives may be realised expeditiously. With regard to the Nigerian Conservation Foundation which came into existence some seven years ago, it is gratifying to note that it has made a number of important achievements such as:

- a. Its involvement in the protection and management of Yankari Games Reserve, Hadejia-Nguru Wetland, Oba Hills, etc.
- b. The articulation and evolution, in conjunction with appropriate arms of Government, of a forward looking national conservation policy.
- c. The successful campaign for a national wildlife conservation legislation, popularly known as Decree 11, the Endangered Species Decree.

It is also noteworthy to observe that officials in the State Ministry of Agriculture and Co-operatives have already been working closely with your Foundation. I observe, in particular, that there has been joint examination of the problems of pollution, flooding and erosion in the State.

With the continuous population drift from the rural to urban centres in the State, the possibilities of degrading the environment become acute and the disposal of garbage and other human wastes poses a major problem. It is a priority of the State Government, therefore, to make adequate arrangements for dealing with this aspect of our urban life. In carrying out this task, the State Government will always require the active cooperation of the citizens of the State.

Ladies and Gentlemen, let me point out that the activities of the Nigerian Conservation Foundation will receive a boost with the construction of the Lekki Conservation Centre which I expect should take off soon. I am reliably informed that it is going to be the first centre of its kind in West Africa. As a result of the expected role of this centre in shaping the future of our environment, I would like the Lagos State Chapter of the Foundation to give priority consideration to this project.

Mr Chairman, Members of the Council, Ladies and Gentlemen, it gives me great pleasure to be appointed as the Patron of the Lagos State Chapter of Nigerian Conservation Foundation and I recognise the important role to be played by this organisation in our efforts to conserve the remaining areas of environmental beauty in our State. I am, therefore, delighted to launch this evening, the Lagos Chapter of the Nigerian Conservation Foundation. I am informed that this is the fourth State Chapter of the Foundation to be launched in the country and I hope it will not be the last. I can assure you that the State Government will give its fullest support to ensure that the future generations of Lagosians will not be denied a rich and healthy environment nor have cause to question the behaviour of their ancestors.

On behalf of the Government and people of Lagos State I hereby launch the State Chapter of the Nigerian Conservation Foundation's ₦2 million Endowment Fund with a donation of ₦100,000. May I take this opportunity to appeal to all friends of Lagos State and lovers of nature to donate generously to this Appeal Fund. The Chapter needs your assistance and co-operation.

Thank you all and God bless.

AT THE 2nd SOUTH WEST ZONAL MEETING OF SOLE ADMINISTRATORS/EXECUTIVE SECRETARIES OF LOCAL GOVERNMENT EDUCATION AUTHORITIES WITH THE NATIONAL PRIMARY EDUCATION COMMISSION IN LAGOS ON TUESDAY, 7th NOVEMBER 1989

I heartily welcome you to this important gathering of Educational Administrators which Lagos State is proud to host. It is my hope that those delegates who have travelled to Lagos will find the City to be of interest and delightful. I seize this unique opportunity to wish you all fruitful deliberations.

The establishment of the National Primary Education Commission and the achievements of the Commission so far point to the wholesome idea of the present Administration to lay a solid educational foundation for our children. This gathering, therefore, offers a unique opportunity for the Commission to further demonstrate the relevance and significance of this important Organ in the execution of the National Policy on Primary Education. The choice of Lagos as the venue of the second zonal meeting of the Administrators is also welcome and commendable.

While the State Government recognizes the great strides taken by its predecessors in the administration of primary schools in the State, particularly with the abolition of the shift system. It cannot be said that all is well with the primary school system. For example moral standards are reported to have fallen and there are serious problems with school suppliers, support facilities and, not the least staffing. It is in view of these problems and the other short-comings that a critical re-appraisal of the primary schools education programmes, policy and procedures, is necessary and desirable. With regard to Lagos State, the Government, within available resources, has been making efforts to improve the standard of Primary Education, even though the cost is soaring. For example, with the SAP relief package, the wage bill has gone up from ₦86,021,152.20 to ₦103,016,185.50 for primary school teachers and non-teachers in 1989 alone.

In view of these problems, it is only our full share of the National Fund that will enable us pursue, with greater vigour, our classroom construction programme which began about five years ago with an annual allocation of fifty million naira. It is to be noted also that the State Government has other priority areas such as the health sector, transportation, agriculture and rural development to which heavy annual financial allocations are made. The true picture of the primary education system in the State is also not complete until we focus the rural or riverine areas where there is a shortfall in school enrolment because such facilities as teachers, classrooms and instructional materials are grossly inadequate.

In the urban centres of the State, problems encountered include flooding of school premises, inadequate classrooms, over-population of school children and the funding of the classroom replacement programme.

Distinguished delegates, it is in the light of these problems that I want your meeting to look at a few issues such as:

- a. The scope of the Primary Schools' programme as it relates to the goals and objectives of education in each State;
- b. The adequacy or otherwise of the Primary School programme in meeting the goals and objectives of education;
- c. The resources available and how adequate i.e. human and material; and
- d. The level of discipline in the schools with recommendations for improvement.

Ladies and Gentlemen, I once again welcome you all to Lagos State and wish you safe journey back to your States at the end of your deliberations. I now have the pleasure to declare this meeting open.

Thank you and God bless.

TRANSITION TO CIVIL RULE PROGRAMME
TRANSITION TO CIVIL RULE PROGRAMME

The Nigerian Army is currently passing through a process of computerisation and high technological adaptation for modern warfare. This brings in the relevance and suitability of the theme of your training period which is "Effective Military Training Toward Professionalism". As "men behind the guns", you must keep yourselves abreast of the various changes and innovations in modern weaponry and electronic devices. We now have in our arsenals, precision equipment for combat, command and control purposes. The time is, therefore, ripe and the opportunity is unique for you to improve on your present standards, so as to make yourself a more effective leader.

I cannot but refer, in passing, to the Transition to Civil Rule Programme. You are living witnesses to the politics of the First and Second Republics and you know of the current plan to evolve a Two-Party System for the country. You are part of this process and must be prepared to carry out roles that may be assigned to you for the realisation of the Transition Programme.

Being middle level commanders and the vital link between the soldiers and the officer corps, you are unique and sensitive in the army hierarchy. You should therefore take the training period as a serious matter and utilize the opportunity to enable yourself to be well informed, to be able to relate effectively with the senior officers and at the same time, to be the required swivel between them and the rank and file.

Value all the Women Officers of the Army Headquarters Garrison of the Nigerian Army and congratulate them for their selection. It is encouraging to observe that a number of you have attended the middle level man-power/technical course in Military Institutions both at home and abroad. Also encouraging is the report that many of you have obtained high qualifications in many related fields and that some of you now possess the first or second degree, pointing undoubtedly to academic excellence. These achievements are indeed remarkable and highly commendable. However, I wish to use this opportunity to urge you not to rest on your oars. While the academic qualification you possess will be invaluable to you in your career now and in the future, I implore you to continue to strive to improve also on your professional competence.

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You must be alert and conversant with events in and around your environment and report promptly, through the established channels, such developments that you think are capable of compromising our objectives. Ours is a collective responsibility and we are determined to achieve the stated goals of the Transition Programme.

As Warrant Officers, I implore you to continue to maintain a high standard of discipline for yourself and your subordinates. The Nigerian Army, which ranks as one of the best, has maintained the good traditions of the profession. You should strive, not only to maintain these traditions, but to improve on them.

Finally, I wish to thank the Commander AHQ Garrison for extending this invitation to me. I now formally declare this Training Period open and I wish you successful deliberations.

Thank you and God bless.

**AT THE OPENING CEREMONY OF THE 1989 ANNUAL CONFERENCE OF THE
NIGERIAN SOCIETY OF CHEMICAL ENGINEERS HELD ON THURSDAY,
9th NOVEMBER, 1989 AT THE ADMINISTRATIVE STAFF COLLEGE OF
NIGERIA, TOPO, BADAGRY**

I am delighted to be here today to perform the opening ceremony of the 1989 Annual Conference of the Nigerian Society of Chemical Engineers. I congratulate the President and the entire Members of the Society on the celebration of yet another annual Conference and I wish you more successful years of service to the Government and people of Lagos State. I have no doubt that this Conference would mark the beginning of another year of fruitful co-operation between the Lagos State Government and your Society.

I wish to seize this opportunity to acknowledge the contribution of the Nigerian Society of Chemical Engineers to the development of the Nigerian Economy since its inception in 1969. The Society had consistently proffered solutions to problems of industrial development in Nigeria, especially to the areas of oil refining, fertilizer production, gas utilization and development of the petrochemical industry, to mention just a few.

The theme of this year's Conference, i.e. "Chemical Engineering and Revitalization of the Nigerian Economy" is of special interest to the Government of Lagos State, bearing in mind the varied needs of our people especially in the area of the development of the rural areas through the establishment of small scale agro-allied industries. The development of the rural area has been of serious concern to the Federal Government and all the States of the Federation and to this end, the promotion and development of commercial and industrial activity in the rural areas is a key component of the State integrated Rural Development Programme. It is in this vein that I seize this opportunity to charge the Nigerian Society of Chemical Engineers and indeed this Conference with the task of designing simple and cost-effective equipment for the processing and preserving of varied agricultural products which abound all over the country.

Another area of special interest to the State Government is that of the environment. As you are aware, Lagos State has the largest concentration of industries in sub-Saharan Africa, one negative consequence of the intense industrial and commercial activities is pollution. The State Government in realisation of its responsibility to ensure the protection of all forms of life from hazards of pollution had over the years waged consistent war against the desecration of our environment. Various Anti-Pollutions Laws had been promulgated and were being vigorously enforced. However, the spate of release of pollutants in various forms into the environment has continued. I, therefore, charge this Conference to come up with recommendations which would ensure a substantial reduction in the level of environmental pollution with particular emphasis on:

- a. The volume of organic compounds and other suspended particles which pollute the air; and
- b. Toxicity of effluents being discharged into water bodies within the State.

The recommendations on the above areas of interest should contain enough technical details which would enhance compliance by the industries and assist control and enforcement by the Government.

Distinguished Guests, Ladies and Gentlemen, I rejoice and felicitate with you on your 1989 Annual Conference. I wish you fruitful deliberations on the theme of the Conference and look forward to the report of the Conference. It is with a sense of honour and privilege that I hereby declare open the 1989 Annual Conference of the Nigerian Society of Chemical Engineers. I wish you successful deliberations.

Thank you and God bless.

THE CLOSING CEREMONY AT THE 9TH LAGOS INTERNATIONAL TRADE FAIR ON SUNDAY, 12th NOVEMBER 1989

On Friday, 3rd November 1989, I was at this venue attending the opening ceremony of the 9th Lagos International Trade Fair. Today, I am here to perform two functions—preside over the activities marking the Lagos State Day at this Fair and declare the 9th International Trade Fair closed. I wish to express sincere thanks to the President and members of the Lagos Chamber of Commerce and Industry for inviting me once again as Guest of Honour at the Closing Ceremony of the 9th Lagos International Trade Fair. I recall that I was given the honour of declaring the Fair closed last year. I consider this gesture as capable of further strengthening the bond of friendship, co-operation and understanding already existing between the organised private sector and the Lagos State Government. I wish to commend the efforts of the Organising Committee, the Consultants — Messrs Aboderin Blake Limited and Femat Communication Limited and all those who have contributed to the success of the Fair. From the information at my disposal and judging by what we have seen at this complex these past ten days, it is evident that the 9th Lagos International Trade Fair has been a huge success.

In his Welcome Address at the opening ceremony of the Fair, the President of the Lagos Chamber of Commerce and Industry drew attention to the various opportunities existing in the Nigerian economy for profitable business and enjoined all participants and visitors alike to go round the stands and see for themselves those opportunities vividly displayed. I have no doubt that many have heeded the President's call and that this Fair has afforded manufacturers and consumers ample opportunity for useful business contracts and an introduction to new products and latest development in technology. In addition, industrialists have had an opportunity to promote their goods and services.

At Trade Fairs like this, it is the usual practice to display foreign goods. Our economy was characterised by massive importation of foreign goods in utter neglect of Made-in-Nigeria goods. We were so addicted to foreign goods that all it required to promote Made-in-Nigeria goods was to put a foreign label on it. Today, that unwholesome attitude is changing. The present Administration is committed to correcting this socio-economic malaise and give the nation a sense of direction. Our survival as a nation does not lie in the importation of virtually all items for personal consumption and industrial inputs, but in our ability to look inwards and discover our untapped and neglected resources. I, therefore, wish to call on our manufacturers and industrialists once again to demonstrate their total commitment to the policies and efforts of the present Administration towards charting a new course of economic growth and development for this country. I therefore charge them, the industrialists to embark on production strategies that are capable of maximally utilising and harnessing our abundant local, human and material resources.

During the opening ceremony, the President of the Lagos Chamber of Commerce and Industry also made certain observations on a number of Government economic measures and requested for a review and re-appraisal of the measures in the overall interest of the economy. We in Lagos State have taken note of these observations and we

shall support and complement any measure which shall facilitate the growth and development of Commerce and Industry in Lagos State in particular and the country in general. The need for us to optimise the allocation of our economic resources cannot be over-emphasised. This has now become even more imperative, because the average Nigerian has borne some side effects of the Structural Adjustment Programme with dignity, believing that there is light at the end of the tunnel. Our great country is blessed with abundant human and material resources which must be harnessed for our economic survival.

There is no doubt that every other State Government is co-operating with the Federal Government to improve the economy through the provision of infrastructural facilities to ensure that Nigeria continues to be an attractive place for foreign investment.

In conclusion, I congratulate the Lagos Chamber of Commerce and Industry for a successful Trade Fair. I have the honour to declare the 9th Lagos International Trade Fair closed and I wish all participants safe journey back home.

Thank you and God bless.

Government, as the era of confrontation is over. They will also be more reasonable with Government in their demands.

One thing that we have failed to realise is this country operates a Federal system of Government whether in Military or Civilian regimes. This means in effect that what one state does must not necessarily affect the other State, co-location notwithstanding, as each State can only operate within the limits of its resources. It is high time we learnt, as labour unions, to tie our demands to the available resources and recognition of the priorities of the needs of the tax-payers. No Government worth its salt will utilise all its resources for the payment of workers' salaries at the expense of development and the comfort of the generality of its citizenry.

It is pertinent to point out, however, that the bold step taken by the State Government to implement all the Structural Adjustment Programme relief measures, except the Meal Subsidy, has inflicted serious financial strains on its resources that some on-going projects have to be abandoned, cancelled or deferred. The present level of the Staff strength of the State Public Service especially those on grade levels 01-07 is more than what is required to the extent that Government can conveniently do with a 50% reduction of the workforce without any adverse effect on the present level of performance. But the State Government had continued to tolerate and sustain the redundant workers because it had never been its intention to inflict hardship on any worker by way of retrenchment.

The wage bills for the Civil Servants and the Staff of the Teaching Service before the implementation of the Structural Adjustment Programme relief package amounted to N330 million, per annum. It jumped to N411 million as a result of the partial implementation of the package. This is an increase of N81 million, representing 24,83 increase. Let me quickly add that this is exclusive of the wage bills for the Staff of the Health Management Board, the Tertiary Institutions and a host of other Parastatals which depend very heavily on subventions from the State Government. It is relevant at this point to mention that the State Government requires a total of N461 million (an increase of 11%) to pay the salaries and allowances of only the Civil Servants and the Teaching Staff in the year 1990. A huge sum of money is also needed to meet the financial needs of the Staff salaries of the Health Management Board and the various Parastatals.

The Lagos State Administration firmly believes in the need for the maintenance of good communication system between the Management and the various Trade Unions. I wish to assure you that the Government's abiding faith in consultation and negotiations with the Trade Unions, as a means of achieving cordial relationship between employees and employers, will be steadfastly maintained. Indeed the State Government would spare no efforts in ensuring that the prevailing industrial peace and harmony is maintained and fostered through its open door policy. On their part, the Trade Unions should strive at all times to reduce, and possibly eradicate, avoidable tensions on issues which normally could precipitate strike actions and, in turn, lead to unproductive actions in terms of waste of time, energy and resources.

In spite of its tight financial position, the State Government, in addition to implementing the Federal Government Economic Relief package for workers in the areas of revised transport allowance, rent subsidy and leave bonus had embarked on the rehabilitation of grounded staff buses, provision of car refurbishing loans et cetera to relieve the transportation problems of its teeming workforce. Members of Staff also enjoy the services of the Lagos State Public Service Club which is adequately subvented annually. As you are well aware, the Club provides, among others, social, cultural, sporting and recreational facilities to all serving Officers and their families as well as others in the private Sector. With the numerous Welfare Schemes provided by the State Government, it is clearly evident that the State Government ranks high and can justifiably lay claim to having no peer in the matter of providing adequate welfare schemes for its workers. In return for its good gestures, the State Government deserves total support and unflinching loyalty from the generality of its workers. I would, therefore, use this forum to appeal to all workers in the State Public Service to be more alert to their responsibility, to rededicate themselves to the ideals of hardwork, honesty, loyalty, efficiency and productivity.

Distinguished Ladies and Gentlemen, It is my sincere hope that henceforth the various Industrial Unions operating in the State would recognise and adopt the mechanics of Effective Negotiation, Consultation and Communication which are more potent, lasting and generally more rewarding than the archaic and crude techniques of confrontation, lock-outs, strike action and the like. These are not only counter-productive but constitute a clog in the wheel of progress in the nation's march towards economic recovery and self-reliance.

Mr Chairman, Conference Delegates, Distinguished Ladies and Gentlemen, whilst wishing you successful deliberations and God's guidance, it is my pleasure to formally declare open the first Triennial Conference of the Civil Service Technical Workers' Union.

Thank you all

**AT THE INAUGURATION OF THE BOARD OF TRUSTEES, OF THE LAGOS
STATE EDUCATION ENDOWMENT FUND ON MONDAY, 20th NOVEMBER 1989**

I welcome you all to this important ceremony for the inauguration of the Board of Trustees, Lagos State Education Endowment Fund. Following the enactment of the Lagos State Education Endowment Fund Edict, 1989.

The Educational Endowment Fund was established on 30th August 1984, with a view to exploring alternative sources of funding education in the State through contributions from communities, individuals, business and philanthropic organisations. At this juncture, I wish to acknowledge and salute the thoughtfulness and foresight of my predecessor in office who conceived and established the Fund.

Today, we are inaugurating the Board of Trustees for the Fund thereby formalising the adhoc arrangement hitherto in force. I should also seize the opportunity to acknowledge the untiring efforts of members of the Organising Committee of the Lagos State Education Endowment Fund for raising the substantial sum of money which now stands at ₦20 million and for managing the fund well inspite of institutional constraints. In the past 10 years Education has attracted between 30-45% of the Annual Budgets. By December this year the State Government would have spent ₦261 million out of a total recurrent expenditure of ₦633 million on the Educational sector which translates to 41% of the recurrent budget. About ₦150 million out of the capital budget of ₦700 million has been incurred in funding educational capital projects like Technical and Model Colleges, supply of technical and science equipment and fittings and the classrooms replacement programme. Considering other social services that are competing for Government attention, it is imperative that new but realistic sources of funding Education should be explored in order to meet the ever increasing costs of education in Lagos State which has a peculiarity large population pressure.

Inspite of the heavy investments the anticipated level of excellence and quality is yet to be attained. The furniture situation in the schools is still very poor. The teacher/pupil ratio set by the National Policy on Education has not been attained. The Schools replacement programme is being slowed down by the daunting cost. Prices of laboratory fittings and equipment have also risen very high. From the above scenario it becomes obvious to all discerning minds, that concerted efforts should be made by the State Government, Corporate Bodies, Philanthropic Organisations, Trust Funds, Old Boys' and Parents' Associations in contributing generously to the Education Endowment Fund.

Contributions from non-governmental establishments to the funding of Education has not been adequate. Education, however, remains a sine-qua-non to the economic development of the Nation, and it has considerable multiplier effects on all sectors of the economy. I, therefore, enjoin the private sector organisations to contribute more to the funding of education in the State. These contributions represent worthy investments in the economy of the Nation.

May I at this juncture invite the attention of the Chairman and members of the Board of Trustees to paragraph 31(b) of the Edict establishing the Board which charges members "to raise or collect contributions and donations for the fund and for this purpose, the Board may from time to time organise Charity Shows, Exhibitions, and other fund-raising events as it may deem fit". The Board is, therefore, free to determine such investment strategies as will make the fund appreciate in a short time. I have no doubt in my mind, whatsoever, that those who have been appointed to the Board, being men and women who have distinguished themselves in their chosen careers will rise to the occasion and perform their duties efficiently and diligently. I advise them to continue to uphold the virtues of honesty and hardwork with which they have already distinguished themselves.

Ladies and Gentlemen, as I now formally inaugurate the Board of Trustees of the Lagos State Education Endowment Fund, I seize this opportunity to congratulate the Chairman and Members of the Board and I wish them a successful and highly stimulating tenure of office.

Thank you

AT THE 10th ANNIVERSARY AWARD/GALA NIGHT OF THE LAGOS STATE
PUBLIC SERVICE CLUB ON FRIDAY, 24th NOVEMBER 1989

I am particularly delighted to be in your midst today in my capacity as the Grand Patron of this club on the occasion of its 10th Anniversary Award/Gala Night. I congratulate the President and Members of the Club on this happy occasion.

First and foremost, I wish to express my appreciation to successive Members of the Executive Committee over the years for their untiring efforts in seeing to the improvement of the Club premises which consisted of a bare bungalow when the Club was established in 1979. Today, it is heartening to observe that within ten years of its existence the Club has made tremendous and remarkable progress in providing sports/games facilities for its members and more importantly, the Club premises have been upgraded to serve as a modern infrastructure for the Club. I should, therefore, commend the efforts of the past and present Grand Patrons, Patrons, Chairmen and Members of the Executive Committee for the progress so far made by the Club. With keen competition from older and very well known social Clubs, the efforts of these past functionaries to sustain the Club, should not only be acknowledged but commended. I enjoin successive managers of the Club to emulate the good works of their predecessors in Office.

I must also express my profound admiration at the high level of co-operation between the Executive Committee of the supervising Department of the office of the Secretary to the Military Government. This is the sort of co-operation I expect to exist between agencies of Government and their supervisory Ministries. As a result of the high level of rapport, the Government released in full, the 1989 subvention of ₦20,000.00 to the Club for the running of its services. The Government is also considering other requests of the Club as an added testimony to the interest it has in the welfare of its staff.

I must however remind you that apart from the Lagos State Public Service Recreation Club, the State Government runs three Staff Canteens located in the old and new Secretariat complexes where food is sold to workers at subsidized rates. The various Local Governments and other Parastatals also run canteens for their staff on the same basis. These canteens have helped greatly in providing meals at reasonable prices for workers in their different locations. It is, however, sad to note that despite Government efforts in this respect, a few months ago some workers under different guises, tried to disrupt the normal functions of Government on account of the non-payment of the meal subsidy: This was done in utter disregard for the not-too-healthy financial position of the State Government. Let me, therefore, seize this opportunity to impress on public servants, the need for them to refrain from taking actions which could be diversionary and lead to unnecessary tension, hardship and inconveniences for the entire citizenry. I now appeal to all workers in the State to continue to support and co-operate with the Government so that the current level of industrial peace can be sustained.

I would like to re-emphasise that the State Government and all its workers are partners in progress and that the welfare of the workers shall continue to be the primary objective of the Government. In the area of residential accommodation, for example, it will interest you to know that the State Government has intensified its efforts at providing staff quarters for its workers. In consideration of the high cost of accommodation in Lagos

Metropolis, the State Government committed between 1988 and 1989, a total sum of ₦5,204,500 on the purchase of 12 blocks of flats from the State Development and Property Corporation (LSDPC) for use as Staff Quarters. These comprise two blocks of flats in Victoria Island, four (4) Low-Cost and five (5) Medium Income Housing Units at Ijaiye. A total of 56 members of staff benefitted from these allocations. Government has already awarded the contract for the electrification of the Low-Cost flats at a cost of ₦92,000.00. In the same vein, Government has spent over ₦0.8 million in 1989 alone, on the maintenance of existing quarters. For other eligible workers of the State Government, the Lagos State Staff Housing Board, since its inception in 1969, disbursed loans over ₦43.5 million to 3,761 beneficiaries. These are further testimonies pointing to the State Government's support for the welfare of its workers. You all, therefore, owe it a duty to reciprocate this good gesture by being loyal and dedicate to the State Government.

Distinguished Ladies and Gentlemen, the State Government will not relent in its efforts in promoting staff welfare and, therefore, the Public Service Recreation Club will continue to receive the support of the State Government. As a first step in fulfilling this pledge the Government will soon assist in the general refurbishment of the Club premises and the facilities. I assure you that first phase of this exercise shall commence very shortly.

To the Members of the Executive Committee of the Club, let me point out that strict adherence to the principle of accountability and prudent management of resources in line with the State Government Regulations and Procedures should be your watch-word. This is to ensure the judicious disbursement of the tax payers money. Reckless and wasteful spending should not, therefore, be allowed.

Concluding this address, I wish to recall that there are 73,000 public servants including Local Government employees in the service of the Lagos State Government, but it is sad to observe that less than 0.03% of this number are members of this Club. I wish to request the Executive Committee of the Club to work harder in the circumstance and improve on the enrolment pattern of the Club. With regard to existing members, please continue to serve the Club honestly, faithfully, and diligently in whatever capacity they may individually or severally find themselves.

Distinguished Ladies and Gentlemen, I wish you a very happy and memorable 10th Anniversary Celebrations.

Thank you and God bless.

**AT THE INVESTITURE CEREMONY OF THE MILITARY GOVERNOR AS THE
PATRON OF NIGERIAN INSTITUTE OF PUBLIC RELATIONS
ON MONDAY, 27th NOVEMBER 1989**

I wish to express my profound gratitude to the Lagos State Chapter of the Nigerian Institute of Public Relations for honouring me as their Patron. This honour is not for me alone but also for the citizens of Lagos State whom we all strive to serve daily in our different callings. Let me therefore, assure you that I shall live up to the expectations of this position and will join hands with members of the Institute to uplift the Institute's good name and advance its course.

There is no doubt that public relations is the live-wire of human existence. Without understanding, which your institute promotes, there will be chaos and this will be detrimental to good government and orderly society. The responsibility of government is immense. The government is responsible for general administration, education, health, taxation, law enforcement and security. It also exercises regulatory control over commerce and industry as well as the professions. Furthermore, Government is also involved in a number of commercial ventures. No government can successfully discharge all these onerous responsibilities without an effective and efficient public relations department that will facilitate government's contracts with the business world and the community at large. This, therefore, underscores the importance of your Institute and the practitioners of the profession. It is in recognition of this and the high esteem the Lagos State Government holds the Institute that it has allocated a parcel of land to the Institute in the Northern Business District of Lekki Peninsula Scheme for its development so that it could carve out its physical identity.

Our country is now going through a period of transition to civil rule. You are no doubt aware of the components of the Federal Military Government's Transition Programme to Civil Rule. The immediate task before us, therefore, is to make the two-party system work. As public relations practitioners, you have a crucial role to play in assisting to inform, educate and enlighten the populace on the rationale for the registration of the two political parties recently announced by the Federal Government. We have to ensure the success of the current democratic political efforts and experiment. The past political practices characterised by tribalism, ethnicity, chaos, corruption, thuggery and massive plundering of scarce resources must give way to a new political life that will usher in a new Nigeria which we all shall be proud of.

On its part, the Lagos State Government has established the Public Enlightenment Committee at State and Local Government levels for the purpose of educating members of the public on the political transition programme. The activities of the Committees will be more manifest and pronounced when the guidelines of the National Electoral Commission and the constitutions, manifestoes and symbols of the two registered political parties are released.

I enjoin you to assist the Committees in carrying out their onerous assignments. As Nigerians, we have no choice but to assist the Government in its bid to lay a solid social, economic and political foundation for the country upon which our children could build. We must not and shall not fail.

Once again, I thank the Nigerian Institute of Public Relations, Lagos State Chapter, for the honour it has bestowed on me. It is my prayer that your chapter will continue to wax from strength to strength in its duty of creating a better world of living, love and understanding for all of us.

Thank you all and God bless.

**AT THE 22nd ANNUAL GENERAL MEETING OF MANUFACTURING
ASSOCIATION OF NIGERIA, IKEJA BRANCH AND 1989 BEST KEPT
INDUSTRIAL PREMISES COMPETITION AWARD CEREMONY
ON WEDNESDAY, 29th NOVEMBER 1989.**

I feel deeply honoured once again to address you this morning as I recall a similar opportunity last year during the 1988 Annual General Meeting and the year's Best Kept Industrial premises competition award ceremony. I am indeed happy that as organised private sector group you have sustained efforts especially in the area of Environmental Sanitation which is one of the cardinal programmes of this administration.

The competition which is an annual event should serve as a complement to Government objective which is to raise the standard of cleanliness in the industries. I like to commend your positive contribution and point out that Government will continue to support a laudable programme such as the one currently being organised. I am happy to note that towards the current competition you have received the spontaneous support of government officials.

You will recall that prior to the establishment of this competition most of our industrial houses had long abandoned the need to clean up their environment. Government had long recognised the need and has mapped out appropriate strategies which would lead to the policy formulation with focus on industrial Waste Water Treatment Plants, controlling air emissions from industries, improving the sanitation and general environment and the enactment of Edicts on Environmental Sanitations and Environmental Pollution Control. In addition to all these, The State Government introduced regular clean-up exercise by different sectors of the public and eventually established the pollution control laboratory. This laboratory now provides services for the industries at a nominal fee. In the area of enlightenment, yearly symposia are organised on environmental sanitation while seminars on Industrial Waste Management have also been organised for industrialists from within and outside the State.

However, I regret to say that Government efforts in this direction have not been fully and enthusiastically embraced by the industries and the commercial houses. For example, only about 5% of manufacturing houses have put in place any form of waste treatment facilities. The remaining 95% has done nothing about this issue and the 5% that responded hardly ever keep the facilities working effectively. This attitude has informed Government decision on the Environmental Pollution Control Edict and the Pollution Discharge Charge. As you will recall, Government has extensive discussion with your group before enacting the Edict and I must at this stage express our deep appreciation of your co-operation. In this connection, Government has considered and approved a downward review of the discharge charges by about 45% in line with the present economic trend and with suggestions put forward by the group.

From statistics made available to me only 17 industries have responded out of a total 237 industries contacted and I regret to say that the charges paid by these industries are peanuts compared to the damage done to the environment. It should be noted,

therefore, that Government has done everything possible to seek the co-operation of your Association in treating industrial effluent. It is imperative to protect the lives of the citizens who are daily being threatened by the discharge of industrial effluents. I therefore seek your support in this regard and I hope we will have a leeway over this problem shortly.

**AT THE OPENING OF THE ONE-DAY WORKSHOP OF EKO FOOD CARNIVAL
FORUM '89 AT THE LAGOS STATE HOUSE OF ASSEMBLY
ON WEDNESDAY, 29th NOVEMBER 1989**

This one day national workshop with the theme: "Mobilizing Nigeria's Agricultural Resources for Industrial Development" is very appropriate. The workshop's theme underscores the linkage between agricultural development and industrialization. The experience of the older industrialised countries and the newly industrialised ones clearly show the need for effective linkage between the agricultural and industrial sectors of the economy to ensure sustained real economic growth and development.

The industrial processing of food crops bring about several economic and social benefits to a nation. It encourages the development of the agricultural sector thereby increasing the income of the farming population who at the initial stages of industrialisation constitute the bulk of a country's labour force. In the wake of increased productivity and production in a country's agricultural sector opportunities in the industrial sector are to satisfy its food needs and thus valuable foreign exchange formerly used to import food can be used for investment to provide an industrial base and diversify the economy. The establishment of an efficient food and agro-allied subsector enhances value added in the economy and provides opportunities for exports of added products which generate more export earnings than commodities.

Despite the relatively low contribution of the manufacturing sector to Nigeria's economic growth and development, the food and agro-allied is a major actor in the manufacturing sectors performance. The relative importance of the subsector in relation to other subsectors in the manufacturing sector is emphasised by the fact that its contribution to value added is greater than that of such subsectors as textiles and chemicals.

The relative importance of the subsector will most likely increase in view of the immense potentials of the subsector. A young and growing population, increased urbanisation and industrialisation are factors which will bring about increased demand for products of the food and agro-allied subsector. However, the realisation of the potentials of the food and agro-allied subsector to a great extent is dependent on a developed agriculture sector which will provide sufficient food supply as well as stimulate the development of the agro based industrial sector.

The Lagos State Government realising the need for the formulation and implementation of appropriate policies and programmes in agriculture and industry to ensure the growth and development of the food and agro-allied sector is committed to the promotion of the sector through the creation of a conducive environment for investment in the sector. Accordingly, in addition to the incentives provided industry generally, extra incentives are provided the agriculture sector by way of easy access to land allocation at very attractive rates and provision of farming inputs at concessionary prices. In addition, the Lagos State Government in support of the Federal Government's efforts to promote national self sufficiency in food production has embarked on a programme designed to boost the output of agricultural products in which Lagos state has a comparative advantage. I have just

received the Report of a Special Task Force set up by Government on accelerated fish and vegetables production in Lagos State. Government is in the process of considering the Report so as to formulate appropriate implementation strategies. Reports of other Special Task Forces in respect of other food crops are due for presentation soon and will be dealt with similarly.

Recent experience has demonstrated vividly that the promotion of agriculture development makes good sense and good business for industry. It is not the sole responsibility of Government. Indeed the National Agricultural Policy provides for Government's role to be mainly that of a catalyst for increased agricultural productivity and production. Government shall intensify its efforts in this regard through implementation of its various support and promotion programmes for the development of the farmer, especially the small scale farmer who in the aggregate is responsible for the bulk of our agricultural production.

Despite the rather long existence of the food processing industry in Lagos State, the industry in Lagos State and indeed throughout Nigeria is still very much in its infancy. This reflects to a great extent the general state of the food and agricultural sector and the generally low level of industrialisation in Nigeria. In the light of Nigeria's natural endowments and potentials the current low level of investment in the agricultural and food sectors provide ample opportunity for increased profitable investments and industrialisation in the food and agro-allied subsector in particular and the economy in general.

The task before the food processing industry in Nigeria is obvious; to provide healthy and nourishing food at a reasonable price. I trust that the deliberations of this workshop shall contribute significantly to this end

Thank you and God bless.

**AT THE OPENING CEREMONY OF EKO FOOD CARNIVAL '89 AT TAFAWA
BALEWA SQUARE LAGOS, ON THURSDAY, 30th NOVEMBER, 1989**

It is my pleasure and privilege to be amongst you this morning to participate in the opening programme of the Eko Food Carnival '89.

One of the major defects of the Nigerian economy is the absence or sometimes rather limited inter sectoral linkages in the system. There exists, for instance, limited linkages between industry and agriculture. The consequence of this is that both sectors are not as productive as they should be, thus hampering efforts at developing the said sectors and the economy generally.

The importance of agricultural sector in the Nigerian economy cannot be over-emphasised. This is vividly demonstrated by the fact that the sector in 1986 accounted for about 41% of the nation's Gross Domestic Product while the manufacturing sector accounted for 8%. The relative importance of the food and agro allied industry in the manufacturing sector is also emphasised by the fact that the subsector accounts for some 30% of the manufacturing sector's component of the nation's Gross Domestic Product. Its contribution to value added is higher than those of other sectors such as textiles and chemicals.

The food and agro-allied subsector is a growth area in the Nigeria economy. It is a subsector already making substantial contributions to the State's economy. This is illustrated by the fact that about 50% of the members of the relevant industrial group are members of the Ikeja and Apapa branches of the Manufacturers Association of Nigeria. Therefore we are committed to the growth and promotion of the food industry through the creation and sustenance of an appropriate environment conducive of the development and growth of the industry. Accordingly, the Lagos State Government shall formulate and implement appropriate strategies to actualise the provisions of the State's industrial and agricultural policies

In this regard and in consonance with the Federal Government's drive to ensure national sufficiency in food production, the Lagos State Government has embarked upon a programme designed to boost agriculture productivity and production in the State by directing special efforts to maximize the State's potentials in those areas of agriculture in which it has comparative advantage. In this regard, I have just received the report of a Special Task Force set up by Government on accelerated fish and vegetable production in Lagos State. Government is in the process of considering the Report so as to formulate appropriate implementation strategies. Reports of other Special Task Forces in respect of other food crops are due for presentation soon and will be dealt with similarly.

Investment in the food and agro-allied sector stimulates increased productivity and production not only in agriculture but also on the economy generally leading to development and growth of the rural economy with attendant social and economic benefits. Investment in the sector serves as a means of increasing the productive base of the economy and its diversification and industrialisation. In catering for the needs of the food and agro-allied sector, investment opportunities are created for those industries which provide essential support to the industry, such as packaging and marketing.

Recent experience has demonstrated vividly that the promotion of agricultural development makes good sense and good business for industry. It should not be the sole responsibility of Government at all time to promote agricultural production. Indeed, the National Agricultural Policy provides for Government's role to be mainly that of a catalyst for increased agricultural productivity and production. Government shall therefore intensify its efforts in this regard through implementation of its various support and promotion programmes for the development of the farmer, especially the small-scale farmer who, in the aggregate, is responsible for the bulk of our agricultural production.

The task before the food processing industry in Nigeria is obviously enormous and this is to provide healthy and nourishing food at affordable prices to the ultimate consumer. I trust that this specialised exhibition, Eko Food Carnival '89 will contribute to the attainment of this goal.

I would like again to express our gratitude to all the invited Guests for your presence and support and wish all the participants and visitors a fruitful Eko Food Carnival '89.

Thank you and God bless.

**GODWILL MESSAGE TO EGBE OMO ILARA-MOKIN'S 10th ANNIVERSARY
CEREMONY AND LAUNCHING OF ₦2 MILLION DEVELOPMENT FUND
ON THURSDAY, 30th NOVEMBER 1989**

It is with delight that I accepted your invitation as Guest of Honour at the MOKIN DAY '89 organised to mark the Egbe's 10th ANNIVERSARY CEREMONY and the Launching of Two Million Naira (2,000,000) Development Fund in aid of Education, Rehabilitation of Township Roads, a Modern Palace, Modern Market and Town Hall.

I have noted with keen interest the objectives of EGBE OMO ILARA-MOKIN and wish to acknowledge the achievements in the past ten years. The performance and progress made so far are a manifestation of unity, peace, hardwork, honesty and collective responsibility with which the leaders and members of EGBE ILARA-MOKIN have been pursuing the laid down objectives. I therefore wish to appeal that the co-operation that exists within ILARA-MOKIN should be extended to inter-communal relationship to enhance overall development of Ondo State. The Ondo State Government at this point in time needs your co-operation more than ever before to accomplish the set objectives of the State on Education, Health, Rural Development and other socio-economic development programmes. The event we are witnessing today is therefore a step in the right direction.

There is no doubt that the whole Nation is going through very hard and tough times. The Structural Adjustment Programme (SAP) introduced by the Federal Military Government is designed to re-structure our taste and outlook and generally re-appraise our life styles. The main idea is to get all of us to look inwards, be creative in our search for self fulfillment and survival. I am therefore highly delighted by the steps taken so far by EGBE OMO ILARA-MOKIN for Communal Self Help Projects. The Federal Military Government, the State Governments and indeed the Local Governments throughout the Federation are more than ever before committed to assist every community that embarked on self help projects to complement the efforts of the State and Local Governments. I enjoin you all to further cooperate and give full support to the Federal Military Government, the Ondo State Government and your Local Government on all political, economic and social programmes, particularly the Political Transition Programme aimed at evolving a honest grassroot democracy for a Government of the people by the people and for people.

The Launching of a Two Million Naira Development Fund by the EGBE OMO ILARA-MOKIN is therefore commendable and worthy of emulation by other societies, clubs, associations and communities not only in Ondo State but also throughout the Federation. I also rejoice with you on the celebration of 10th Anniversary of EGBE OMO ILARA-MOKIN. I pray that Allah the Most Beneficent and Most Merciful will guide and guard you all to attain more successes in your development efforts in the years ahead.

Thank you all and God bless.

**AT THE OFFICIAL RECEPTION IN HONOUR OF THE STATE CONTINGENT TO
THE 8th NATIONAL SPORTS FESTIVAL, ON FRIDAY, 1st DECEMBER 1989**

On 22nd September 1989, I was privileged to watch the Closing Ceremony of the 8th National Sports Festival held in Lagos. For me it was a pleasant and memorable occasion to watch our athletes perform with much dedication and a high sense of commitment.

I am, therefore, happy to receive the State's contingent to the Sports Festival at this gathering. It is particularly gratifying for me to note that the State contingent has performed well in spite of all odds, winning 41 gold, 34 silver and 37 bronze medals, with this impressive outing and a record of good behaviour on the part of the athletes, the State can be said to have regained its position of pride in the field of sports. The performance of our contingent confirms, once again, the firm belief that the State is blessed with a large number of promising athletes who can, with the appropriate training and exposure, make the State and indeed the nation proud at international competitions. In view of this, the present Administration hopes to intensify its efforts at providing the right type of training and motivation for our sportsmen and women.

No doubt, past efforts at encouraging and promoting sporting activities in the State have started to bear fruitful results. As a further incentive, the State Government will soon embark on the renovation and rehabilitation of the Rowe Park Sports Centre to serve our athletes in the meantime, pending the completion of the Sports Stadia under construction.

I am also convinced that with the provision of adequate sporting facilities in the State the issue of exodus of our athletes to other States or parts of the world will cease to exist. Let me, therefore, assure you that the State Government will always reward and motivate those athletes who not only perform well but are also dedicated and loyal.

The State Government is aware that the handling and training of athletes as well as the administration of sports play a major role in determining the performance of athletes. In this connection, close attention is being paid to the training of handlers and Sports Administrators themselves with the hope that some of the positive effect will be passed on to the athletes. Besides, those of them that are identified as showing declining productivity will be separated from the rest and replaced by fresh and capable ones. In their own interest, however, officials should strive hard to produce good results and not be complacent with only modest achievement or continue to "rest on their oars".

Ladies and Gentlemen, let me place on record the State Government's gratitude to the numerous sponsors, donors and sports enthusiasts who have assisted us in implementing our plans and programmes by their generous donations, gifts and moral support. However, I should point out that the opportunity is not lost for millions of other Nigerians who may wish to provide further financial assistance by donating generously to the Sports Appeal Fund which the State Government will launch shortly.

To show the deep appreciation and gratitude of the Government and people of this State to our worthy representatives at the 8th National Sports Festival, it has been decided to award prizes as follows:

- (a) All Gold medalist who are currently in institutions of learning will receive cash awards of ₦3,000 in lieu of scholarship which is equivalent to the value of the scholarship for 2 years.
- (b) All other Gold medalists will receive ₦2,000 cash present, but those with 3 Gold Medals or more, will receive in addition ₦250 cash for each additional gold medal they have won.
- (c) All Silver medalists, irrespective of the number of Silver medals they have won, will receive ₦1,000 cash.
- (d) All Bronze medalist will each receive ₦500 cash
- (e) All other athletes who did not win any medal will receive ₦200 each
- (f) All Coaches, whose athletes or teams won Gold medals will be paid ₦1,000.00 each or be promoted to the next grade in deserving cases. Coaches who are qualified to receive the cash donation of ₦1,000.00 or immediate promotion are free to choose the cash gift or the promotion.
- (g) All Team Managers are to receive ₦500.00 each while the Chaperons are to receive ₦300.00 each. Where the Team Managers or Chaperons are Gold medal winning Coaches they will not be entitled to this award which would have been additional to that for grooming a Gold winning athlete or team.
- (h) All the Cooks as against the members of the Catering Committee are each to receive ₦100.00.

Ladies and Gentlemen, the awards I have just announced will be given as a token of the people and the State Government in appreciation of the glory and honour bestowed on the State by the athletes. The gifts are also to serve as incentives and spur our athletes on to greater heights. Through the presentation, we are also rewarding hard work and dedication on the part of the officials.

Once again, I express, on behalf of myself, the Government and people of Lagos State, our sincere appreciation of your inestimable contributions towards winning back the past glory of the State in the field of Sports

Thank you and God bless.

AT THE SWEARING-IN CEREMONY OF MEMBERS OF THE TRIBUNAL OF ENQUIRY INTO THE ACTIVITIES OF THE LAGOS STATE TASK FORCE ON SCHOOL TEXT BOOKS AND STATIONERY AT THE GOVERNOR'S OFFICE ON FRIDAY, 1st DECEMBER 1989

Please recall that in an attempt to ensure that School Textbooks and Stationery get into the hands of the end users, i.e. parents, guardians, children, wards, etc, at reasonable and affordable prices, the present Administration in August 1984 established the Task Force on School Textbooks and Stationery. The Task Force embarked on the important assignment soon after the inauguration and from all indications, the measure brought immediate relief and satisfaction as regards the prices of Textbooks and Stationery. Besides, the activities of middlemen which hiked the prices of these items were reduced to minimum. Since the inception of the Task Force, however, there have been persistent reports of mis-management and thefts at both the Headquarters and at the various depots of the Task Force.

In order to ensure accountability, therefore, the State Government in April 1987 commissioned the Firm of Messrs Anjodus Uku, Eweka and Sons to audit the account of the Task Force in respect of the sale of Textbooks and Stationery. Whilst the report of the Company did not indict any member or official of the Task Force, it however, did not refute the allegations and speculations of mal-practices in the Task Force.

By 1988, the conditions for import licence and the general scarcity of goods which necessitate the setting up of the Task Force on Textbooks and Stationery no longer existed and Government decided to wind up the activities of the Task Force. Again, Government decided to commission the Firm of Messrs Osinuga and Company so as to do a proper winding up, audit and ensure accountability for the multi-million naira programme. The report submitted by this Firm of accountants however, contained disturbing disclosures which no responsible Government could leave uninvestigated. Some of the allegations relate to individual roles of members and officials of the Task Force and it is appropriate, considering the rules of natural justice, to give opportunities to those concerned to explain themselves. It is, therefore, in our bid to get at the root of the matter and establish the truth or otherwise of the disclosures that the Government has decided to set up this Judicial Tribunal of Enquiry to inquire into the activities of members and officials of the Task Force from its inception in August 1984 right up to November 1989. The Tribunal shall:

- (a) Ascertain the status of the Task Force vis-a-vis the State Ministry of Education;
- (b) Investigate the procedure for the procurement of text books and stationery from the various publishers during the period;
- (c) Investigate the storage system and distribution network of textbooks and stationery procured during the period;
- (d) Examine the internal control system vis-a-vis its general mode of operations and identify any weaknesses;
- (e) Examine the disbursement of funds at that Task Force's disposal and examine whether or not there have been fraud or other lapse in the operations and management of such funds;
- (f) Determine whether or not any member of the Task force include the

- Chairman has improperly enriched himself during the period and the amount of such enrichment.
- (g) Determine whether or not any public officer deployed to the Task Force or any one directly employed by the Task Force has improperly enriched himself during the period and the amount of such enrichment;
 - (h) Determine the assets and liabilities and particularly the state of indebtedness to publishers, organisations and individuals of the Task Force, and
 - (l) Examine any other matter which may be incidental to any of the terms of reference stated above.

Mr Chairman, Distinguished Guest, I seize this opportunity to affirm the need for public accountability particularly from those of us who are appointed to public offices requiring some level of trust and probity. I am certain in my belief that the moment the virtue of accountability is upheld by the people in positions of trust, the level of morality will rise and indeed the basic goodness inherent in the citizens of this country will manifest to the benefit of all.

I have no doubt in my mind whatsoever, that the team selected to conduct this investigation is a formidable one which will discharge its duty creditably without fear or favour. I am also optimistic that the Government and people of this State will have a lot to gain from this exercise so that proper justice could be done to all concerned.

Distinguished Guests, in view of the importance and urgency attached to the assignment of the Tribunal, I expect that its Report and findings would be submitted to me within four working weeks from today.

I wish the Tribunal the best of luck.

Thank you.

**AT THE PRESENTATION BY NERDC OF COPIES OF THE CONSTITUTION OF THE
FEDERAL REPUBLIC OF NIGERIA TO SECONDARY SCHOOLS IN LAGOS
STATE UNDER THE FEDERAL GOVERNMENT SCHOOL BOOK AID
PROGRAMME (4th DECEMBER 1989)**

I am very pleased for this opportunity to warmly welcome the Nigerian Educational Research and Development Council (NERDC) team to Lagos State on this important occasion of the formal presentation of JSS and SSS books and copies of the Constitution of the Federal Republic of Nigeria to Secondary Schools in Lagos State under the Federal Government Book Aid Programme.

I wish also to take this opportunity to express the appreciation of the Government and people of Lagos State to the Federal Government for book aids to Lagos State in past years. Today's presentation is very important in the sense that it is part of the effort to carry out the directive of the President, Commander-in-Chief of the Armed Forces of Nigeria, General Ibrahim Babangida to teach the Nigerian Constitution in all schools in the country.

As you are very well aware, the need to expose every Nigerian to our Constitution and its effects on his day to day actions is very high on the agenda of the present Administration and no effort can be too great in achieving this laudable objective.

I am reliably informed that the Nigerian Educational Research and Development Council (NERDC) has since its inception served as a useful instrument of the Federal Ministry of Education in the task of educational development and research. In collaboration with Federal and State Ministries, University Faculties and Institute of Education, the Council has carried out investigational activities for dissemination of research results, and for their demonstration, application and extension in schools.

Finally, in an effort to realise the importance of an effective and efficient Administration in the operation of any functional educational system, I urge your Council to urgently come up with findings that can improve the job performance of educational administrators in this period of rapid growth and austerity.

I thank you for the books donated and assure you that they will be used to achieve the desired political awareness among our people and uplift the standard of education in our schools.

Thank you and God bless.

**AT THE FAREWELL CEREMONY FOR THE LAGOS STATE CONTINGENT TO
THE NATIONAL FESTIVAL OF ARTS AND CULTURE (NAFEST '89) AT EPE ON
WEDNESDAY, 6th DECEMBER, 1989**

First and foremost, I will like to on behalf of the Government and the people of Lagos State, thank you all most sincerely, both officials and members of Lagos State contingent to NAFEST '89 for your dedication and at the same time, for your sacrifice throughout your stay here. It is equally true that we have not been able to provide the necessary atmosphere for your stay, and that is why I say on behalf of the Government and people of Lagos State we have to thank you very much for your endurance and your contributions towards the success of Lagos State.

I find it very necessary to address you with these few words on the eve of your departure for NAFEST '89 in Bauchi, Bauchi State. Many of you here will recall that it was only last year that the 7th National Festival of Arts and Culture was revived after several years of remaining dormant. The rescue operation which Lagos State offered to carry out when it hosted the festival in 1988 not only saw to the revival of this unique national event, but also paved the way for the announcement a few months later that the festival would now hold annually. The announcement was made by Mr President who is the Grand Patron of the festival, on the occasion of the launching of the National Cultural Policy in August 1988.

It is obvious therefore, that Lagos State holds itself as being in the forefront of our nation's cultural development through dynamic cultural policies and policy objectives. I personally therefore look forward to seeing you participate fully in the festival, and I am particularly interested in seeing what you bring back from the festival.

This is also why I have given both the Ministry of Information and Culture and the Lagos State Council for Arts and Culture my fullest support and blessing in this national endeavour.

I am aware that Lagos State has entered in all categories of the competitive events. I must say here that we have within the last one year discovered some of our shortcomings especially in the area of culture in the State and I will say here that we have made some efforts in trying as much as possible to make sure that the cultural centre at Onikan is started as from next year. We are also looking into the possibility of giving some renovation and a little bit of outlook to the Glover Hall in Lagos.

I know you were all carefully selected, and have been groomed by the State Council for Arts and Culture. You must be aware at all times that you are ambassadors of this State—in and out of the arenas of competition. You must not engage in any activity that will tarnish the image of this great State. As I always say, Eko is no longer for show but for business. And you must remember also that you must all work together as a team, and it is only through that that progress can come. You will also remember that culture being the strongest unifying factor in any nation, Nigeria looks forward to seeing you as part of a bigger whole—a nation that is immensely rich in its cultural heritage. You have now been given the task, and the privilege of being agents of the creation of a new Nigerian culture of unity, progress and growth. It is your duty and you must not let the State down. The

people of this state are watching and they expect successes from you all. Again I will like to say here that we will try as much as possible not to break the tradition of rewarding excellence in the State.

Our duty as a government is to try as much as possible to reward every individual, every event in the State. It is not only in sports that this reward is going to be given, the same reward is going to be extended to you all when you come back.

I must also emphasise that the State places a high premium on your safety to and from Bauchi. However, it is when order and harmony prevail that safety can be guaranteed. The officials accompanying you have been mandate to ensure your safety at all times. You must co-operate fully with them in keeping whatever rules and regulations which have been fashioned out to ensure your effective participation in the festival, and your safe return to Lagos.

Once again, I charge you all to be of good cheer, to be fair in your dealings with your colleagues, determined in competition, good in behaviour and above all, to be excellent ambassadors of Lagos State.

Once again, I will like to thank you all on behalf of the Government and people of Lagos State for your concern in the progress of this State.

Good luck, and God bless you all.

AT THE OPENING CEREMONY OF THE ANNUAL CONFERENCE OF LAGOS STATE ASSOCIATION OF SMALL SCALE INDUSTRIALISTS HOLDING AT THE LAGOS STATE HOUSE OF ASSEMBLY COMPLEX, THE SECRETARIAT, IKEJA ON THE 7th DECEMBER 1989.

First and foremost, before I go into my address, I will probably take this opportunity to say one or two things on some of the points raised by the President of Lagos State Association of small-scale industrialists.

I must say that it is the business of the Government and that of the Association to make sure that we have in this state smooth and peaceful atmosphere for growth of our Industries. And at the same time, some of the points which he has raised are points to be taken care of in order to have a very peaceful atmosphere for growth. I think some of the areas which he has mentioned, i.e. that of finance, that of the C of O, are areas we are beginning to look into. And I will say that we have tried within the last one year to meet that three months deadline of the issuance of C of O, provided all documents required for me to sign the C of O are provided. In fact, some of the C of Os were sent back either to the Land use Decree or some of them were suspended due to the fact that, some of the documents were not completed especially when it comes to the payment of revenue dues, i.e. tax, development levy and so on. If correct payments are not made, even if I sign the C of O, it will not be released, until correct fees are paid. May be this is one of the reasons why some of the C of Os are not being released. But immediately you make the required payments, the certificate of occupancy will be released.

Another factor militating so far, against the issuance of C of O is a straight forward thing. When I got here, I met heaps of C of Os still left to be signed, some as far back as 1986 and 1987. I am happy that we have relatively bridged that gap and I think we are reasonably within that number of months I mentioned during this year's budget. I think we have been able to cope with the three months schedule. So, on the others, I think we have mentioned that we will look into them especially in the area of application for the industrial lands but I must say again that some of the points you have mentioned will probably not be acceptable to the State Government, but by and large as I have said, I will set up a committee that will discuss fully with your own committee, to be able to arrive at a better solution, both to the State Government as well as your members who are supposed to be the small-scale industrialists.

I thank you very much for some of the points you have mentioned. I would like to thank the President and members of the Lagos State Association of Small Scale Industrialists for their kind invitation to me to be Special Guest of Honour at the opening ceremony of the annual conference of the Association. This is the first time your Association is holding one of its meetings under the auspices of the Lagos State Government. You are all most heartily welcome.

The theme of your conference, "Small-Scale Industry under the Structural Adjustment Programme" is very topical and relevant at this stage of our history as a nation. Citizens of this country have for so long depended on the Government and the big multinational companies as the primary sources of employment opportunity. Self-employment and self-

fulfilment in business were ideas pursued only by the few. Consequently, our past over dependence on Government and the big companies has further compounded our problems during the period of economic down-turn. Also our taste for foreign goods and complex foreign technology has not helped us either. Apart from making us rely wholly on foreign technology it has also retarded the development of our own indigenous initiatives. We, therefore, need the small-scale industrialists to turn over our economy.

The role of small-scale industries in the overall economic development of this nation cannot be over-emphasised. Industrialisation calls for the establishment of industries of all types and sizes. In the industrialised countries, be it in Europe, America or Asia, small scale industries account for a significant proportion of manufacturing capacity and employment in the economy. This is so because in those countries the potentials of the small scale sector in production and creation of employment opportunities are being utilised appropriately. In Nigeria, it is fashionable for us to want to operate always on a large scale without giving due consideration to the advantages and disadvantages inherent in such operations. Smallness is not necessarily a handicap and if properly managed a small business may afford competitive advantages.

There are considerable opportunities for prospective small-scale entrepreneurs in the State. The State and Federal Governments through their various promotional and support programme for the sub-sector are enhancing the prospects of the sub-sector. These include creating awareness through planned publicity for entrepreneurial opportunities, organising seminars and workshops where product profiles and feasibility reports are made available to would-be entrepreneurs. In this regard, it should be mentioned that in order to assist small-scale entrepreneurs to identify promising areas of investment and to set up viable entrepreneurs to manufacture high quality products, the State Government in 1987 commissioned a survey of the industrial potentials of the State. The report is available to interested entrepreneurs.

The Lagos State Government has been actively promoting the cause of small scale industries. For example, we lay emphasis on the development of industrial estates specifically for small scale concerns. We have developed Matori and Yaba Industrial Estates in the past and we are now establishing new ones at Ikorodu, Epe and Badagry rural areas of the State. The process of acquisition of land in respect of the Ikorodu site is almost completed and work on the site will commence soon. Our objective is that the estate will serve as a focal point for the development of the surrounding rural areas and cater for agro-based processing industries. In addition, the Lagos State Government, in collaboration with the Raw Materials Research Council, has established a Raw Material Display Centre at Matori Industrial Estate. The centre, which is now under construction, will provide information on availability of raw materials for various products.

Government recognised the need for investment capital and accordingly established the Small-Scale Industries Credit Scheme in 1972 to provide financial support for laudable and viable projects which may not start for lack of sufficient funds. The idea is to provide backing for those small scale ventures which the banks may not find sufficiently attractive to support. The scheme, which is designed to be a revolving fund has, however, been frustrated by the refusal of some of the loan beneficiaries under the scheme to pay back their outstanding loans. Distinguished members of the Lagos State Association of

Small Scale Industrialists, it is a matter of concern that a large number of small scale industrialists still owe the State Government over N1.5 million as outstanding debt from past debt disbursements. This should not be the case. I therefore appeal to your members to fulfil their obligations in this regard so that we can be in a position to help others. However, in order to arrest the negative trend and be able to cover a wider range of small scale industrialists, the Government has reviewed the operations of the Scheme and has established an Industrial Development Finance Company which has just been incorporated to handle further credit facilities to small-scale industrialists.

The President of the Small-Scale Industrialists, Distinguished Ladies and Gentlemen, I wish to assure you that Government will continue to give support and assistance to your Association and we look forward to the strengthening of the cordial relationship which exists between us and your association. We are well aware of the enormous problems facing your members in achieving their desired goals, especially during this Structural Adjustment Programme but with patience and hard work we are bound to succeed.

Finally, I congratulate the National President of the National Association of Small-Scale Industrialists for the great strides made since its formation thirteen years ago. I note with satisfaction the progress you have made in your various endeavours and I enjoin you to continue with these lofty achievements.

Distinguished delegates, it is my privilege to formally declare your 1989 Annual Convention open and I wish you very useful and successful deliberations.

Thank you

**AT THE COMMISSIONING OF THE AGRICULTURAL TRAINING INSTITUTE,
ARAGA IN EPE LOCAL GOVERNMENT AREA, ON MONDAY,
11th DECEMBER 1989**

Today's event is the realisation of part of the policy measures articulated during the presentation of my 1989 Budget speech. Specifically, I had mentioned the plan of Government to reactivate the farm settlements, with one of them being converted into an Agricultural Training Institute. The opening today of the Agricultural Training Institute, Araga marks in a concrete way, the realisation of that target which was set for achievement during the current fiscal year. I am happy to be associated with the opening of this institute because it encapsulates the legitimate expectation of our people which I believe would strengthen their confidence in government plans and programmes.

The main objective of establishing this School is to combat unemployment among our youths, that is, young School Leavers at all levels. We hope to achieve the objective by giving them necessary vocational training for the acquisition of skills which will prepare them for self employment. Other programmes which have earlier been introduced by the Lagos State Government in pursuance of its agricultural policy include the Agricultural Inputs Credit Scheme, the Graduate Farmers Scheme, the School Leavers Programme, the Agricultural Estate Development Scheme and the Schools Agriculture Programme. Paramount in our thinking towards the establishment of this School which we are today inaugurating is the desire to reduce the migration of able bodied young men and women from our rural areas to the urban centres looking for white-collar jobs that are no longer available.

This programme is therefore designed to mobilise the outputs of Primary and Secondary Schools in the State for agricultural production through vocational training with a view to developing their own entrepreneurial skills with the minimal amount of fund, that may be available at their disposal. In order to attract our youths, the programme has been packaged to provide for free tuition, free accommodation, and provision of a stipend as allowance for the trainees. It has also been designed to complement the other programmes mentioned earlier in this address.

The training programme will be essentially a one-year practically-oriented course with emphasis on current knowledge in agricultural production. In addition, short-term courses will be available in the various fields of Agriculture namely: crop production, Livestock rearing and Fisheries Management. The Livestock Training Centre at Agege is currently offering such short term programmes in the area of pig farming, sheep and goat rearing and poultry production. While the Livestock Training Centre will continue in the meantime, it will eventually be integrated into the programme of the Agricultural Training Institute. Training in Livestock rearing techniques will include improvement of breeding stock, Livestock management and disease prevention. The Fisheries section will deal with the general principles of fisheries management, including the design and construction of fish ponds. The Engineering unit will teach the students the various methods of agricultural mechanization and the fabrication of simple farm tools.

It is gratifying to note that, with the opening of this Institution, Lagos State will rank among a few other States nation-wide, which have established similar schemes. I must say at this juncture that with the commissioning of the Araga Agricultural Training Institute today, we have succeeded in reactivating one of the earliest farm settlements in Lagos State which had been virtually abandoned for about a decade. It is noteworthy that only about ten percent of the Araga Farm settlement covering 320 hectares has been exploited within the last ten years. As can be seen around here, there is ample land within this precinct for use as demonstration farms by the trainees on this programme. Painstaking efforts have been made to select the participants of this programme from the grassroots. Although the journey to this venue may have been long and rough, you will agree with me that the Araga Agricultural Training Institute is now up to a good start.

At this juncture, I wish to congratulate the Lagos State Ministry of Agriculture and Cooperatives for working hard to ensure the take-off of this scheme which will give our youths a good opportunity to make a career in modern agriculture.

Members of the State Executive Council, Sole Administrators, Obas and Chiefs, my Lords temporal and spiritual, distinguished Ladies and Gentlemen, I now have the pleasure and privilege to formally commission the Agricultural Training Institute, Araga, Epe to the service of our people and the greater glory of the Almighty.

Thank you and God bless.

**AT THE SWEARING-IN CEREMONY OF CHAIRMAN AND MEMBERS OF
STANDING TRIBUNAL OF INQUIRY INTO CHIEFTAINCY MATTERS
ON TUESDAY, 12th DECEMBER 1989 AT THE CONFERENCE ROOM
OF THE MILITARY GOVERNOR'S OFFICE, SECRETARIAT, IKEJA**

The swearing-in ceremony of the Chairman and Members of the Standing Tribunal of Inquiry into Chieftaincy Matters which has just been performed is another manifestation of the determination of the State Government to preserve the dignity of traditional Institutions in the State.

As you are aware, chieftaincy matters are sensitive issues which are very dear to the hearts of our people. For some time now, the State Government has been saddled with the problems of resolving conflicting claims over a number of chieftaincy positions. These issues require indepth study of past records and historical antecedents. It is for this purpose, among others, that this Tribunal has been set up to examine all chieftaincy disputes and related issues and advise Government on the true historical position in each case.

The Tribunal has the following Terms of Reference:

- (a) To inquire into the number and identity (names) of the Ruling Houses in every Traditional Chieftaincy referred to it by the Office of the Military Governor having regard to their ancestry and genealogical descent.
- (b) To determine if there are more than one Ruling House in a Chieftaincy family and the order of rotation in which the Ruling houses shall provide candidates.
- (c) To determine the Ruling House which is next entitled to present candidates for the vacant stools among the Chieftaincy families.
- (d) To inquire into Chieftaincy Declarations which are specifically referred to it by the Office of the Military Governor.
- (e) To inquire into Chieftaincy claims as to the existence of Obaship Institutions and link to Royal blood referred to it by the Office of the Military Governor.
- (f) To determine whether requests for change of title from Bale or Chief to Oba or Olu or Aholu should be granted on the basis of the historical claims of the relevant communities.
- (g) To determine, in respect of vacant stools, the legitimacy of contestants' claims and other issues such as nomination and selection.

Traditional rulers occupy very significant position in the society. Apart from being leaders within the communities they represent a vital link between the people and the Government. In the circumstance, their position should be strengthened and guaranteed and they should always enjoy the confidence of the people they lead. In selecting people to occupy traditional stools, therefore, a thorough investigation ought to be made to ensure the legitimacy of the candidate and guarantee popular selection.

The Chairman and Members of the Tribunal have been carefully selected in view of the sensitive nature of the assignment. They are men of integrity, reputation and rich experience of life. I expect therefore that they would perform their duties diligently and creditably.

The Transition to Civil Rule Programme is now in full gear and the role of traditional rulers cannot be over-emphasised. Urgent dissemination of information is an essential feature of the programme and traditional rulers are expected to place at the disposal of both the citizens and the Government of the State their undoubted wealth of knowledge and experience. They should assist the Local Governments and other Government Agencies in their localities to interpret correctly and explain government policies and programmes to the people so that the transition to civil rule may take place in an atmosphere of peace and tranquility.

Finally, let me appeal to all interested persons and groups to come forward and assist the Standing Tribunal of Inquiry on Chieftaincy Matters in the discharge of its onerous tasks. The State Government, on its part, will give the tribunal necessary support for the effective performance of the sensitive assignment.

Thank you all and God bless.

**AT THE COMMISSIONING CEREMONY OF THE STATE PRIMARY SCHOOL
AND AIR-FORCE BASE SECONDARY SCHOOL, NIGERIA AIR-FORCE BASE,
IKEJA, LAGOS STATE ON TUESDAY, 12th DECEMBER 1989.**

It is indeed my pleasure to welcome you all, especially our Special Guest of Honour to this important ceremony marking the formal commissioning of the State Primary School and the Air-Force Base Secondary School, both located within the Air-Force Base, Ikeja. I am also pleased to state that this commissioning ceremony marks the first in a series of commissioning ceremonies which will feature prototype class room Blocks constructed for newly created schools, within military formations in Lagos Metropolitan area to serve primarily the educational needs of such formations and their surrounding communities. Apart from today's ceremony here at Air Force Base, Ikeja, similar projects have been completed at Army Cantonment, and Navy Town, Ojo and also at the Army Cantonment, Ikeja.

Many of us here would be familiar with the massive classroom replacement programme which the Lagos State Government embarked upon in 1984/85. What we may not be familiar with are the reasons for deciding to site some of the schools in Military formations especially in Metropolitan Lagos. The reasons are obvious and are as follows:

First, the expanding enrolment in the school system in the State demands that additional classroom spaces should be provided, particularly in areas of high population density, where land are available for such purpose. Second, the State Government is aware of the difficulties faced by Armed Forces personnel posted to the State in placing their children in schools. Third, the Nigerian Armed Forces have themselves recorded some outstanding achievements in the running of Primary and Secondary Schools throughout Nigeria and we believe a joint effort in this respect would be a worthwhile venture.

And finally, in the particular case of the Air Force Base, Ikeja, our studies have shown that the base currently has a private primary and a private secondary school, both run by the Nigerian Air Force, and both under serious population pressure. The neighbourhood of the base, Maloluku and environs are deficient in the provision of classroom space as a result of which some young children from this neighbourhood travel long distances and cross the dangerous express roads daily on their way to and from schools. All of these informed our decision to site the schools we are commissioning today within the Nigerian Air Force Base.

On the 7th July 1987, the State Government awarded to Messrs S.C.C. Nigeria Limited contract for the construction of two blocks of 34 Classrooms for the State Primary School Air Force Base, Ikeja and later increased the contract to include another three blocks to house the Air Force Base Secondary School, Ikeja. I am pleased to state that the Contractors, Messrs S.C.C. Nigeria Limited who were working for Lagos State for the first time performed creditably on this job, adjusted quickly to our style of project execution and stuck doggedly to the project to completion. I salute the contractors for their enviable performance on this project

As we are all aware however, the classrooms blocks alone do not make the schools. We still have to provide additional facilities in order to turn the blocks into the vibrant and well-run schools they should be. Contracts have already been awarded for the furniture for the schools, whilst laboratories fixtures, fittings as well as the equipment for the secondary school will soon be provided. The Libraries, Technical Workshops, and Sporting facilities are also to be provided in due course. We note and agree with enthusiasm the desire of the Nigerian Air Force to participate very actively in the running of the schools. We are optimistic however that the combined expertise of the Nigerian Air Force and the Lagos State Government in the running of schools will certainly make these schools the citadels of excellence which they should be for this community.

Finally, the school projects we are commissioning today are some of those projects that have been embarked upon in pursuit of the dual status of Lagos State as a Federal and State Capital. You will all agree with me that such projects constitute additional responsibilities on our overstretched purse. I therefore appeal to the Federal Government to come to our assistance in the execution of these projects by releasing promptly the special grants to the state on its dual status.

Our Special Guest of Honour, distinguished Ladies and Gentlemen, I welcome you to this historic ceremony. It is now my pleasure to call on the Special Guest of Honour, the Chief of Air Staff to deliver his address and formally commission the Classroom Blocks.

Thank you.

**AT THE COMMISSIONING CEREMONY OF THE BLOCK OF CLASSROOMS FOR
THE ATUNDA-OLU SCHOOL FOR THE PHYSICALLY HANDICAPPED CHILDREN
ON THURSDAY, 14th DECEMBER 1989**

It is with great joy that I join you here today at this memorable occasion to mark the Commissioning Ceremony of the magnificent Block of Classrooms donated to Atunda-Olu School for Physically Handicapped Children by our Philanthropist — Chief (Mrs) Olusola Yetunde Animashaun (Nee Asekun). I am reliably informed that the building being commissioned today was built at a cost of ₦350,000.00 and it is significant to note that this contribution is being made by an individual at a time when the Nigerian economy is at a down-turn. This is a shining example of public-spiritedness with a touch of motherhood, worthy of emulation by others. You will agree with me that the donor has rare but genuine love for the handicapped children of Atunda Olu School hence the huge investment of funds on a purely social venture which could otherwise have been put on a commercial undertaking with high economic returns.

Available information shows that Atuda Olu School was founded on the 28th of September 1965. The Headmistress of the school was Miss M. Hall — an expatriate who started the school in her sitting-room at No. 2 Badaru Street, Surulere with seven (7) children. In 1968, the school moved to Adamu Orisa Street, Surulere with about 50 children in two (2) bungalow buildings. It moved to the present site in 1971. It is satisfying to note that the children in this school have been doing well academically in spite of their physical handicaps. The school has recorded 100% performance in the First School Leaving Certificate in the last few years and some of the products are reported to be doing well in the secondary schools. It is remarkable also to note that two (2) old students of this school are at the University of Lagos studying Computer Science and Medicine.

The contribution of Chief (Mrs) Animashaun to the course of education by donating this magnificent building is important in two respects. It signifies a positive response to the need of handicapped children in this country and indeed all over the world. These handicapped children need knowledge and understanding and not pity. With the necessary support, handicapped children have capacity to excel in several fields of human endeavour as demonstrated by the children of this school in the Primary, Secondary and Tertiary levels of education. These children do not need alms and should therefore not be allowed to roam the streets begging for charity. Chief (Mrs) Animashaun's contribution is also important as a lesson for all Nigerians that the problem of the Handicapped in our society demands the co-operation of all and should not be left to the Government or their parents to solve alone.

Distinguished Ladies and Gentlemen, the donation of this building by Chief (Mrs) Animashaun is also an eloquent testimony to a long outstanding record of a life committed to the education and welfare of the Handicapped children during the past 20 years. I believe that nowadays in our pursuit of better life for our women-folk we should note that behind every successful woman, there is an equally successful man. In this connection, Chief (Mrs) Animashaun found an equally lively commitment in her husband — Chief Gaffar Kayode Animashaun — the B'Obagunwa of Ife who is a Legal Practitioner and Businessman. The Animashauns had once offered to donate their home at No. 6 Gbajumo

Crescent for Atunda Olu School and later agreed to develop the building being commissioned today in direct response to the preferred wish of the school authorities. It is, therefore, remarkable to witness how an interest generated in this school over two decades ago has blossomed today.

I wish to use this unique opportunity to call on other public-spirited individuals and organisations to make their contributions for the welfare of the less-fortunate ones in our society bearing in mind that such contributions will effect a better life for others. I also wish to use this occasion to pay public tribute to the Federal Military Government for giving the School, quarterly subventions and to the First Lady, Mrs Maryam Babangida for her personal donations to the school. I thank all other donors whose names I cannot recount here.

I now have the pleasure of commissioning the Ultra-modern building donated by Chief (Mrs) Animashaun in dedication to the memory of her late father — Rev. Cannon Daniel Kehinde Asekun, to the Glory of God and the use of these less fortunate children. May the Almighty God bless this honourable donor.

Thank you.

**AT THE COMMISSIONING CEREMONY OF THE ARMY CANTONMENT GIRLS
AND BOYS SECONDARY SCHOOLS AT THE ARMY CANTONMENT OJO, IN THE
OJO LOCAL GOVERNMENT AREA OF LAGOS STATE
ON FRIDAY, 15th DECEMBER 1989**

I welcome you all most sincerely to this epoch-making ceremony which will witness the formal commissioning of the new classroom blocks for the Girls Secondary School, and the Boys Secondary School both sited within the Army Cantonment, Ojo. I welcome in particular our eminent guest of honour and his entourage who have found time from their pressing assignments at the federal level to attend this ceremony. As you may all know, this is the second in the series of formal commissioning of schools and prototype classroom blocks sited in Military Cantonments in Lagos State. We had only on Tuesday, 12th December 1989, commissioned the School Blocks sited by the Lagos State Government at the Nigerian Air Force Base, Ikeja, whilst those of the Naval Base, Ojo are scheduled for commissioning in the next few weeks also as part of this programme.

The Lagos State Government Classroom Replacement Programme was commenced in 1984/85 to provide comfortable and standard classroom spaces for children in Lagos State Schools, and replace the functional classrooms which were constructed largely as a temporary measure. Between 1984 and now, Government has already constructed a total of 342 prototype blocks, with Ojo and Badagry Local Governments, between them, sharing 96 blocks. To date, N338 million has been invested on this classroom replacement programme.

In prosecuting the Classroom Replacement Programme, however, a major constraint is lack of suitable land area. In the case of the Ojo Army Cantonment, our feasibility survey revealed that there were Seven Public Primary Schools, and one Private Command Secondary School in the cantonment. The Public Primary Schools are all very thickly populated each with a population of over 1,200 pupils. To combat the problem of classroom inadequacy, therefore, Government decided to award the contract for a total of 108 classrooms with toilet facilities within the cantonment. The contract was awarded to Messrs Foundation Mira, an indigenous firm of building contractors, who were working for the Lagos State Government for the first time. In spite of galloping inflation in the prices of building materials in the country, the company was able to finish the job early and at a price of N3,024,000 decided at the time of award.

We are aware, however, that the provision of the prototype alone does not imply that good secondary education will be automatically provided. A lot of facilities including laboratory fixture and fittings, science equipment, workshops, electricity, water and furniture will have to be provided. You can be assured that Government will continue to allocate huge resources to education in Lagos State. The community must, however, come in a massive way to the aid of schools in their community. The schools serve the community, and a school should be as equipped as its community wants it to be. In this connection, I am pleased to note that the Board of Governors of the Ojo Cantonment Girls Secondary School, has been making good plans for tackling the various problems facing the school. I charge both the Principals and the Teachers of the schools to continue with the good work.

Our distinguished Guest of Honour, Eminent Ladies and Gentlemen, the continuation of the Classroom Replacement Programme is an eloquent testimony of the determination of the present administration to raise the standard of education in the State. We hope that the Federal Government would continue to come to the aid of the State Government in the prosecution of this and other important programmes designed for the benefit of all the State citizens

Once more, I welcome you all to this august ceremony.

Thank you and God Bless.

**AT THE CLOSING CEREMONY OF THE JOINT NIGERIAN ARMY AND NATIONAL
ROAD SAFETY COMMISSION ROAD SAFETY CAMPAIGN WEEK, HELD FOR
1989 ON 15th DECEMBER 1989**

It gives me great pleasure to address you this morning on the occasion of the closing ceremony of the unique Road Safety Campaign Week jointly organised by the Nigerian Army and the Federal Road Safety Commission. The Activities that have taken place within the week are designed, no doubt, to remind road users of the need for extreme caution and safety on our highways.

Another objective of this unique effort by the two establishments is to pool resources of all interest groups, including the Federal Government, in an attempt to fight this malaise, and therefore, reduce deaths that occur daily on the highways. Activities that have taken place during the week include the physical checking of motor drivers' health status and a film show designed to raise the level of awareness of the general public on the consequences of bad driving habits and the significance of making a safe use of the highway.

In spite of deliberate efforts of the Federal and the State Governments directed at creating the required consciousness and arresting the dangerous trend, road accidents are on the increase and they continue to pose serious threats to the lives and property of our citizens. Undue haste, illiteracy, drunkenness, poor health and bad road habits are some of the grave causes of road accidents. I consider that the level of education of a road user is paramount and is a significant determinant of the road users' habits and attitudes on the highway. I, therefore, foresee a reduction in the incident of road accidents, once the level of education of the road user is raised.

Federal and State Governments have disbursed huge sums of money to make the highways motorable and to reduce the risks. Government will however, continue to make heavy financial allocation in this direction until the situation improves. In this connection, I have to call for greater co-operation from the people, particularly the road users, in ensuring that their vehicles are road-worthy and that they themselves are in a state of good health, before embarking on their journeys. Commuters within the townships have to set off for their various destinations as early as possible in order to avoid excessive speeding and undue haste. The time spent for extra care and in applying the safety devices may provide the difference between life and death.

The focus of this year's campaign which is the "Health of the Road User" is relevant and significant. It underscores the basic requirements of good physical and mental health of the motor driver so as to guarantee the safety of other road users. Let me point out that the State Government is interested in the outcome of the tests that have been carried out on motor drivers and I hope that his year's exercise would provide a positive impact on our efforts to improve the conditions on the highways.

I want to commend the efforts of the Nigerian Army Corps of Supply and Transport who have introduced the series of tests. It is my hope that the practice will be established and applied in future tests and in deciding the award of driving licence. The Federal Road

Safety Commission on its part, should be commended for making conscious efforts to sustain regular patrols with a view to reducing road accidents. I also congratulate the Commission for making its resources available for this year's joint Road Safety Campaign. The State Government has decided to extend the road safety programme to all the Local Government Areas of the State, and our efforts in this direction have been very rewarding. I enjoin the Federal Road Safety Commission to reach out also into all the Local Government Areas of the State.

Ladies and Gentlemen, let me seize this opportunity to invite all road safety organisations to pool resources together and organise road safety seminars, workshops and lectures on a regular basis. The young nation has lost a number of persons in road accidents who, otherwise, could have made very significant and positive contributions towards the rapid development of the nation, socially, economically and politically. It behoves every citizen of this country, therefore, to make a conscious but positive effort at ensuring that the highway is safe for all road users at all times.

Distinguished Guests, on behalf of the organisers of this Joint Road Safety Week Campaign, I thank all the participants for the highly successful outing. I now formally declare the road Safety Week closed.

Thank you God bless.

**AT THE COMMISSIONING CEREMONY OF ILOGBO-ELEGBA RURAL
ELECTRIFICATION PROJECT IN THE OJO LOCAL GOVERNMENT AREA
ON MONDAY, 18th DECEMBER 1989.**

About five months ago, precisely Monday, 28th August this year, I commissioned the Igbede Rural Electrification Project in this Local Government Area. On that glorious occasion, I said inter alia "With the completion of the Igbede project, the State Government is now seriously considering taking over two community initiated rural electrification schemes at Sibiri and Ekunpa and complete them. The modalities for taking over the projects are being worked out. Government has also awarded a contract for the completion of the abandoned rural electrification scheme for Ilogbo-Elegba in this Local Government Area.

I am therefore delighted to be amongst you today to rejoice with the people of Ilogbo-Elegba on the occasion of the commissioning ceremony of their rural electrification projects. It is a fulfilment of hopes raised and promises expressed. It is also a symbolic gesture of this Administration's commitment to uplifting the lives of the erstwhile neglected rural communities through provision of social facilities. It is now generally agreed that to enjoy electricity supply is to live in modern society. The world as diverse and expansive as it is, has been reduced to a global village through modern technological innovations such as radio and television to mention a few. And electricity is the nerve centre of this global community.

By the same token, electricity consumption and the rate of growth of demand for this facility have become indicators for monitoring and country society or community's industrial and leisure development. Therefore, the provision of electricity for the rural communities has been accepted by the Lagos state Government as a veritable vehicle for encouraging the establishment of farm settlements and increasing agricultural productivity through mechanization as well as providing storage and preservation facilities. It has equally been accepted as an instrument for promoting rural technology and cottage industries thereby raising the living standard of the people as well as monetizing the rural economy. Additionally, the provision of this facility would have the salutary effect of improving the aesthetic appeal of the rural environment at night and day, thereby providing adequate locations of relaxation for the rural dwellers.

It is within this context of understanding that the State Government planned the provision of electricity for over 300 rural communities in its four-year development package. Already, 122 communities are benefitting from the current programme. I am happy to note that 59 rural electrification schemes serving over 90 communities have been completed and commissioned in the last 36 months while about 25 projects are on-going. In addition to the Electricity Scheme we are commissioning today, Government has within its comprehensive provision of social and basic infrastructure, opened up and fully completed some roads in this neighbourhood. Also, a model rural housing scheme was built in Igbede last year.

I am delighted to inform you that the State Government has embarked on the completion of the Etegin, Sihri-Ekunpa rural electrification projects. Indeed, from reports reaching me, the project will be completed very soon to enable the communities have light. Furthermore, a major road network in this local government area, the llemba-Hausagbede Road is under construction and hopefully will be completed very soon.

At this juncture, I wish to express my gratitude to the two agencies of the Federal Government, i.e. the Federal Ministry of Mines, Power and Steel and the National Electric Power Authority (NEPA) without whose continued support and co-operation this effort would not have materialised.

Distinguished Ladies and Gentlemen, I am using this occasion to entrust the safety of this Rural Electrification Project to the people of Ilogbo Elegba. They have a duty to protect the project from any form of vandalism and theft thereby enhancing its durability. I am appealing to you to use any means at your disposal to ward off undesirable elements who might wish to deprive you of the use of this facility. In the part of the Government, we shall not rest on our part but intensify efforts at providing for the needs of our rural dwellers within available resources.

I now have the singular honour and privilege to commission the Ilogbo-Elegba Rural Electrification Scheme to the Glory of God and the benefit of the people of this community in particular and mankind in general

Thank you all and God Bless.

**ON THE OCCASION OF THE VISIT OF MEMBERS OF THE
UNIVERSITY OF LAGOS STUDENTS' UNION EXECUTIVE
TO TENDER APOLOGY ON THE ROLE IN THE SAP-RIOT
18th DECEMBER 1989**

First and foremost, I will like to thank you especially the University Community for sharing with me the grief on the loss of my wife. I accept the condolence and I have taken it as one of the ups and downs of life. I see it as a measure for me to do better things for the community.

I welcome members of the Students' Union Executive Committee of the University of Lagos to the State Secretariat on the occasion of their visit to tender apology for the role played by students in the last SAP-riot of May 1989.

Honestly I have listened attentively to this apology and in accepting it, let me take this opportunity to re-state that the present Military Administration frowns seriously at irresponsible unionism, and negative radicalism leading to gangsterism, vandalism leading to loss of lives and properties, as avenues for finding solutions to problems in the campuses of our tertiary institutions. Government believes strongly in the use of dialogue as a means of finding more feasible and effective solutions to our socio-political and economic problems, Whether within the University Campuses or outside them. Government will also continue, inspite of its limited resources, to make provisions for different areas of our need in our various institutions.

It should be realised that the problems of the country which have accumulated for decades cannot be solved overnight. Lasting solutions to these problems required drastic re-structuring of different facets of our lives for a new orientation and sense of direction, which the present administration has embarked upon and which can only be successfully achieved by showing our understanding and co-operation with government as we go through this difficult period. This is only a passing phase from which the nation will hopefully emerge an economically virile and politically stable nation.

Government will strive to provide congenial environment for meaningful academic pursuits in our schools and will still continue to encourage student participation in the decision-making processes of their respective institutions, especially in matters affecting them. Government also welcomes positive and constructive criticism from the academic community and all individuals of good will in the united efforts to solve many of the problems facing our schools and the nation.

Once again, government accepts your apology and hopes you will spend most of your valuable time in the realisation of your educational objectives in the University.

I thank you very much for coming and God bless you.

**AT THE COMMISSIONING CEREMONY OF MAYA OLORIJO RURAL
ELECTRIFICATION PROJECT IN IKORODU LOCAL GOVERNMENT AREA
ON MONDAY 18th DECEMBER 1989**

There is no doubt that today represents a landmark in the life of this Community. It is a day of joy and I am delighted to be amongst you to perform the commissioning ceremony of the Maya Olorijo Rural Electrification Project. One can never tire of performing this kind of assignment for it is indeed an identification with the aspirations and achievements of our people. Moreover, our activities today will also serve as one of the befitting legacies this Administration will bequeath to posterity. Earlier I commissioned the Baiyeku and Igbokuta micro-water schemes as well as the Oke-Agbo and Maya Alade rural electrification scheme. So far thirty-three (33) communities in this Local Government area have benefitted from 21 rural electrification projects in the last 24 months.

Meanwhile, looking at rural development efforts globally our experience in Lagos State since the inception of the programme in 1986 has clearly shown that integrated approach to rural development means sustained efforts by all segments of the society working in concert in order to convert the noble objectives and goals of the programme into social reality for the benefit of the great majority of our people. It is against this background that Government and the organised private sector, voluntary organisations and international organisations must harmonise their goals and programmes for the betterments of the society.

However, it is a truism that Government cannot provide all the essential conditions necessary and sufficient to make these communities viable growth poles. We are now at a crucial stage of our rural development programme and I strongly believe that the private sector organisations as well as voluntary associations must be more forthcoming in their support for the programme. It is regrettable that the private sector participation envisaged to complement government efforts especially in the areas of social and economic infrastructural facilities has not been forthcoming. However, one must commend voluntary organisations such as the Rotary Club, the Lions and Lioness Clubs for their effort in the EPI Programme which has benefitted millions of children in the urban and rural areas.

I want to seize this opportunity to call on the private sector and voluntary organisations to shift some of their funds and energy to the rural areas. In fact, very soon the State Government will launch a programme on private sector involvement in rural development. I am hopeful that the private sector will take up the challenge and support the programme. The call has become more acute because the enormity of the rural development task in Lagos State demands the total mobilisation of available resources from all sectors of society — government, private enterprises, voluntary organisations and international organisations.

Distinguished Ladies and Gentlemen, I wish to emphasize that more than ever before, the State Government would co-operate fully with private organisations in the task of upgrading the quality of life in the rural areas. Specifically, government would encourage such organisations to complement Government efforts through programmes such as Village Adoption Schemes. This programme endeavours to extend successful projects

ideas to a particular adopted rural community. I also appeal to them to collaborate more with government in terms of exchange of ideas and making available data for development purpose. In this regard, they would find the newly established Centre for Rural Development (CERUD) at the Lagos State University by the State Government, an institutional asset. Other areas where service clubs and similar organisations can also help are in the provision of potable water, rural electrification, good education facilities, health services, involvement in agricultural projects as well as other related assistance that can make life more meaningful for the rural dwellers.

Kabiyesi, Distinguished Guests, Ladies and Gentlemen, on this note, it is my honour and privilege to perform the commissioning of the Rural Electrification Scheme for Maya Olorijo to the Glory of God and the benefit of the people.

Thank you all and God bless.

**AT THE SWEARING-IN CEREMONY OF HON. JUSTICE LIGALI
AKANNI AYORINDE AS THE ACTING CHIEF JUDGE OF LAGOS STATE
ON 18th DECEMBER 1989**

I have just concluded the swearing-in of Honourable Justice Ligali Akanni Ayorinde as the Acting Chief Judge of Lagos State in accordance with the provisions of the 1979 Constitution of the Federal Republic of Nigeria.

When the former Chief Judge of Lagos State, Hon. Justice C. A. Johnson took ill sometime in October last year and subsequently retired from the service, I directed that Hon. Justice Ligali Ayorinde should be performing the duties of the Chief Judge. I am happy to say that he had carried out this assignment in a commendable manner.

The approval of this appointment as the Acting Chief Judge, is an adequate testimony to his capability, competence sense of responsibility and a re-affirmation of the confidence reposed in him both as a judge and as an Administrator. I congratulate him most heartily on his appointment and I have no doubt in my mind that he would continue to live up to expectation of this very high office.

Lagos State is in a peculiar position. Metropolitan Lagos serves not only as the present seat of the Federal Military Government but also as the commercial, industrial and financial nerve-centre of Nigeria. These factors impose a high population growth rate, due largely to immigration from both within and outside Nigeria. Consequently, the bulk of criminal and civil cases occurring in the country is treated by the Judiciary of the State. This is a fact that must always be borne in mind by all those concerned with the administration of justice in Lagos State since it imposes a peculiar burden and responsibility on the Judiciary on the State. This notwithstanding, the State Judiciary cannot afford undue delays in the trial of cases which result in such embarrassing accumulation of cases in the courts as to make the Judiciary itself suspect. By ensuring that justice is not only done but is seen to be done within a reasonable time, the judiciary will earn and maintain the credibility needed for it to function effectively as the major element of our evolving democracy.

On its part, the State Government will continue to support the independence of the judiciary and render assistance in every possible way to facilitate the maintenance of the rule of law and a better administration of justice. In this connection, steps are being taken to remove the impediments which adversely affect the efficient dispensation of justice in the State. For example, I am aware that the Judiciary is faced with a shortage of court buildings and that the facilities available in some of the existing courts are inadequate and could still be improved upon. I want to assure the Acting Chief Judge that the State Government will, within available resources, provide necessary facilities for improved performance of the Judiciary. We shall also continue to explore other avenues of improving the welfare of judges.

Distinguished Guests, Ladies and Gentlemen, once again, I congratulate the Acting Chief Judge and pray that the Almighty God will give him the wisdom, strength and courage to discharge this onerous responsibilities successfully.

I thank you all and God bless.

**AT THE COMMISSIONING CEREMONY OF BAIYEKU MICRO WATER SCHEME
IN IKORODU LOCAL GOVERNMENT AREA, ON 18th DECEMBER 1989**

I am pleased to be with the people of Baiyeku this afternoon on the commissioning of their Micro Water Scheme.

Ladies and Gentlemen, the commissioning of Baiyeku and Igbokuta Micro Water Schemes marks the turning point in phase I of the micro water projects. To-date, eleven micro water schemes out of the twelve awarded, capable of serving 15,000 inhabitants and constructed at an average cost of ₦800,000 each, have been completed within the last 12 months. In fact, the history of the micro water scheme we are commissioning today at Baiyeku has been chequered. Before now, it was one of the least progressive of the twelve schemes due to non-performance by the contractor. However, in order to accelerate, the project, the contract had to be terminated and re-awarded to Messrs Hydro Construction Engineering Company Limited at a cost of ₦998,589. I must commend the company for the speed and quality of the job done. They should not rest on their oars; but see this achievement as an opportunity to join hands with the State Government in its crusade to uplift the quality of lives in rural communities.

At this juncture, I wish to draw the attention of the people of Baiyeku and all communities in Lagos State to the need to establish a sustain a virile and effective Community Development Association. This is crucial for the successful implementation of the next phase of DFRRI's programme. It entails people's involvement in massive production activities in food and agriculture, rural housing, rural industrialisation, rural manpower development etc. On our part, the state Government will soon launch an intensive publicity campaign at the grassroots to complement the on-going massive national campaign by Federal DFRRI. Let me urge all existing communities in Lagos State that have not done so to form Community Development Associations without further delay. The available figures of 695 registered Community Development Associations in Lagos State out of 1,544 identified communities is not encouraging enough to fulfil our aspirations to create self-sustaining programmes.

The reason for this call is simple. The Directorate of Rural Development can only accelerate development at the grassroots and bring the communities into the mainstream of societal development if appropriate organisational institutions are in place to inspire, promote and coordinate development efforts and activities. Thus the necessity to have the Community Development Associations to serve this purpose. It is only when we succeed in doing this on a large scale that true and self-sustaining development can be achieved.

Kabiyesi, Distinguished Ladies and Gentlemen, I now have the honour and privilege to commission this micro water scheme to the glory of the Almighty God and for the benefit of the people of this area and the generality of mankind.

Thank you and God bless.

**AT THE OFFICIAL OPENING OF COMMERCIAL BANK(CREDIT LYONNAIS
NIGERIA) LIMITED, IKEJA BRANCH, ON THE 19th DECEMBER 1989**

I wish to express a hearty congratulations to the Board and Management of Commercial Bank (Credit Lyonnais Nigeria) Limited on this historic and memorable occasion on your journey to greater heights in the Finance and Banking sectors of the Nigerian Economy. It is no doubt a great stride and a manifestation of purposeful Board/Management team work.

Your bank has the option of siting this building outside Ikeja Local Government area and indeed Lagos State. As you have chosen by this siting to integrate the economic environment of Ikeja, the seat of the Government of Lagos State, we also use this occasion to express our profound appreciation. The choice might be seen as not out of place considering the distinct presence of banking outlets on OBA-AKRAN Road, Awolowo Way and Allen Avenue. Nonetheless, it has come at a time that the pull has been towards central Lagos and Victoria Island. Furthermore, I believe that this gathering knows what it takes to commission a full-fledged branch of a Commercial Bank and would not fail to accord your bank a high credit for being able to establish five branches in a space of seven years. It is indeed a steady growth, for a commercial bank to achieve.

Banking halls apart, the quality of banking practices and services depend on the philosophy of banking as an instrument of growth and development, the quality of technical know-how and support, the resilience of the banking staff especially in a sector that has become rapidly competitive. In this connection, I will put it on record that in the recent past the Lagos State Government through its Ministry of Finance had cause to enlist the services of Commercial Bank (Credit Lyonnais Nigeria) Limited and the Ministry was happy with the services rendered by the bank. On this note, I will like to emphasize the growing need for greater co-operation between banks, different levels of government, State parastatals and agencies, especially as revenue collectors. Banks must see themselves also as vital institutions for effecting Government fiscal measures. The response of banks to the budgetary measure on tax and interest earned on deposits of ₦50,000 and above remains an issue which is yet to be attended to by most banks.

On a wider level it is pertinent to solicit the support of the Banking Community in the nation's effort to revitalise the ailing Nigerian economy. We need support for our agricultural, Industrial and Urban infrastructural base. Banks should examine other major national programmes including those aimed at solving the high incidence of graduate unemployment. Please grant me the indulgence to use this opportunity to appeal to individual and corporate citizens of this State, and indeed this country to make effort to decelerate the high cost of living. Having given thought to this important subject, it seems something urgent must be done to societal ratings of the relative sectoral contributions. A situation which makes it more attractive to investors to attract higher yield from Banking/Commerce Sectors than from manufacturing or agriculture requires a dynamic manipulation of our orientation. Whilst exchange and services must yield comfortable returns to keep operators afloat they should be seen mainly as catalysts in the bid to achieving responses from the nation's productive sectors.

The Chairman, Board of Director, Distinguished Ladies and Gentlemen, I wish to commend the Commercial Bank (Credit Lyonnais Nigeria) Limited for its timely contribution towards the development and promotion of the socio-economic life of Ikeja Local Government Area in particular, and Lagos State in general. There is no doubt that your bank would reap its investments in this branch abundantly.

While wishing you season's greetings and a very happy and prosperous new year, it is now my pleasure to formally declare open the Ikeja Branch of Commercial Bank Credit Lyonnais to the Glory of God and the future prospects of productive activities in our economy.

Thank you and God bless.

**AT THE LAUNCHING CEREMONY OF THE LAGOS STATE CHAPTER OF THE
NATIONAL POPULATION POLICY ON TUESDAY, 19th DECEMBER, 1989
AT THE CITY HALL, LAGOS AT 9.00 A. M.**

I consider it a great honour for me to be here today to launch the Lagos State Chapter of National Population Policy.

In 1961, the officially-accepted population of the country stood at 55.7 million. Estimates in 1985 indicated that the population of the country had reached about 98 million amounting to an increase of 76% over a period of 22 years. Projections for the future indicate that the population of the country could reach about 165 million by the year 2,000 and 280 million by the year 2015. The population situation of any country is normally affected by births, deaths and migration. With the very high level of fertility accompanied by low mortality level, the rate of a natural population increase has risen from an estimated 2.1% per annum in the sixties to the present 3.3% per annum. This implies a possible doubling of the population size in 28 years and 22 years respectively. If the present conditions of fertility and the low level mortality are sustained, the rate of population growth will continue to increase, while the doubling time will be reduced.

Rapid population growth bears serious consequences for the government particularly in the social sector. Long term development programmes in education, health, housing, food and water supply etc. are adversely affected and disrupted if the population growth rate is unduly high.

I am informed that the strategies adopted for the implementation of the national policy are voluntary and in accordance with the fundamental human rights of the Individual. One of the most important of these is to make family planning services accessible, safe, affordable and culturally acceptable. Family Planning is a preventive and promotive health service which embraces family life, education for youths, birth spacing, family counselling, infertility counselling and tailoring resources to meet family needs. The health benefits of family planning are obtained either as a result of child spacing or directly from the time of contraceptive methods. The risk of childhood death is greater if the intervals between births are short and frequent births also put the health of the mother in danger.

For these reasons, family planning units have, with the assistance of international bodies, been established in most public hospitals, health centres and Clinics in Lagos State in recognition of the fact that health benefits accruable to men, women and children will result in a more productive labour force, more food to eat, improved education and improved quality of life for members of the family unit.

The role of men in family life is of paramount importance in the implementation of this policy. The machinery for its implementation has therefore been set in motion, and it is highly desirable that you avail yourself of these services for the upliftment of the lives of the children.

Before I conclude this address, I wish to seize the opportunity of this occasion to acknowledge the assistance rendered so far to the State Government in the area of health care delivery service by international Agencies such as USAID, Africare, UNFPA, Family Health Services, the International Training on Health from the University of North Carolina and others too numerous to mention. Their services to humanity have been tremendous. It is my hope that they will not relent in their efforts.

Distinguished Guests, Ladies and Gentlemen, national head-count is sine qua non to any meaningful planning and development. The impending census exercise, therefore, compels the support and co-operation of all Nigerians. It is one score or which all Nigerians must agree for the good of the nation and the benefit of all of us.

The Honourable Minister of Health, distinguished Ladies and Gentlemen, it is now my great pleasure and privilege to launch the Lagos State Chapter of the National Population Policy, for development, unity, progress and self reliance. *

Thank you all and God bless.

AT THE OFFICIAL OPENING OF THE NEW SCHOOL OF NATURAL AND APPLIED SCIENCES COMPLEX AND THE FOUNDATION STONE LAYING CEREMONY OF THE TECHNICAL WORKSHOP FOR THE SCHOOL OF VOCATIONAL AND TECHNICAL EDUCATION OF THE LAGOS STATE COLLEGE OF EDUCATION, OTO-IJANIKIN ON THURSDAY, 21st DECEMBER 1989

I have the greatest pleasure in joining you this morning to perform the Official Commissioning of the new School of Natural and Applied Sciences Complex and the Foundation Stone Laying Ceremony of the Vocational and Technical Education Workshop of the Lagos State College of Education, Oto-Ijanikin in the Ojo Local Government Area of Lagos State. Today's ceremony is significant in two respects. Firstly, the official commissioning of the School of Natural and Applied Sciences and Electrical Theatre Complex marks the realisation of a dream conceived five years ago which hinged on the provision of the most ideal learning environment and the required infrastructural facilities. Secondly, the foundation-stone laying ceremony of the Technical Workshop for the School of Vocational and Technical Education signifies another bold desire to transform this College into a first-class institution for the grooming of teachers to support our huge educational programme.

Educationists believe that the quality of the teaching personnel determines the quality of education being imparted. The State Government is, however, committed to upgrading the performance of the educational institutions through guaranteeing the most congenial learning atmosphere for teachers. In implementing this objective and other programmes, education has assumed the status of an industry in the State, consuming between 30 and 40% of our yearly Recurrent Budget. The construction of the prototype classrooms and Science blocks in various parts of the State and the massive financial input into the upgrading of facilities in our tertiary institutions bear an eloquent testimony to our noble cause.

At the inception of the present Administration seventeen months ago, I undertook a comprehensive appraisal of facilities in the Lagos State College of Education and resolved that the existing conditions should be improved upon. I am, therefore, happy today to observe that our hopes and aspirations are being realised soon after we made this appraisal. The buildings we are commissioning today which symbolise the realisation of our objectives, were constructed at a cost of ₦11.1 million. I wish to congratulate the Contractors, Messrs J.D.P. for a job well done.

Contract for the Technical Workshop Complex whose foundation stone is being laid today is estimated to cost a sum of ₦12.3 million. The Complex on completion will have provisions for Wood and Metalworks and for Building, Electrical and Electronics works also. The step we are taking now will, in the very near future, result in the production of enough teachers for the teaching of Introductory Technology in our Secondary School System which is a vital aspect of the 6-3-3-4 System of Education.

I wish to reiterate the determination of the State Government to provide necessary support for the teaching of Science and Technical Education. Towards this end, a sum of ₦130 million has been committed in procuring technical equipment for the Technical Colleges in the State in the last one year. I am happy to report that some of these equipment have started to arrive and will be installed very soon. It is my hope that the product of the Schools of Physical and Applied Sciences and Technical and Vocational Education, will live up to present and future challenges by providing the much-needed middle level manpower for the State in particular and the country at large. Our expectation is that they will leave this College to propagate the cause of self-reliance and economic independence.

In cognisance of the current economic situation in the country and the widening gap between the available resources and obligations of Government, it is simply no longer feasible to expect Government to finance every need of its citizenry. It, therefore, becomes imperative for institutions to maximize the use of available resources to achieve the desired goals. Maintenance culture should be inculcated into the students so that emphasis will be placed on repair and maintenance rather than replacement of faulty equipment.

At this juncture, I wish to implore the Governing Council of LACOED to pay special attention to the issue of discipline amongst the staff and students. Events of the recent past have left an undesirable sour taste in the mouth. Acts of indiscipline in whatever form as we recently witnessed must never be allowed to occur again. We expect our students to act as agents of progress, peace and stability and not those of destruction. As student teachers and future moulders of the characters of the youth of this nation, Government expects high standards of behaviour from you, bearing in mind that you hold a lot of sway over the lives of the children that will be entrusted under your care and guidance.

I must reiterate that academic excellence can only thrive in an environment of serenity, hardwork, and dedication to the pursuit of knowledge. Any attempt therefore by the staff and students to torment trouble or undermine the efforts of Government in this regard will only negate the noble ideals for which this College exists and detract from our declared goal of making this School a centre of excellence academically and professionally. It is my hope that the staff and students of this College will reciprocate Government's good gestures by being law-abiding and by channelling their grievances through the appropriate quarters.

My appeal to the Chairman and Members of the Governing Council is that no effort should be spared in ensuring that the quality and standard of education is raised to the desired level. Lagos State College of Education must be transformed into an institution of which we can all be justifiably proud. In this connection, the Council can count on the full support of the State Government.

Before I end this address, I must say that I have received some letters from the friends of the College especially from those who have passed out from this College about the issue of the Certificates of the Students. But I am assuring you that the State

Government has taken this up with the University of Lagos and it is my hope that before long we will be able to get the Certificates issued.

Distinguished Guests, Ladies and Gentlemen, I congratulate LACOED Governing Council and the entire Staff and students on this auspicious occasion. I strongly implore all users of these new facilities to handle them with the utmost care. .

It is, therefore, my greatest pleasure to commission the new School of Natural and Applied Sciences Building Complex and to lay the foundation stone of the Technical Workshop for the School of Vocational and Technical Education, for broadening the frontiers of academic pursuit and knowledge.

I thank you for your patience and pray for God's infinite mercy, guidance and bountiful blessings in the New Year.

-Thank you all and God bless.

**AT THE COMMISSIONING CEREMONY OF THE CLASSROOM BLOCKS OF
STATE PRIMARY SCHOOL AND STATE SECONDARY SCHOOL, NAVY TOWN,
OJO IN THE OJO LOCAL GOVERNMENT AREA OF LAGOS STATE ON FRIDAY,
22nd DECEMBER 1989**

I am delighted to welcome the Representatives of the Chief of Naval- Staff, Vice Admiral Patrick Koshoni, on behalf of the government and people of Lagos State, as our Special Guest, to this august gathering marking the official commissioning of the classroom blocks of the State Primary School and State Secondary School, Navy Town, Ojo. I also welcome most heartily other Senior Military Officers and dignitaries who have honoured our invitation to this ceremony which signifies a high watermark in the development of educational facilities within Military settlements in the nation.

An enduring policy of successive Administrations in Lagos State in the past one decade is to bring educational facilities as close as feasible to the doorsteps of the consumers. This is carried out within the concept of neighbourhood schools. The essence of this approach is to ensure that children attend schools as near as possible to their places of abode thereby minimising transport and other difficulties they may encounter while commuting between their homes and the school. The decision to site the proto-type classroom blocks being commissioned today in this location is, therefore, in fulfilment of this well-articulated policy. As you are well aware, members of the Armed Forces are subject to postings from one part of the country to another with the attendant problem of seeking placement for their young ones in schools in their new location. Besides, the educational facilities that have been located in the Navy Town and other Military Formations are expected to be utilised also by the civilian populace living within the vicinity of the barracks. This is in pursuance of a deliberate policy of bringing children of members of the Armed Forces together with those of their civilian counterparts in an attempt to foster understanding and co-operation between the two groups. The Parent/Teacher Associations of these Schools must constantly and consciously strive to nurture a cordial relationship between the two groups in the overall interest and good of the society.

Events of the recent past call for concerted efforts on the issue of maintaining discipline in schools. It is the desire of the Lagos State Government to strengthen the position of Principals and Headteachers in the maintenance of order and discipline amongst teachers, pupils and students in the school system. This Administration will not tolerate undue interference in schools' administration by individuals or groups as everything is now being done to establish the authority of Principals and Head-teachers in their schools. I wish to advise that legitimate complaints about school heads should be channelled to the Lagos State Teaching Service Commission for secondary schools and the Schools Management Board, for primary schools.

The success or failure of our educational institutions depends to a large extent on the disposition of the teachers. I should, therefore, stress that the State Government's commitment to the provision of a virile teaching workforce for the school system remains unshaken. Government is quite aware of certain constraints facing the teachers in schools

and is working relentlessly towards removing these problems. Although the Government has committed a large portion of its financial resources to the education sector in the past ten years, its commitment in other sectors are also pressing.

It is my contention, therefore, that the huge investments in the education sector must be justified by a marked improvement in the level of output and the quality of education. It is this expectation that has guided the decision to remove some unproductive teachers from the schools especially where a case of grievous ill-health has been established. We will, therefore, not shirk our responsibilities in taking remedial measures to ensure that high standards are maintained in the schools. I must also assure all concerned that appropriate compensation, by way of promotion and other rewards, will be extended to all hard-working and results-oriented teachers. The Civil Service Reforms have placed a high premium on hardwork and productivity above other factors and this is being applied to the letter.

Distinguished Guests, once again, I welcome you all to this august gathering and I wish you Merry Xmas and a prosperous New Year.

Thank you all and God bless.

**AT THE AHMADIYYA MUSLIM JUMAAT NIGERIA, ON THE OCCASION OF ITS
40th ANNUAL CONFERENCE ON FRIDAY, 22nd DECEMBER 1989**

I have always watched with keen interest in Lagos State the progress and activities of the Ahmadiyya Muslim Jamaat ever since it was founded in Lagos a few decades back. Since then, the Jamaat, I am happy to observe, has never failed to make its own contributions, along with other social and religious organisations, to the overall development of our society. I therefore wish to seize this opportunity to congratulate the Jamaat and wish them many more years of beneficial service.

As the Jamaat meets this year at its Annual conference I do earnestly hope that it would continue to give serious thought to the whole issue of what it can help do to sustain or improve on the progress and development of our beloved State.

For your Conference which occurs at this time of our national development, I will like to charge you to give your full support to the transitional programme of the government. The present administration is fully committed to the success of this programme and will not leave any stone unturned in order to achieve its objectives. It therefore become necessary for all of us especially social and religious leaders to render maximum support to the government for smooth and effective implementation of all aspects of this transitional programme.

I wish you successful deliberation

**AT THE OFFICIAL COMMISSIONING OF THE LEKKI-MAIYEGUN ARTERY ROAD
AND THE CAR PARK ON SATURDAY, 23rd DECEMBER 1989**

I have the honour and privilege to preside over the official commissioning of the Lekki-Maiyegun Artery Road and the Car-Park today. The commissioning ceremony may appear as one of the routine activities of the State Government but for me, today's event is one giant step being taken by the State in particular, and the nation as a whole in our concerted efforts to develop Tourism as a viable non-oil industry and a much more reliable alternative source of foreign-exchange earning which is required to revamp the nation's economy. It is the same philosophy which informed the present Military Administration in the State to consider and upgrade tourism into a distinct portfolio for a full-fledged Ministry. In the process, the State attained the enviable position of being the first and the only State in the Federation to evolve and launch a Tourism Policy. I am therefore happy to note that at this juncture, a national policy on Trade and Tourism is in the pipeline and is planned to be launched early in the new year. This is a welcome development and a justification for the pioneering effort and huge investment we have made in tourism development in the State in recent times. The role of the State Government has been clearly stated in the State Tourism Policy which in essence, is to provide infrastructures such as access roads, electricity, pipe-borne water, and security in all tourist destinations in order to facilitate tourism development by the private sector. Furthermore, the State Government as part of its implementation strategies, has also included incentive packages to potential tourism developers such as the allocation of heavily-subsidised tourism land which I would later address in the speech.

The State Tourism Policy has identified six tourism zones in the State viz:

- a. Lagos Bar beach-based recreational Zone
- b. Lekki-Maiyegun Resort-based Zone
- c. Kuramo Water-based Complex and Recreational Zone
- d. Badagry Beach Resort-based Zone
- e. Epe Marina cultural and Recreational Zone and
- f. Badagry Marina Cultural and Cultural Zone.

I have taken the trouble to list the six Tourism Zones as a proof that no part of the State has been left out of the programme. However, due to the limited resources available to the State Government and the competing needs of other public sectors, it is not possible to commence development in all the six tourism zones simultaneously. Hence the decision to start infrastructural development and provision of incentives to private developers at the Lekki-Maiyegun Resort-based Zone and to some extent at the Lagos Bar Beach-based Recreational zone. I want to assure you all citizens of the State and genuine developers whose interests lie in the remaining four zones that it is a matter of time when all the six identifies tourism zones would be opened up to constitute attractive and pleasant tourist centres.

There is no doubt that the growing popular use and the strategic location of the Lekki-Maiyegun beach, close to Lagos metropolis has influenced its being the first of the Tourism Zones to be opened up. This need has even become more urgent in view of the fact that destructive erosion at the Bar-Beach has reduced the Beach to a very narrow stretch of

sand coupled with the threat of flooding which the Atlantic Ocean at that front poses to the entire Victoria Island at the moment. It would be recalled that prior to the present construction, the scenario at the Maiyegun Beach was wild and chaotic. The routes to the beach were a few weedy footpaths and the beach-users parked their vehicles on the main Lagos-Epe Express Road and any available space. That practice, not only caused hardship to the beach-users themselves, but also consttuted a nuisance to other road users plying Epe and its environs. The decision was therefore taken to commission a Masterplan of the area to allow for orderly development. The Maiyegun Masterplan was produced about two years ago at a cost of ₦350,000.00 and it is the basis of the present and future development of the zone. The need to construct an access road to the beach and a car park with a capacity for 500 vehicles at a time then became apparent if the potentials of the beach were to be fully exploited. Hence, the State Government awarded the two related projects to Messrs Aresco (Nig) Ltd, an indigenous construction company at a cost of ₦11.5 million early in 1988. The price had to be reviewed upward to ₦15.3 million in the course of construction due to escalating cost of materials and labour. I must confess that my first contact with the projects gave me some concern about the ability of the contractor to execute the project, principally based on the very difficult swampy terrain of the land which I saw in the series of my unofficial visits to on-going projects. I am very happy however that the contractor has not only allayed my fears but he had rekindled my belief that, given the necessary encouragement, some indigenous contractors can hold their own against foreign-controlled construction companies in the country. I wish therefore to acknowledge publicly the good quality job executed by Messrs Aresco (Nig.) Ltd. and to advise other indigenous contractors to emulate the good example. The present artery road and car park represent the first phase of the project. The road will eventually link with a coastline road at the beach while the car park would be further expanded to take more than the 500 vehicles initially envisaged.

I have earlier mentioned that the involvement of the State Government would be confined to the stated policy objectives as enunciated in the State Tourism Policy which among other things, lay emphasis on the provision of infrastructure in the Tourism Zones and the granting of incentives to private developers. I am well aware that over 500 choice Tourism plots have been allocated to private developers at a token fee as an incentive to assist and encourage them to develop tourism plants. So far, most of the allottees have not reciprocated the benevolent gesture of the State Government by commencing development as promised or as stated in their Certificates of Occupancy. I wish to advise all allottees to commence development on their sites soonest or forfeit their allocations. It will amount to wishful thinking for allottee to imagine that he could speculate on his allocation either through an illegal transfer or conversion to uses other than those for which specifically allocated.

On this note, I wish to formally declare the Maiyegun Road and the Car Park open for public use. I enjoin members of the public to exercise care in the use of these facilities which have been provided at great expense.

Thank you and God bless.

**AT THE CHRISTMAS EVE DANCE OF THE ISLAND CLUB, LAGOS
ON SUNDAY, 24th DECEMBER 1989**

It is indeed my pleasure and privilege to be with you again this year to celebrate the festive occasion of Christmas. The annual Celebration provided for me last year, the opportunity to consider, not only the role of your Club in the social life of Lagos but also its potentials for assisting the State Government in its struggle to tackle societal problems.

It is worthy of note that since its inception in 1943, the Island Club has led the way in promoting social harmony and inter-racial understanding in its immediate community and beyond. It is also gratifying to note that the Club has continued in this tradition over the years. With a membership of over five thousand covering the entire country and extending far and wide into other lands, the Island Club represents a unique social group both in Lagos State and the nation at large.

There is no gainsaying the fact that your Club has on its membership the cream of our society from the various professions and all walks of life. As a Social Club, it creates ample opportunity for interaction among its members as well as provide a venue for recreation and leisure.

At this juncture, I want to acknowledge the contribution which the Club has made to the development of sports in the State particularly in the field of Table-Tennis. The role played by some of your members who are proprietors of Sports Clubs, financiers and sports enthusiasts is highly commendable. I am happy to note the immense contributions of some individual, service organisations and corporate bodies in the promotion of sporting activities, maintenance of social welfare institutions, donations to health institutions and rural development programmes. Let me again use this occasion to appeal to members of this club and other well-disposed Nigerians to continue to assist Government in the provision of sporting facilities in our Schools and Colleges as well as at the recreational Centres and to donate generously to the State's Sports Appeal Fund which will soon be launched.

Distinguished Ladies and Gentlemen, while noting the contributions of the Island Club in promoting sporting activities, I wish also to emphasize the need for the club to contribute more meaningfully towards the care and comfort of the less privileged members of our society. I believe that the Club is in a position not only to do so, but also to excel all others in this noble task. On its part, the Lagos State Government is determined, through appropriate measures embraced in the preparation of the 1990 Budget, to create an environment whereby the prevailing economic hardship would be considerably eased for the generality of the people.

Finally, I join you all in giving thanks to the Almighty God who has made it possible for all of us gathered here tonight to witness this year's Christmas Eve Dance. The occasion also calls for a sober reflection on the central message of the life of Jesus during this season. The ideals, of which sacrifice, self-denial and love are prominent, have undeniable relevance for humanity in general. I use this occasion to commend these ideals to the people of Lagos State.

The Chairman of Island Club, distinguished Members, Ladies and Gentlemen, I wish this premier Club of Lagos and every one here present, a Merry Christmas a Prosperous New Year in advance.

Thank you.

**AT THE CHRISTMAS EVE DANCE OF THE YORUBA TENNIS CLUB, HELD
ON SUNDAY, 24th DECEMBER 1989**

It is a matter of joy and honour for me to have the opportunity of attending tonight's Christmas Eve Dance. This time last year, similar Christmas Eve Dance was organised by your Club to round off that year's activities. That occasion provided me the opportunity of expressing my views on the position of your Club relative to the social life of the State and its potential for assisting the State Government in its struggle to tackle societal problems. I also utilised the opportunity to exchange ideas with some members of this great Club. This is another occasion to meet with the members of the club as a group and to further exchange views on how to join forces with the Government in an attempt to make Lagos greater and its people happier.

It is now my great pleasure, as always, to join members of the Yoruba Tennis Club to share with them the joy of yuletide. Yoruba Tennis Club was formed in 1926 and is now by any reckoning one of the distinguished social clubs of our time. Its membership embraces top professionals, public servants and other eminent dignitaries and personalities, including your Chairman, the Baba Eto of Yorubaland, Chief Folarin Coker. I wish to pay tribute to the founding fathers and pioneers of this great club. It is on record that among all indigenous clubs that exist in the State today, Yoruba Tennis Club ranks as the oldest. Its efforts since inception to build an enviable image is highly commendable and it is also gratifying to note that most members of this Club have served this country well in various capacities and have consequently contributed their quota to the development of the nation.

Chairman, Members of the Club, distinguished Guests, the outgoing year has been quite eventful having recorded among other things, serious protests and demonstrations against the harsh conditions of our economic environment. In a swift and direct response to the feelings of the people on the issue, the Federal Military Government introduced some far-reaching relief measures designed to cushion the telling effects of the economic programmes and the stark reality of our developmental processes. I cannot but make reference to the role that Community Leaders, Obas, Chiefs and other elders have played in explaining the position of the Government to the people and generally getting the people to forebear. I therefore use this occasion to commend the efforts of these sincere and patriotic Nigerians, including members of your club, for their contributions to the national economic reconstruction efforts.

In the coming year, the Budget of the State Government has been planned to further enhance the SAP relief measures and bring about greater comfort for the people. Particularly, the State Government will undertake, early in the new year, a restructuring of transportation facilities within the State and attempt to tackle the problem through some innovations including the re-routing of buses. We hope through this process to ease transportation problems in the State and reduce the hardship that commuters encounter daily.

In spite of efforts geared towards alleviating the suffering of the people, it is still pertinent to remind the citizens of the State that it requires the cooperation and commitment of all of us to salvage the national economy. This calls for perseverance and

hardwork on the part of the people. A fundamental and central issue now is how to ensure an effective participator, development process in the country in which Government programmes and plans will be firmly rooted at the grassroots. Programmes introduced in such a milieu will more quickly enlist the support and involvement of the people thus ensuring their success. My challenge, therefore, to all members of the Yoruba Tennis Club is that they should assist in informing and educating the people on the plans and programmes of Government and generally provide that essential link required to raise the level of awareness of our people for the benefit of all.

Distinguished Guests, Ladies and Gentlemen, the yuletide brings with it joy and merry-making. This is an age-long tradition and I rejoice with you all on the occasion of the 1989 Christmas celebrations. Humility, Godliness and love are qualities which characterised the exemplary life of Jesus Christ whose birth is being commemorated at Christmas. I enjoin all and sundry to emulate these sterling qualities so that we all can continue to live in peace and harmony.

I wish everyone present here and the entire people of Lagos State a Merry Christmas and a happy and prosperous New Year.

Thank you and God bless.

TEXT OF CHRISTMAS MESSAGE TO THE PEOPLE OF THE STATE

Fellow Citizens of Lagos State

It is with pleasure and gratitude to God Almighty that I send this Yuletide message of Goodwill and felicitations to you all as we commence the celebration of Christmas. To Christians all over the world Christmas heralds a season of joy and re-union, bringing much cheer to all men. It is a season that rekindles our hope for the brotherhood of mankind. It is therefore my heart-felt desire and prayer that the happiness which this Christmas brings in its wake will go a long way in healing the wound which life's vicissitudes might have visited on each and everyone in the course of the year.

The central message of Christmas and the birth of Jesus Christ is simply "love of thy neighbour". It is a message of goodwill to all men which in our circumstance today, still has undeniable currency. Love towards all men, for all men and among all men is a message for the poor and the rich, for young and old and I strongly commend it to be the watchword of all of us as we progress with the political transition and economic programmes before us as a nation. Let us eschew hatred, malice, greed and avarice in our relationship with one another and in our duty to the fatherland.

Permit me also to remark that it is not enough to share gifts among ourselves alone, let us remember the poor, the handicapped and other needy members of the society and in the spirit of Christmas, we ought to extend material assistance to them at this time such that they too can share in the joy of the season.

I take this occasion to wish you all, the good people of Lagos State, a happy and peaceful festive season.

**AT THE FOUNDATION STONE LAYING CEREMONY OF THE ELEPHANT HOUSE
AT THE CENTRAL BUSINESS DISTRICT AT IKEJA ON THURSDAY,
28th DECEMBER 1989 AT 10.00 A.M.**

I will like to thank everybody here for gracing this occasion, even though the vote of thanks will be given later. We will look into the problems as they affect Lagos State and at the same time solve the problems. I am assuring you that one of our priority areas as from next year will be the development of our estates including central business areas.

It is my great pleasure and honour to be here this morning for the foundation stone laying ceremony of the Elephant House.

I would like to start this address by congratulating first and foremost the Board and Management of WAPCO for their foresight and sound business acumen in embarking on the construction of their Permanent Head Office in this location, and all the professionals and contractors who through their various contributions are ensuring that the concept becomes a reality.

The construction of this edifice at this site is of great significance not only to the owners of the building and all those concerned with its construction but also to Lagos State. The Ikeja Business district was conceived and planned by the Lagos State Government with several objectives in mind. The centre is designed to provide the required additional commercial space outside the traditional business areas, and thereby decongest those parts of metropolitan Lagos. Furthermore the establishment of the business district is designed to enhance the social and economic attributes of the Lagos State capital, Ikeja and its environs.

The Lagos State Government in establishing this business district took due cognizance of the present and future needs and the inadequacies of the past. Accordingly, the Ikeja Business District with adjoining areas for the convenience of occupiers of the district in particular and residents in the area generally. In addition, there is provision for essential infrastructure such as water, electricity and tele-communications. This I promised will be embarked upon as from the next quarter of next year.

The Lagos State Government is committed to the implementation of appropriate policies and programmes that will ensure that Lagos State continues to be West Africa's foremost business centre. Accordingly, in addition to the provision of required infrastructure and facilities at this Business District, the State Government is currently implementing a programme designed to provide and maintain required infrastructure in industrial estates

in the State. Work on the Yirikiri and Ikorodu Industrial Districts have advanced substantially and should be completed early in the new year. Work on some other industrial estates shall commence in the new year.

At this juncture, I must express Government's concern at the failure of many allottees in this Business District and other industrial estates in the state to develop their sites. For instance, in this business district alone, I am informed that over 50 plots that were allocated several years back have still not been developed. Government shall not tolerate a situation whereby allottees fail to develop their sites, after allocation on the excuse that all facilities have not been provided by Government.

Allottees are enjoined to emulate the efforts of the West African Portland Cement Company (WAPCO) who have acted with deliberate despatch in the development of their site, I must warn that those who fail to proceed to develop their site will as per the conditions of the grant of the sites to them have their allocations revoked. I cannot but use this opportunity to once again call on manufacturers of building materials, who have over the years shown commitment and support to the development of the building industry to enhance their efforts to develop and manufacture local resource based building materials. They must support efforts of Government in this regard for it is the only way to ensure the continued growth and prosperity of the construction industry generally and the building materials industry in particular in this country. Once again I will like to thank everybody here present.

It is now my pleasure to proceed and perform the laying of the foundation of the Elephant House to the Glory of God and service to mankind.

Thank you and God bless.

**AT THE COMMISSIONING CEREMONY OF STREET LIGHTINGS DONATED
BY CHIEF TUNDE PONLE AT AGEGE ON FRIDAY, 29th DECEMBER 1989
AT 10.00 A.M.**

Before I go on with my address, I will like to say on behalf of the government and people of Lagos State we wish you, Prince Tunde Ponle a very happy birthday and many happy returns of the day.

I am delighted to be here this morning to share the joy of today with the residents of Ponle, Fabunmi, Odebumi and Besta Street in Dopemu Area of Agege. I am also delighted to congratulate chief and Mrs Tunde Ponle for their philanthropic gesture in providing the Street Lightings we are commissioning this morning to their community. May their shadows never grow less. I also pray that the almighty Allah, the Most Beneficent and the Most Merciful, replenish their purse abundantly.

As you are all aware, this period of the year is always a very busy time when the State Government budgets for the in-coming year are prepared and presented for final approval of the State Executive Council. In spite of this very important State assignment, I have, decided not to delegate the commissioning ceremony of this project as a mark of the commitment of the present Administration to the clarion call for individual, communal and corporate contributions to our development efforts. With retrospect to my address at the recent commissioning of a Micro Water Scheme at Baiyeku in Ikorodu Local Government Area, I did mention that the next phase of DFRRl's programme entails people's involvement in massive production in food and agriculture, rural housing, rural industrialisation, rural manpower development and other socio-economic activities. The event of today is therefore a mark of response and justification of the next phase of DFRRl programme.

I am reliably informed that the project which involves provision of street lightings on the street I have mentioned that is for Ponle, Fabunmi, Odebumi and Besta Streets is being donated by Chief and Mrs Ponle at an estimated cost of Two Hundred and fifty thousand Naira (250,000.00). The importance of this project cannot be over-emphasised, particularly on the security of this area at night. You will all agree with me that in these days of structural adjustment programme, a quarter of a million Naira is not an easy thing to come by. It must have therefore taken the donors a strong will and public spiritedness in contributing their quota towards the development of their community in making this decision. I commend their efforts for emulation by Community Development Association, Corporate Bodies, Voluntary Organisations and other well-to-do individuals.

Before ending this short address, I wish to call on the Community Development Association in this area to join hands with the Agege Local Government on the supervision and maintenance of this street lightings. The State Government is always ready to encourage and assist every community that embark on self-help projects. I wish to assure you that your call for support at all times will be attended to by the Government.

And finally I will like to say the road adjoining Odebumi to Egbe has been awarded and I will assure you that by this coming year we are prepared and posed to finish that road.

Once again, I congratulate Chief and Mrs Tunde Ponle for this generous donation and wish them more successes in their business and future endeavour.

It is now my pleasure to proceed and commission the Street Lightings to the Glory of God and service to mankind.

Thank you all and God bless.

**TEXT OF THE 1990 BUDGET ADDRESS DELIVERED BY THE MILITARY
GOVERNOR OF LAGOS STATE, COLONEL RAJI ALAGBE RASAKI
ON MONDAY, 8th JANUARY 1990**

Fellow Citizens of Lagos State,

Once again we have reached another milestone in the governance of this State and it is my pleasure and privilege to present to you the 1990 Budget of the State Government. The occasion presents an opportunity to review our performance in the past year and to expound our plans and programmes for the next one year.

As we take stock of the achievements and the shortcomings of the 1989 fiscal year, you will recall that it was made clear that the State financial resources was not as buoyant as popular opinion would have us believe. In reality, a wide gap existed between requirements for the ever-increasing needs and expectations for goods and services and the resources available to Government at any given time. Indeed, the level of contractual liabilities, including foreign and local commitments on projects such as the World Bank-Assisted Projects and Classroom Replacement Programme, to mention a few, has made it exigent to find a more radical approach to the funding of social services.

In the year 1989 we faced severe economic, social and security pressures which were largely a backwash from measures taken to structurally adjust our economy and way of life. This notwithstanding, I must place on record the commendable level of support and understanding which the people of this State demonstrated throughout the period. In the year ahead, we are also poised to continue with those plans, programmes and projects which have the greatest benefit for the generality of the people of this State, including those in the remote locations. The 1990 Budget will be hinged on prudent management of the available resources and the lessons of our past experience. As a first step, I wish to start with a general review of the 1989 performance.

REVIEW OF 1989 BUDGET PERFORMANCE

We have achieved a large measure of success in the tasks we set ourselves at the beginning of the year in spite of the problems of escalating costs and increased salary bills. Our style of administration is to provide in consonance with the general provision of the budget the needs of the people of the State. These are sensitised through the various neighbourhood meetings, radio and television discussions and question and answer programmes, correspondence as well as personal calls. In areas of road rehabilitation and construction, rural development, de-flooding of Metropolitan Lagos and provision of social services including education, we have, within the limits of our resources, responded to your wishes. This has been the approach of the State Government in maintaining responsive and good governance.

Revenue Performance

In the area of revenue generation, we budgeted to collect a total of N1,079 million in the course of 1989. I am happy to announce that we nearly achieved that target with a collection of N1,047 million. The 97 per cent performance recorded here could have been much better, particularly in the areas of non-tax revenue such as proceeds from transactions on state land. Nevertheless, the collection represented an increase of N236 million or 29 per cent over the actual for 1988. I will have more to say on revenue generation later in this address when our plan for 1990 is unfolded.

Expenditure Performance

Our budget in 1989 envisaged a total expenditure of N1,081 million on both recurrent and the capital programmes. However, the economic environment during the period was such that imposed additional spending on both accounts in order to achieve the set objectives and to honour our promises. The factors which contributed to that environment include the SAP Relief package, which was introduced nation-wide mid-way through the year, and had the effect of throwing our budget on personnel cost out of order. In a full year, the State Government alone, that is, excluding her parastatals and Local Governments, would be paying over N60 million for the SAP relief measures, less meal subsidy. This burden was met at the expense of other development programmes. For us to have conceded to pay the meal subsidy as demanded by the Unions, the State Government alone would require additional N80 million annually. Under the present economic conditions it is impossible to provide this money. It is appropriate to mention at this stage what we have done in 1989 and will continue to do in 1990 for promoting the welfare of our staff. We have increased allowances for housing, transportation and leave bonus for all categories of public servants. We continued to provide staff quarters and staff buses and a total amount of N5 million was specially disbursed in 1989 to reactivate buses belonging to various Ministries and Departments. Housing and car refurbishment loans and subsidised canteen services in all our major formations were also provided.

A Day care Centre is presently under construction at the Alausa Secretariat to cater for the need of working mothers. We sincerely believe that we have done all that a caring and responsive Government should do. Of course we shall continue to explore other practical avenues for enhancing the welfare of our staff.

Overhead Cost

In the area of overhead cost, we have in 1989 managed to contain the running expenses of Ministries and Departments within the budgetary provision of N199 million in spite of high inflation. In order to ensure greater efficiency and immediate actions, we instituted a strategy of giving monthly allocation of fund for running expenses direct to the needs of our hospital units and individual schools as well as Ministries and Departments within the Civil Service system.

Capital Expenditure

A larger capital expenditure performance than the ₦587.7 million target in the 1989 budget was recorded. The returns showed a total expenditure profile of ₦684.2 million which was ₦96.5 million or 16.4 per cent above the budget. When compared with the actual expenditure of ₦412.6 million in 1988 it is ₦271.6 million or 65.8 per cent greater. In concrete terms, we exceeded performance targets as a result of deliberate policy to sustain a level of physical and quantitative achievements commensurate with the needs and demands of the people during the course of the year. This has been made possible mainly through revenue target achievements and higher capital receipts.

In summary, we earned a total of ₦1,250 million in both ordinary revenue and capital receipts and spent a combined total of ₦1,160.7 million on recurrent and capital expenditures. The balance has been transferred into the Stabilisation Account.

We have covered in the course of 1989, a broad spectrum of capital programmes and projects that were recognised in that year's budget and in the supplementary review that took place in November 1989. Areas where we have done more than originally envisaged included road construction and rehabilitation, rural roads, water supply and rural electrification, World Bank Assisted Projects including down-payments and local counter-part funding, purchase of workshop equipment for technical colleges, construction of fire stations, construction of political party offices, classroom replacement programme and construction of infrastructural and other facilities for the tertiary institutions.

SECTORAL REVIEW OF 1989

Agriculture

We injected a new sense of direction and widened our areas of activities in the field of agricultural production and services. In line with my promise in the 1989 budget, we launched the Schools Agricultural Programme which was designed to impart to our youths the rudiments of agricultural production. The programme has been a huge success and it is heartening to note that it is gaining ground nationally. The Agricultural Training Institute in Araga near Epe was also commissioned in order to strengthen the training base of agricultural development in the State. The World Bank-Assisted Agricultural Development Programme (ADP) rendered assistance to farmers in the area of input procurement and distribution, land clearance and preparation, food processing and wider extension services. Of particular note was the motivation and assistance given for the revival of rice production by communities in Badagry, Epe and Lekki where a total of 369 hectares of land was cultivated.

Rural Development

We have continued to maintain the momentum and the priority given to the various programmes of rural development particularly rural roads, water supply and rural electrification. The year marked the completion of many rural roads, including the 26-kilometre

Gbaji-Aseri road in Badagry Local Government area at a cost of ₦28 million. This road which is near the border with the Republic of Benin is expected to promote the rapid development of the border areas as well as international co-operation. Work also commenced on the ₦120 million 45-kilometre Eleko-Aboreji Coastal road in the Ibeju-Lekki Local Government area. Other achievements included the completion and commissioning of 12 out of the 29 on-going rural electrification projects, the completion of 250 Federal sponsored hand-pump operated rural water schemes and the training of 400 personnel in the construction of the new proto-type 2 bed-room rural housing units, using locally sourced materials.

Commerce and Industry

In 1989, our activities have centred on providing promotional and support services for the private sector. We have also finalised all arrangements for the operational take-off of our Investment Holding Company and Industrial Development Finance Company. The latter would be providing technical and financial assistance to the small and medium scale sectors.

Tourism Development

In the course of the year, we expanded our tourism promotional activities and created additional facilities for the tourism industry. The First Phase of Maiyegun Artery Road and Car Park Complex has now been completed and commissioned. This added incentive, provided at a cost of ₦15 million is to further indicate State Government's commitment to tourism development especially the immediate development of Maiyegun Tourism Zone which is now fast opening up as an international tourism resort. While the patronage of the Eko Tourist Cruise Boat has risen beyond expectation, encouragement and support were given to the private sector to procure tourism lands and commence respective development without much problem.

Roads and Transportation

We rehabilitated and constructed more roads in 1989 than we originally planned. While rehabilitation was concentrated in Metropolitan Lagos and our other major towns, new constructions were undertaken in the semi-urban and rural areas to link up our major communities. Over ₦150 million was expended on this sector. We kept our promise to start the construction of pedestrian bridges in sensitive areas of the Metropolis. The one at Alaka has been opened for use while work has started at sites facing the Lagos State University. Ojo and the Lagos State College of Education at Oto-Ijanikin. Areas previously neglected were also taken care of; thus work started during the year on the construction of seventeen roads in Ajegunle, while more roads are programmed for 1990. We also continued to make steady progress on the major capital road projects such as the Third Mainland Bridge, the Ikorodu Road Dualization and the Igbonla bridge and road complex in Epe Local Government Area. New installation and rehabilitation of street lights were undertaken in various locations in the State including the whole of Victoria Island and GRA Ikeja. Installation works were started on thirteen roads in Ajegunle and are expected to be completed this year.

Our mass transportation system continued to expand rapidly with the procurement of more buses and the repair of grounded ones. It is opportune at this juncture to express gratitude to the Federal Military Government for some 80 buses allocated to Lagos State in 1989 under the national mass transit programme.

Education

As in the past, the highest allocation of our financial resources was devoted to the educational development of the state. Thus we were able to achieve most of the objectives outlined in the 1989 budget statement. We have implemented the new Education Policy with the reorganisation of the Ministry of Education and the establishment of the Teaching Service Commission, the Primary Schools Management Board and the constitution of Boards of Governors for our secondary schools. The delivery of ₦130 million worth of technical equipment ordered in 1988 for our technical colleges had started. Installation of science laboratory equipment and fittings were completed in 42 schools while 31 were still on-going and would be completed in 1990.

I am happy to announce the completion of the second phase of our classroom replacement programme. In all, 119 blocks have been completed for Primary Schools and 223 blocks for secondary schools. We have 59 blocks currently under construction for Primary Schools and 62 blocks for secondary schools. We have devoted a large amount of our time and money to the construction of classrooms and this will continue for some time. It is estimated that additional 203 blocks for secondary schools and 115 blocks for primary are required. We shall do our best to meet the requirement in future.

In respect of tertiary institutions, we have started in earnest to build the infrastructure and provide other facilities such as workshops and technical equipments.

Health

In 1989, we achieved some success with the renovation and rehabilitation of facilities in all our health institutions. Our Expanded Programme on Immunization (EPI) progressed satisfactorily. Returns showed that fewer children died from the six childhood killer diseases in the year. The implementation of our new Health Policy received the emphasis it deserved. In accordance with our promise, the Drugs and Medical Consumable Revolving Fund Committee was duly established to ensure speedy purchase and distribution of drugs and consumables to our hospitals. The operating of the Committee faced some teething problems which are now being resolved. We also implemented the policy of revolving fund for hospital feeding and the new system is working satisfactorily. The State Task Force on the Control of Fake and Adulterated Drugs commenced operation mid-way in the year and made considerable impact in the withdrawal of such drugs from the market. The Private Hospital Registration Authority similarly closed down a large number of illegal and sub-standard hospitals operating in the State.

Water Supply

Work has started in earnest on the World Bank-Assisted water supply expansion programme. Both the civil works at the Adiyen Waterworks site and the laying of trunk mains have progressed satisfactorily in the course of the year. We have also improved on the tertiary distribution network so that more homes received pipe-borne water.

De-flooding

De-flooding of Metropolitan Lagos received paramount attention in the course of 1989. A total of ₦16.06 million was spent on the construction and maintenance of drainage channels and box culverts, while work progressed satisfactorily on the World Bank-Assisted major channelisation projects.

Urban Renewal

A sum of ₦4.5 million was spent in 1989 to provide infrastructural facilities such as roads, drains and potable water to the following communities: Olaleye, Iponri, Badia, Sari-ganmu and Otto Village in Lagos Mainland Local Government Area.

General Administration

The provision of office accommodation and other facilities at the State Secretariat Complex, the Staff Development Centre, Magodo and the various High Courts/Magistrate Courts in the State improved significantly in 1989. Satisfactory progress was also recorded in the construction of political party offices which will be fully completed early in the new year.

The foregoing has been a broad assessment of how far we went in achieving the programmes and projects planned for 1989. On balance and in all modesty, it has all been a pleasing performance and with the support and encouragement of the people, it will be even better in 1990.

1990 BUDGET

The broad objective underlying the 1990 budget is to continue with the provision of goods and services strictly in response to the needs and preferences of the generality of the people. Accordingly, attention will continue to be focussed on the mass-oriented programmes and projects which were either started or inherited by this administration. We will strive to complete as soon as possible those already scheduled for completion this year while we will pursue others with vigour to ensure their successful completion at later dates.

The economic environment of 1989, characterised by inflation, high interest rate, heavy burden of personnel cost and the various ramifications of the Structural Adjustment Programme, forms the background against which the 1990 budget has been prepared. The climate of 1989/90 dictates that a larger proportion of our financial resources than

hitherto will have to be devoted to paying salaries and running the Ministries while a small proportion will be available for capital projects which will equally be affected by escalating costs. The only way open to us to sustain the high level of project delivery is for us to generate more internal revenue. I am therefore appealing to all taxable citizens of Lagos State particularly those that have been evading taxation to perform their civic duties so that Government can provide the amenities.

For the 1990 budget, we have also maintained a posture of realism in the budgetary projections and proposals so as to avoid exaggerated promises or unachievable targets. Our aim this year is one of consolidation and continuity in the march towards attaining and sustaining the much-desired progress in the overall interest of the people of this State.

Revenue Projection

For the 1990 fiscal year, we propose to collect a total revenue of ₦1,313.3 million which represents an increase of ₦234.1 million or 21.7 per cent above the target for 1989. Within this aggregate, taxes will bring in ₦428.2 million or 32.6 per cent of the total, statutory allocation ₦422.1 million or 32.1 per cent. Other major sources are Earnings and Sales ₦169.1 m, Reimbursement ₦140.6 million, Fines and Fees ₦120.3 million. Internal sources are expected to provide about 68 per cent of our total revenue. We believe our target is realistic and we are optimistic about our chances in reaching it.

Recurrent Expenditure

We propose to spend a total of ₦825.5 million on recurrent expenditure made up of ₦447.2 million for personnel cost and ₦378.3 million for overhead cost. Recurrent expenses are thus projected to go up by 67 per cent over 1989 provision, while provision for overhead costs alone has gone up by 89 per cent. As I indicated earlier, the SAP relief package has added considerably to our personnel cost while inflation and increase in charges of public utilities have forced us to increase the provision for running cost.

Capital Receipts

We have projected a total capital receipt of ₦575.6 million made of ₦356.6 million from recurrent budget surplus, ₦114.1 million from internal loans that are currently being drawn down and ₦105 million from grants and reimbursements which include a grant of ₦20 million from the Federal Government for the dual status of Lagos. The size of our capital receipt is 2 per cent smaller than the corresponding provision for 1989 and this is due to a smaller recurrent surplus. Other areas of capital receipts have in fact gone up by nearly 100 per cent.

Capital Expenditure

We intend to undertake a total capital expenditure of ₦575.4 million which for reasons indicated earlier is about 2 per cent down on the provision for 1989. Core capital project will consume ₦564.4 million while the provision for special expenditure will go up from ₦9.50 million in 1989 to ₦14 million in 1990. In our capital budget, provisions have been

made almost exclusively for the prosecution of all our on-going projects, for our counter-part funding of the World Bank-Assisted Projects in water supply, solid waste, storm water drainage, rating and valuation and Agricultural Development Programme (ADP). We have also made provision for the execution of projects for which specific loans have been raised such as the development of the Lekki Peninsula Scheme I and the continuation of Classroom Replacement Programme. In prosecuting our programmes for 1990, we have placed topmost priority on agriculture, road construction and rehabilitation, education and health projects, deflooding programme and rural development.

The summary of the sectoral allocation of capital budget is as follows:

(a) Economic Sector — consisting of agriculture and rural development, manufacturing, power, finance, commerce, tourism and transport — N212 million or 36.8 per cent of the total.

(b) Social Sector — made up of education, health, information, social development, sports and culture — N140 million or 24.4 per cent of the total.

(c) Environmental Development Sector — consisting in the main of water supply, the environment, sewage and drainage, housing, town and country planning — N163.3 million or 28.4 per cent of the total.

(d) General Administration of the State — N60 million or 10.4 per cent of the total.

This allocation structure is similar to what obtained in the 1989 budget and it shows that we are not deviating from the established pattern of the last few years.

Overall Budget Size

The size of the Lagos State Government budget for 1990 is N1,400.9 million consisting of N825.5 million for recurrent expenditure and N575.4 million for capital expenditure. Our budget has thus gone up by nearly N320 million or 29.5 per cent over the approved budget of 1989.

Within the overall total budget, the shares of the various sectors are as follows:

- | | | | | |
|---------------------------------|---|---------|----|-------|
| (a) Economic and Infrastructure | — | N404.3m | or | 28.8% |
| (b) Social Services | — | N606.2m | or | 43.3% |
| (c) Environmental Development | — | N198.6m | or | 14.2% |
| (d) General Administration | — | N191.8m | or | 13.7% |

Combined recurrent and capital provisions for education amount to N456.4 million or 32.5 per cent of the whole budget. Other notable provisions are as follows:

Agriculture	N47.5 million
Rural Development	N36.4 million
Roads and Transport	N152.8 million
Water Projects	N63.0 million
Health Services	N100.8 million

The emphasis in rural development in 1990 will be on the consolidation and completion of major infrastructural programmes embarked upon by the State Government and the Local Government on behalf of the National Directorate for Foods, Roads and Rural Infrastructure. Accordingly, we have earmarked N12 million for rural electrification, N9 million for rural and inter-Local Government roads, N10 million for water supply schemes and N2 million for construction of fishing and general jetties. It is hoped that all on-going rural electrification projects and all the eight micro water projects awarded last year will be completed this year. Our other areas of focus will include the establishment of new machinery for Mass Adult Literacy Campaign in the whole State, the expansion of the rural housing programme and new initiatives in the development of cottage industry, rural agriculture, hydrological and geological surveys of rural communities for further potable water schemes and the encouragement of the private sector participation in rural development programme. The campaign for private sector participation will soon be launched in three zones in the State. I am taking this opportunity to appeal to all private companies in the State to respond positively to our clarion call when it is made.

The Better Life Programme in the State continues to make satisfactory progress and its impact is increasingly being felt by our rural dwellers. Accordingly, Government will continue to assist it with grants-in-aid. A sum of N2.5 million is provided for 1990.

Commerce and Industry

The focus of our activities in this sector will remain the implementation of the State Industrial Policy. In this regard we will continue to promote the industrial and commercial development of the State through provision of necessary facilities and to encourage dispersal of establishments to the less congested parts of the State. The small and medium enterprises which presently are facing hard times in the current economic climate will be the focus of our assistance. It is expected that the newly established Industrial Development Finance Company which is oriented to cater for this class of companies and our Investment Holding Company (Ibile Investment Holding Limited) will commence operations this year. We intend to pursue vigorously our plan to establish new small scale industrial and agro-based estates outside Metropolitan Lagos. Work on one of the estates will commence in the first quarter and a sum of N2 million has been provided for this purpose. We have also advanced in our discussion with a United Nations Multi-lateral Agency for the establishment of an industrial and technical incubator outfit in Ikorodu. This will complement the efforts of the State Government and the Federal-sponsored Industrial Development Centre (IDC). We will also commence this year on annual identification of all business in the State in accordance with the provisions of the Enterprises Identification Edict of 1989. The business community is enjoined to support the efforts of the State Government in this survey, which is designed to provide the data base for Government planning of its future assistance and incentives to the private sector.

In respect of the brewery project at Agbowa, negotiation with a new technical partner for the privatisation of the project has been finalised and we expect completion work to resume on the site this year. I am happy to report that the old Coconut Industry in Badagry, in which we now have minority interest, is doing well and is providing steady employment and other economic benefits to the local community. In addition, Government has decided to substantially privatise LASACO Assurance Company Limited during the year.

Tourism Development

Government will continue to promote tourism development in the State with the provision of support facilities and the right incentives. Emphasis for tourism development still remains with private initiatives and I earnestly appeal to businessmen in this field to quicken the implementation of their ideas and intentions. It is gratifying to note the way the concept and realities of tourism have gained ground rapidly in this country in the last few years as a result of the initiatives taken by the Lagos State Government. We will accordingly continue to accord tourism development our high priority. In 1990, all the on-going infrastructure and beautification programme will be completed, while our main focus will shift to the establishment of a major park to be named EKO Wonderland and will be located within Ikeja environs. A sum of ₦2 million has been provided as our share of the equity capital for this project which is estimated to cost ₦55 million. The Apapa Amusement Park, a limited liability concern owned jointly by Lagos Island and Lagos Mainland Local Governments has suffered neglect in the past and will, in the new year, undergo major rehabilitation. Other tourism projects are in the pipeline and will be considered by Government for execution in the immediate future after proper articulation and positive feasibility studies have been obtained.

Roads and Transportation

Construction, maintenance and rehabilitation of roads throughout the length and breadth of this State remain the centre-piece of our development efforts in the State. We have accordingly provided in the budget a total of ₦76 million to cater for all forms of road construction and maintenance. We will complete in 1990 all the 1989 rehabilitation awards which are nearing completion such as the Ikorodu Dualization, the Igbonla bridge and road complex, the Aja-Langbasa-Badore road. It is also expected that the end of this year, work on the Third Mainland bridge will be nearing completion. I want to place on record the appreciation of the Government and people of Lagos State for the efforts being made by the Federal Military Government to complete this bridge and of special note is the personal interest shown by Mr President for its speedy completion.

In 1990, our attention will also be devoted among others, to the re-construction of the Ipaja-Idimu-Egbe dualisation, Egbe-Oke-Afa-Isolo road and bridge complex for which contracts were awarded in 1989 and the major rehabilitation of Awolowo Road, S.W. Ikoyi, Adeniji Adele Road in Lagos Island, Allen Avenue in Ikeja, Hussey-Alakija Road, Somolu and Market Street, Badagry. Satisfactory progress is expected to be made on the on-going coastal road construction between Eleko and Aboreji on the Lekki Peninsula. The on-going construction of pedestrian bridges will be completed and more will be awarded in the course of the year at Apakun and Onilekere Bus Stops and Igbobi Sabe.

Traffic Improvement Schemes

In our efforts to ameliorate the traffic situations on the roads, we have earmarked a sum of ₦500,000 for the traffic improvement schemes in such locations as Idunmota in Lagos Island and Anthony Village, and budgeted another ₦500,000 for the provision of

bus-shelters, traffic lights and lay-byes. In this regard, it is *auspicious to acknowledge with appreciation*, facilities being put in place by the *Federal Urban Mass Transit Programme*.

Mass Transportation

The expansion of the mass transportation system remains a major objective of this Administration. Towards this end, we hope to take delivery of some of the additional six Ferry boats placed on order last year at a cost of ₦58 million in order to boost our Ferry Services and expand the routes. In 1990, efforts will be made to procure more buses in addition to the four hundred promised by the Federal Urban Mass Transit Programme while provision has been made for the rehabilitation of more grounded vehicles and the stocking of fast moving spare parts. Arrangements have almost been completed for the Lagos State Transport Corporation to enter the inter-state express services as part of its expansion programme and also to partake in the mass movement of passengers between Lagos and the rest of the country. We propose to explore the possibility of introducing as soon as possible, exclusive bus lanes in some parts of Metropolitan Lagos so as to ensure quicker turn-round of buses especially at peak periods. It is our belief that when the new and repaired buses are put on the road and congestions is minimized through better traffic management, the transport problems in Lagos Metropolis will ease considerably.

Education

The educational sector will for the present time continue to receive the biggest slice of our annual budget and our main objectives for 1990 will include:

- (a) The consolidation of the progress being made with the implementation of new Education Policy.
- (b) Consolidation of the activities, functions and effectiveness of TESCOM and PSMB.
- (c) Quality control and effective supervision of private education in the State.
- (d) Emphasis on technical education and the provision of workshop equipment
- (e) Phasing out of Grade II Teachers Colleges programme and the School of Basic Studies.
- (f) Provision of more furniture, science and laboratory equipment, fixtures and fittings for schools.
- (g) Continuation of the classroom replacement programme; and
- (h) Continuation of the development of infrastructure and classroom/ workshops for the tertiary institutions.

To achieve the above objectives, we have voted a total of ₦371.1 million for recurrent

expenses and N85.25 million as capital expenditure for this sector. We intend to build more workshops for the five technical colleges and complete the importation of N130 million worth of equipment which we started last year. To ensure the maximum efficiency of these colleges all of them will be connected with NEPA this year. In the first quarter of 1990, a programme of providing adequate furniture for all our schools will be implemented and as a matter of deliberate policy we will henceforth endeavour to open new schools only when all furniture and fittings as well as other facilities are in place.

As part of the implementation of our new education policy, the present four Grade II Teachers Colleges will in the course of the year be reduced to one, that is, the African Church Teachers College Ifako which will itself eventually be converted to offer courses in National Certificate of Education (Primary). Furthermore the two Schools of Basic Studies will also be reduced to one (Agidingbi campus) which will eventually convert to a technical college.

Model Colleges

An appropriation of N8 million has been made for the full completion of the remaining two model colleges at Badore and Igbonia and the prosecution of Phase II of the project which entails provision of additional classrooms blocks, dormitories, workshops, laboratories and other infrastructural facilities in all the five rural based Model Colleges.

Boarding Facilities

We will continue with the policy of providing boarding facilities in selected schools. A sum of N1 million is earmarked for that purpose.

School Inspection

Part of the problems we had with the declining level of discipline as well as academic and moral standards in our schools could be traced to the absence of effective monitoring and surveillance by the Ministry of Education. We intend therefore to strengthen the Inspectorate Department of the Ministry and provide it with adequate facilities and equipment to enable it achieve the desired result.

Classroom Replacement Programme

We will pursue more vigorously the programme of classroom replacement in both our secondary and primary schools. We have re-awarded for completion abandoned prototype classrooms and those contracted under the UPE scheme in the seventies which are still considered to be structurally strong. In order to accelerate the delivery of new classrooms we were obliged to raise a local loan of N82 million in 1989 which is being utilised for prompt payment of contractors.

Tertiary Institutions

We are continuing with the development of the road network and other infrastructure at the Lagos State University. Implementation of the Water supply project for the institution which is expected to cost ₦12 million will commence this year.

The first phase of the development of the permanent site of the Lagos State Polytechnic in Ikorodu is scheduled for completion and we intend to award the contract soon for the construction of the internal road networks. The institution along with LASU will benefit from purchase of workshop, technical and science equipment to enable it secure accreditation for some of its engineering and technology courses from the National Board for Technical Education. Work will also continue on the construction of the Technical Workshop complex of our College of Education which on completion will be used for the training of teachers in the area of Introductory Technology for post primary schools.

Health

Our main objective in this sector will be to continue with the improvements already achieved in the level of our preventive and curative health care services. In the area of preventive health service, greater attention will be paid on the Primary Health Care which is part of the national strategy for ensuring Health for all by the year 2000. In particular, more emphasis will be placed on our campaign on the Expanded Programme on Immunization (EPI). I am happy to report that coverage in the State now stands at about 85% and our goal will be to attain a 90% coverage by the end of the year.

In the area of curative health care delivery, more attention will be placed on the rehabilitation and expansion of existing facilities in all our hospital units particularly with emphasis on the development of Ikeja and Lagos General Hospitals and Massey Street Children Hospital. We will undertake the refurbishment of mortuaries in both Lagos and Ikeja General Hospitals and replace the existing wooden chambers with aluminium-pannelled ones. We propose to re-build the Emergency Ward of the Lagos General Hospital; provide additional bedding and furniture for all the hospitals; undertake the provision of borehole for Ikorodu General Hospital and re-activate its X-ray equipment. The construction of a new block for the School of Health Technology will be re-awarded while the School of Nursing complex at Awolowo Road Ikoyi will be given a face lift. At the Lagos Island Maternity Hospital, the contract for the supply of two passenger bed lifts which was recently terminated will be re-awarded. In order to guarantee good health care delivery service for the populace of the riverine areas, we have decided to procure two field hospital/ambulance boats during the year.

Efforts will be made to complete other on-going capital projects in the Health Sector. These include the steam and Hot water pipeline network for Gbagada General Hospital and the installation of medical equipment for the 'Ayinke House.' We hope to open this wing of the Ikeja General Hospital during the first quarter of 1990.

This Administration is giving serious consideration to a new policy initiative which postulates the future development of our various health institutions as 'Centre of Excellence' for specific disciplines in place of their present 'General' hospital character. You will hear more of this idea in future.

Information Services

The focus of activities in this sector in 1990 will be on:

- (a) Strengthening the public enlightenment machinery of Government and improving its communication link with the people of the State.
- (b) Ensuring the completion of the Phase I of the Broadcasting House with the remaining repair works in the Master Control and the Bosch Out-side broadcasting Van.
- (c) Comprehensive re-activation of all radio and television broadcast transmitters for better performance and state-wide coverage.
- (d) The start of Phase II of the Broadcasting House Development Programme.
- (e) Improvement of facilities in transmitting stations such as Ijede and Ikorodu.
- (f) Mass mobilisation of the people of the State for support of various political transition programmes.

For the implementation of the foregoing programmes a sum of N16.3 million has been allocated in the budget.

Youth, Sports and Social Development

Our focus in this sector will be on the vigorous implementation of our newly approved policy on Youth, Sports and Social Development. In respect of project development, the escalating cost in the construction of the Teslim Balogun Stadium, Surulere is a major source of concern to this Administration. The estimated cost of the project is now N99 million. We will continue to work on the Stadium and endeavour to complete it this year if our financial position improves significantly. We will however complete the rehabilitation of the Rowe Park Sports Centre this year as well as other sporting facilities in all the Local Government areas of the State.

Construction work on the Onikan Cultural Centre will be re-awarded while the furnishing of the NYSC Orientation Centre at Ipaja Road will be made in the first quarter of the year. A capital vote of N16.75 million is provided for this sector.

Water Supply

The implementation of the N3 billion World Bank-Assisted Water Supply expansion projects which started in earnest last year will continue and reach a high watermark in the course of 1990. Some of you would have noticed and felt the inconvenience of the laying of the primary trunks in parts of Metropolitan Lagos. I appeal to you to bear with us and the contractors since our ultimate objective is to provide you with more potable water. We have provided a sum of N50 million as our own local counter-part funding for the projects this year.

Works on the rehabilitation of our mini-water works at Epe, Ikorodu, Amuwo-Odoto and Isolo for which contract has been awarded will commence soon. We will also continue with the provision of tertiary distribution networks, the installation of mobile water treatment plants for Ajegunle, Ketu and other areas and the renovation of the existing trunk mains.

In addition, we will commence the consumer enumeration exercise in preparation for the commercialisation plan of the State Water Corporation, which will, from this year, collect its own water charges direct from its consumers. I want to take this opportunity to seek your co-operation with the Water Corporation in making a success of this new approach.

Environment, Sewage and Drainage

During the year, our efforts in the areas of Environment, Sewage and Drainage will be directed to the intensification of our programmes for de-flooding the Lagos Metropolis, controlling environmental pollution and completion of the on-going sewage schemes.

To accomplish these objectives a total sum of ₦31.5 million has been appropriated for the sector. Activities that will be undertaken include the completion of on-going stormwater drainage projects such as the Mende, Oshodi-Sogunle, Ojota-Ketu, Mosafejo and Oko-Oba Primary and Secondary drainage channels as well as the rehabilitation of some existing drainage channels spread all over the State. Part of this year's appropriation is earmarked as the State Government's counter-part funding for the World Bank-Assisted Storm-water Drainage system (5 + 6C) and 6F which are under construction.

With regards to the sewage programme, a sum of ₦5 million has been earmarked for the provision of sewage treatment plants and networks in our housing estates at Abesan, Amuwo Odofin, Ogba and Omole. The provision will also take care of the preliminary works in respect of the Victoria Island sewage works stage II and the sewage works for the Permanent Secretariat Ibeja.

Waste Disposal

Regarding waste collection and disposal, in the State, our objectives in 1990 would include the following:

- (a) Take-off and conclusion of all aspects of the outstanding projects under the World Bank-Assisted Programme.
- (b) Attainment of higher internal revenue generation through commercialisation of waste collection.
- (c) Improving the efficiency and effectiveness of our waste collection and disposal systems.

In order to realise the stated objectives, the State Government has recognised in the budget the local counterpart funding for the solid waste component of the World Bank

Assisted programme and also provided a sum of N4 million as subvention to the Waste Disposal Board.

Environmental Pollution Control and Erosion Problem

Contract for the construction of the pollution control laboratory has recently been awarded and it is expected that the laboratory will be ready before the end of the year. With its completion we will be in a position to improve the environment in which we live and to offer technical services to the private sector. I therefore appeal to companies particularly with highly toxic pollution discharge to co-operate with the Ministry of the Environment and Physical Planning in paying their charges which will be used to improve the cleanliness of the environment and undertake further research works.

Erosion particularly of our coastline is now becoming a major ecological problem for the State. Efforts are being made in conjunction with the Federal Government to arrest the threat on a permanent basis.

Control of Water Hyacinth

The Federal and the State Governments are not relenting in their efforts to find a lasting solution to the menace of water hyacinth. Happily, the equipment ordered for the control of the weeds has now been delivered and will be installed in the course of the year. When completed, the barrier will stop the inflow of the weeds into our waters; thus the fishing and other economic activities of the riverine areas will be restored.

Housing

Our objective in the area of housing in 1990 will be the completion of the Ikota Resettlement Scheme and the provision of infrastructural facilities in the already completed Low Cost Housing Estates at Iba, Ojokoro, Ijeh, Abesan and Isolo. For this purpose a total sum of N23 million has been provided in the budget with N15 million earmarked for the completion of the Ikota resettlement scheme. In addition, the LSDPC will complete the Upper-Medium Income Housing Estate at Dolphin, Ikoyi by July 1990 while the medium-income duplex houses embarked upon in the middle of 1989 in Ogudu GRA and Amuwo-Odofin will be completed and allocated during the new year. Additional 60 blocks of 240 flats at Ijaiye will also be constructed in the year.

As part of its own contribution to the development of housing in the State, the Lagos Building Investment Corporation (LBIC) will continue to provide mortgage facilities for low, medium and private developers who are credit worthy. A sum of N10 million is expected to be disbursed as mortgage loans this year.

Land Administration and Estate Development

The major policy thrust for land administration in 1990 is the improvement and upgrading of the existing Government Estates, with a view to accelerating their development. In this regard, efforts will be concentrated on the maintenance of existing facilities in the old and mature Estates, while the new and up-coming ones like Lekki Peninsula Scheme I, Victoria Island Annex, Ikoyi Park View, Ormole, Magodo and Amuwo-Odofin Schemes will be provided with adequate roads, drains, water and electricity.

A sum of N38 million has been earmarked in this year's budget for estate development. However, given the present economic situation in the country and the level of Government commitments in the social and economic sectors, it is quite clear that Government alone cannot cope with the provision of these basic facilities. At the same time, Government is aware and sympathetic to the plight of many allottees in these estates who, because of the lack of basic infrastructure, have not been able to develop their plots. The situation therefore presents only one option which is the provision of infrastructure on cost-sharing basis. Accordingly, work is almost completed on the arrangement to be adopted for each estate.

I want to appeal once again, to the lessees/allottees of all our Estates to discharge their obligations by prompt payment of their land charges which fall due on 1st January of every year. Also, in the new year the hitherto undeveloped Lekki Peninsula Scheme II and parts of the Lagos South West Scheme will be given to private developers under special terms and conditions. This arrangement will involve the provision of site and services as well as housing units, to be sold to members of the public at economic rates. Through this process Government efforts at rapidly opening up these Estates will be complemented by private sector funding.

Urban Renewal

We will continue to emphasise the re-development of the depressed and previously neglected areas of Metropolitan Lagos with a view to making life more comfortable for their residents. In this regard a sum of N4 million has been provided for the continuation of renewal activities in Ajegunle, Olaleye Village, Badia, Orile-Ikeja/Ipodo district, Otto and Sari-Iganmu.

General Administration

The allocation of N46.05 million to General Administration sub-sector would cater for projects such as Staff Development Centre, Magodo, completion of political party offices in Local Government Headquarters, continuation of the new Government House, Ikeja; general development of the secretariat complex and the completion of facilities for the new Fire Stations.

The State Government will also embark on the establishment of a Central Computer Service Unit to cater for the needs of the entire Service.

We will also embark on the purchase/construction of new staff quarters and the renovation of all categories of existing quarters particularly those for the junior staff. The Day Care Centre which was started towards the end of last year will be completed and equipped later this year. It is also expected that the expansion and installation of additional facilities for the Secretariat PABX System will be completed in 1990. In line with the directive of the Federal Military Government, facilities for the judiciary will be enhanced. The newly completed Ikeja High Court Complex will be furnished in the first quarter of 1990. More Magistrate Courts will be constructed at Isolo, Ogba and Ikeja and construction of staff quarters for judges and magistrates in the divisional headquarters will be embarked upon.

Training and Staff Development

One of the salient features of the 1988 Civil Service Reforms is the high premium placed on the training of civil servants. Government has, consequently formulated a well-structured training policy for the entire service with a view to enhancing the degree of efficiency, effectiveness and speed of Civil Service operations.

To this end, the sum of ₦4 million is provided this year for the training and development of all categories of officers in the Civil and Teaching Services. This major and significant departure from the meagre sums that had been generally provided in the past is a reflection of Government's commitment to providing specialised training for its staff.

To complement its training and staff development effort, government has provided additional training facilities at Magodo Staff Development Centre. The construction of the first phase has been completed at a cost of ₦5 million and it will be put into use this current year. Work on the construction of the second phase including the Auditorium and the external works will soon be embarked upon.

Implementation of the Civil Service Reforms in Lagos State

Since the promulgation of the Decree NO. 43 of 1988 (Civil Service Re-organisation), Lagos State has made giant strides in the implementation of the Reforms. I am pleased to say that most aspects of the Reforms have been satisfactorily implemented. Some of these include the entire restructuring of Ministries as stipulated in the Decree, restructuring of the offices of the Accountant-General, Auditor-General and Chairman Board of Internal Revenue, and the institution of the Audit Alarm Committee.

In accordance with the Reforms, Internal Auditors have been posted to Ministries and Departments for the purpose of ensuring accountability. The State Civil Service Commission has issued, pending the receipt of same from the Federal Civil Service Commission, interim guidelines on appointments, promotions and discipline.

Transition to Civil Rule Programme

On the Transition to Civil Rule programme, construction of the remaining eight (8) Political Party Offices will commence any time from now. With regard to the former House of Assembly, the contract for its renovation would be awarded early this year. A Clerk-Designate has already been appointed while the recruitment of the legislative Staff is being pursued with vigour.

The State Government will in the current year undertake the translation of the two political parties constitutions and manifestos into Yoruba and Egun which are the two principal local languages in the State. Our efforts at the grassroots on the political education of the citizenry in relation to the political parties manifestos have started to yield results with the Sole Administrators of Local Governments spearheading the campaign.

Law and Order

The year 1989, witnessed relative peace in the State as our efforts aimed at dislodging and flushing out undesirable elements from their hide-outs were successful. Consequently, crime rate has reduced considerably. For the first time in recent time, the people of the State were able to go about their legitimate business in a peaceful atmosphere. I therefore wish to acknowledge, on behalf of the entire people of the State, the remarkable efforts made by the law enforcement agencies in maintaining law and order in the State.

Recently, the federal Government abrogated the Law on wandering and also granted amnesty to some people as a further demonstration of the "Human Right" posture of the present Administration. We in the State realise the possible implications of this development in the minds of our people as it affects their lives and properties. I wish to allay your fears, as the State Government is poised to deal with any individual or group of people that might abuse the Federal Government good gesture to engage in any form of criminal act. You should, however, be vigilant and be ready to provide information which could be useful to the law enforcement agencies in arresting the menace of the undesirable elements in our midst.

Conclusion

Fellow citizens of Lagos State, the foregoing is an overview of our planned activities for 1990 and I trust I speak for the entire public servants of Lagos State when I say in all modesty that no efforts will be spared in striving to attain the targets set in the various sectors. On the part of the general populace, the task of achieving meaningful development calls for no less determined effort and commitment to the ideals of patriotism, honesty and love for the fatherland.

There is no doubt that we have experienced rather difficult circumstances in the recent past but it is also certain that the future holds the promise of better times with our collective resolve to lay a solid foundation for sustainable growth and development. This is the challenge. It demands from all of us a better sense of financial prudence, accountability, responsibility and firm discipline in the acquisition, allocation and utilisation of resources.

Finally, I use this occasion, once again, to thank you all, the good people of Lagos State, for your unflagging support in the pursuit of the objectives of public policies, and programmes which are designed for the good of all. For the minority who may persist in constituting a stumbling block through their vicious and aggravated threat to progress and the well-being of the people, let me warn them to desist, as Government will not relent in its efforts to maintain a relatively safe and calm environment for the good of the majority. This is a crucial stage in our march towards economic self reliance and political stability and our duty, severally and collectively to ensure the desired success, bears all emphasis. From all indications, the year 1990 signals a hope for greater achievement in this State and indeed, the country.

Thank you and God bless.

**AT THE LAUNCHING OF THE 1990 ARMED FORCES AND REMEMBRANCE DAY
EMBLEM CELEBRATION APPEAL WEEK HELD AT THE FORMER HOUSE OF
ASSEMBLY, IKEJA ON TUESDAY, 9th JANUARY 1990**

I am delighted to be here this morning for the launching of the 1990 Armed Forces and Remembrance Day Emblem Celebration Appeal Week which is being launched simultaneously in all the State Capitals including the Federal Territory of Abuja. I consider it therefore my honour and privilege to preside over such an occasion which is being organised annually to precede the laying of wreaths in remembrance of our fallen compatriots in the Armed forces who had died gallantly at different times in the defence of freedom, individual liberty and the survival of the Nation as an indivisible entity. We owe the dead a sacred duty not only to cherish their priceless contributions to the Nation but also to lend material support to their surviving dependants. It is therefore necessary for us to demonstrate our appreciation for their glorious part for which this great Nation will continue to be appreciative and show clearly that we share the sorrows and tribulations of their widows, orphans and other dependants through generous and voluntary donations and the purchase of emblems which will be on sale throughout the Appeal Week. We must continually remember our dead compatriots in our prayers, that the Almighty God may grant them peaceful and eternal rest which they richly deserve. We must also remember and pray for their dependants and the Nation on this solemn occasion.

It is generally agreed that wars are the consequence of man's inability to resolve disputes or conflicts by peaceful methods and more often than not, it is brought about by the naked aggression and expansionist ambitions of powerful nations against the weak ones. It is in the course of such confrontations that our men fought and died bravely in far away places such as Camerouns, East Africa, India and Burma during the first and the second World Wars. Their mission was to assist in quelling the scourges of imperialism and colonization. Furthermore, the quests for peace and unity in the Congo, Lebanon, Tanzania and at home, during the last Civil War took heavy toll on the lives of fellow Nigerians who on every occasion had to answer the call for national duty. I salute their courage and the supreme sacrifice which they made in the process. Unfortunately, peace still remain elusive in some of these countries. We should use this occasion to pray and call for the return of peace and harmony to such countries and thank the Almighty God for His love and protection for this Nation.

The primary objective of today's launching of the Emblem Week should be seen as an opportunity not only to think about the fellow Nigerians who lost their lives, leaving their dependants behind but to encourage social recognition of the incapacitated ones and importance of their past roles. I therefore urge all those connected with the organisation of the appeal to ensure that the impact of the celebration is felt in all the rural areas of the State. To this end, I invite all inhabitants of Lagos State to donate very generously to the Appeal Week Fund which we are about to launch this morning. I must however remark that quite unlike the generosity for which the people of Lagos State are known, the last year's donation was not too impressive considering the State's unique position as the Nation's centre of commerce and industry. We must endeavour to resume our leading position in the Fund-Raising for the Appeal Week.

I cannot end this address without making reference to the enviable contributions of serving soldiers who fought and survived some of these wars and the veterans who are members of the Nigerian Legion. I want to reassure them and the Nigerian Legion in particular, of the State Government continued support through regular payment of subvention to their organisation and the employment of able bodied members. We will also continue to lend support to the various rehabilitation and resettlement schemes of our disabled colleagues. As usual the proceeds from the appeal Week will be passed promptly to the accounts of the Nigerian Legion.

On this note therefore, while reiterating my earlier call to each and everyone to donate generously towards the Armed Forces Remembrance Appeal Fund through purchase of the emblems will be on sale during the Appeal Week, it is my greatest pleasure to launch the 1990 Armed Forces and Remembrance Day Emblem Appeal Week to the glory of God, advancement of Nigerian Legion and re-dedication of members of the Armed Forces.

Thank you and God Bless

AT THE SWEARING-IN CEREMONY OF THE LAGOS STATE COMMISSIONER OF POLICE, ALHAJI SANI AHMED DAURA ON THE 17th JANUARY 1990

We have just witnessed the swearing-in ceremony of our new Commissioner of Police, Lagos State Command, Alhaji Sani Ahmed Daura. I will take this opportunity therefore to officially welcome you to Lagos State and at the same time to wish you a very good tenure of office. In doing that I will like to say that your responsibilities as the Commissioner of Police, Lagos State, I am quite sure is not new to you but what I want to say is that Lagos State is a very complex State, in short, it is a mini Nigeria. I will only advise that you should look, and listen before taking decisions.

We are complex in Lagos for the fact that there are various characters, not only Nigerians, but people from other parts of the world residing in Lagos. It is then your responsibility as well as that of the State Government to make sure a very peaceful atmosphere reigns. To achieve this I will assure you of the support of the people and the government of Lagos State but like I said earlier it is when you listen and take decisive actions that you goals aims and objectives will be realised.

We have relatively enjoyed in a modest way a very peaceful atmosphere and it is my wish and the wish of the people of Lagos state that his atmosphere continues but if not, we should try as much as possible to reduce the present little problems of armed robbery, fraud in the banks and other minor areas that will constitute insecurity in the State.

Having said that, I will again welcome you to Lagos State and wish you a very successful tenure of office on behalf of the Government and the people of Lagos State.

Thank you.

**AT THE SWEARING-IN CEREMONY OF ADMINISTRATIVE SECRETARIES FOR
THE TWO POLITICAL PARTIES IN THE LOCAL GOVERNMENTS IN LAGOS
STATE HELD ON FRIDAY, 19th JANUARY 1990**

We have just witnessed the swearing-in of Administrative Secretaries of the two registered political parties in each of the twelve Local Government Areas of the State and I have the pleasure to congratulate them all on their selection for this undoubtedly unique role within the political transition process in our country. It bears emphasis to say that the appointment has been based on such criteria as diligence, probity, maturity and a high moral standard.

The occasion of today marks another stride forward in the implementation of the Transition to Civil Rule programme of the present Military Administration. As we thus watch history unfold, this corp of Administrative Secretaries are afforded the opportunities to serve the State in another capacity and thereby make their contribution to the development of a stable political system in Lagos State and Nigeria as a whole. Yours is therefore, an onerous but challenging responsibility.

Perhaps, I should reiterate at this juncture that your resourcefulness, initiative and mental activity must be keyed to meet the demands of the assignment now being entrusted to you. In this regard, let me call your attention to the need for you, as Administrative Secretaries of Political Parties, to be resolutely upright in all you do and to shun all pressures from various quarters in the course of your official duties. This is of particular importance if you are to avoid being lured into working against your principles and the provisions of laid-down guidelines, regulations and relevant laws. I must stress that you should be keenly aware that every action you take in the course of this assignment would have an impact for good or ill, on the political stability of this nation. The real challenge therefore lies in maintaining your integrity at all times, since to do otherwise is to dent your image and impugn your family name.

I have no doubt that you will apply yourselves diligently, ensuring that you do not give room to any form of partisanship in the course of performing the functions assigned to your position. These functions include the following:

- (a) To set up an interim machinery for registration of party members in the Local Government areas assigned to you.
- (b) To carry out the day-to-day running of party offices in your areas, in co-operation with the State Directorate of MAMSER, Local Government Secretariat, and other relevant agencies in your Local Government areas.
- (c) To co-ordinate the activities of party registration officers at each ward within your Local Government jurisdiction and to relate with the state political party secretariat through the State Political Transition Committee; and
- (d) To organise party conventions and elections to constitute party executives at the ward and Local Government levels.

The paths to which you have just subscribed enjoin you, among other things, to deal fairly and impartially with all manner of people who will come forward for registration as

party members without fear or favour, affection or ill-will. It is my expectation that all the newly-appointed Administrative Secretaries would live up to the high ideals demanded of them by avoiding all forms of bias, discrimination or favouritism. You must constantly remind yourselves that you are first and foremost, public officers and that a public office is a public trust. I should also warn that any case of malpractice and maladministration will attract not only removal, but also earn such erring officers stern disciplinary action under the rules applicable in the Public Service. Any one of you found to be corrupt or wanting in any form would also stand the risk of being regarded as a saboteur and being summarily dealt with accordingly. I should add, at this juncture that this assignment demands the full co-operation of the Sole Administrators and Secretaries of the various Local Governments and to this end, you must all consider it your bounding duty to work hand-in-hand to achieve the desire results.

Finally, I have the pleasure to announce the names of the newly-appointed Administrative Secretaries of Political Parties and their respective Local Government as follows:

(a)	Agege Local Government	—	Mrs C. I. O. Ilori Mr H. A. King
(b)	Badagry Local Government	—	Mr S. A. Ige Mr C. A. Matan
(c)	Epe Local Government	—	Mr S. A. Olufade Mr E. O. Oguntona
(d)	Eti-Osa Local Government	—	Mr J. A. Shoberu Mr Yinka Abiodun
(e)	Ibeju-Lekki Local Government	—	Mr H. Omo-Ilume Mr Abayomi Animashaun
(f)	Ikeja Local Government	—	Mr M. O. Denton Mrs O. O. T. Benson
(g)	Ikorodu Local Government	—	Mrs M. F. Balogun Mr J. B. Owolabi
(h)	Lagos Island Local Government	—	Alhaji L. A. Gbadamosi Rev. J. I. Akindele
(i)	Lagos Mainland Local Government	—	Mr T. A. Shinaba Mr B. A. Adegbenro
(j)	Mushin Local Government	—	Mr Tunde Rotinwa Mrs K. A. Kassim
(k)	Ojo Local Government	—	Mr R. A. Baruwa Mr O. O. Opanuga
(l)	Somolu Local Government	—	Mr S. B. Ogunbona Mr Yomi Pinheiro

Once again, I congratulate you and wish you a most successful and rewarding tenure of office. I pray that you may have the courage and energy to enable you discharge your responsibilities creditably.

Thank you and God bless.

**AT THE PRESENTATION CEREMONY OF THE 1989 HOLY PILGRIMAGES
REPORTS BY THE MUSLIM AND THE CHRISTIAN PILGRIMS WELFARE
BOARDS AT IKEJA, ON MONDAY, 22nd JANUARY 1990**

I am delighted to welcome you to the formal presentation of the 1989 Christian and Muslim Pilgrimages report.

I now have the honour and privilege to receive the 1989 Holy Pilgrimage reports as required by the enabling statutes and to respond to the observations and comments made by the two chairmen. First, your commendation of the State Government's support to your Board is noted and well appreciated. It is a confirmation of the assurance I gave you at this forum last year that despite the limited resources of the State Government and the ever-increasing social demands, the State Government would endeavour, at all times, to lend support and provide a suitable climate wherein every citizen in the State will be able to practice and fulfil to the fullest his or her religious obligations.

I have gone through your reports and I am happy to note that two pilgrimages were very successful. It was also remarkable to hear that the Lagos State Pilgrims had a very good record of behaviour as they have continued to comport themselves in a satisfactory manner. Worthy of mention is the favourably health condition of the pilgrims from the State of which no death of pilgrims was recorded. This is by no means an achievement, the credit of which was largely due to your hardwork, integrity and dedication to duty during the period of the pilgrimages. I wish to commend you for a job well done and to urge you to continue to strive relentlessly to improve on last year's performance. Such improvements are possible and attainable if you commence your preparations for the pilgrimage early enough, such that you are not caught up in last minutes rush to meet any deadline. To this end, I expect your usual requests in connection with the preparations for the pilgrimages to be forwarded on time for consideration and necessary approval. The State Government has noted, with satisfaction, the arrangement made by the two Boards to encourage prospective pilgrims to pay their fares instalmentally in view of the present economic reality and high cost of the Holy Pilgrimage. The recommendations of the two Boards as contained in their reports are being studied and necessary action would be taken on them. Let me re-assure you, once more that the State Government would always provide support for the Boards in the discharge of their onerous welfare services to pilgrims from Lagos State

I cannot conclude this address without mentioning one area of interest at which your Boards could be of great assistance to the State and Nigeria in particular. At this crucial stage of our national development, there is need for your bodies to help Government to diffuse the constant religious tension in our society. This you can do through consultation and enlightenment of religious leaders and their followers with whom you regularly interact. It is advisable to let them know that no nation can make any positive progress unless there is peace and harmony which could only be brought about, in a pluralistic society such as ours, through religious understanding and tolerance.

I pray that God Almighty may continue to guide and direct your Boards aright and that future pilgrimages and operations would be better.

Thank you and God bless:

**AT THE 7th CONVOCATION CEREMONY OF THE LAGOS STATE
POLYTECHNIC ON THURSDAY, 25th JANUARY 1990.**

It gives me great pleasure to be here this morning to perform the 7th Convocation Ceremony of the Lagos State Polytechnic. I congratulate all the 1,223 graduands on this happy occasion as they have realised the goals on which they set out some years ago. I am aware that in spite of the wave of student unrest all over the country, the students of this Polytechnic have been behaving responsibly and adopting an attitude of consultation rather than confrontation. This disposition is noted by the Government and should be continued in the coming years.

The Polytechnic was set up by the Lagos State Government about a decade ago with the sole intention of producing scientific and technical manpower in Engineering, Agricultural and allied disciplines to fill the vacuum that exists in technical professions throughout the state and the country. The fulfilment of this laudable objective has however been beset by a variety of problems, ranging from inadequacy of staff to inadequacy of infrastructural facilities such as classrooms, laboratories, workshops and libraries.

Apart from the foregoing, there is the persistent interest of students in Arts and Social Science related disciplines which tilts the Polytechnic's students population ratio in favour of Business Administration and Arts related courses. These inadequacies have led to a situation whereby as at today, many of the Polytechnic's technical related courses have not been accredited by the National Board for Technical Education.

The Administration, in conscious realisation of the crucial role of technical education in the overall development of the nation has already taken the following policy options and concrete steps to solve these problems:

- (a) In 1988, the decision was finally and irrevocably arrived at, that Ikorodu would serve as the Permanent Campus of the Institution within a monocampus framework, construction of this permanent campus accordingly commenced with the on-going construction of the Schools of Engineering, Environmental Studies and the Library Complex.
- (b) Arrangements are being finalised to provide the various infrastructure, roads, electricity and water so that the buildings could be put to effective use immediately they are completed.
- (c) The State component of the 1st National Rolling Plan as finally approved by the Federal Government has earmarked an amount of ₦30 million for capital development on the Polytechnic during the period 1990 – 1992.
- (d) An amount of ₦25 million has been earmarked in the 1990 estimates for Tertiary Education and other special projects.
- (e) The recurrent expenditure for our tertiary institutions was raised from ₦11 million in 1989 to ₦20 million in 1990.
- (f) The payment procedure for capital projects in our tertiary institutions have been streamlined to eliminate unnecessary waste of valuable construction time
- (g) We are pursuing relentlessly the policy which aims at making the student population ratio 70/30 in favour of Engineering, Science and Technology courses

- (h) Arrangements are currently being finalised to procure all the equipment which are crucial to the accreditation of the academic programmes of the Schools of Engineering, Environmental Studies, Technology and the few courses yet to be accredited at the School of Management and Business Studies.

The Government is committed to enhancing the welfare of its staff. Government would however not allow itself to be unduly pressurised or intimidated by any group of staff. In this regard I wish to place on record my awareness of and appreciation of the level headedness with which the majority of our staff have approached the issue of paying of Unified Salary Structure (U.S.S.) for the Lagos State Polytechnic and the Lagos State College of Education. The Lagos State Government will not be left behind in any endeavour which is designed to enhance the status of its tertiary institutions. We should be able to attract and retain the best staff from any part of the world.

The Lagos State Government has therefore decided to implement the Unified Salary Structure (U.S.S.) for LASPOTTECH and LACOED with effect from February 1990. We are optimistic that this gesture from Government will be reciprocated by the staff of the Polytechnic and the College of Education through greater commitment to excellence and efficiency in the discharge of their duties. As you are all aware, the Polytechnic celebrated its 8th year anniversary in January 1988. Reports reaching me point to the fact that counter productive tendencies, cantankerous behaviours, traits of empire building, and even deliberate sabotage of Government's efforts and programmes are rearing their ugly heads in certain departments of the Polytechnic. Before any damage is done, I have decided to set up an administrative panel of enquiry to review the laws setting up the Polytechnic and investigate the performances of the Polytechnic and its various departments over the years against a background of the founding objectives of Government.

I am sure that the reports of the panel would be most useful to Government in the formulation of future policies affecting the Polytechnic. Once again, I congratulate the graduands of today. You are going out of the Polytechnic at a momentous period of the country's history. The Structural Adjustment Programme is a reality. The challenge before you therefore is to see how best you will survive and prosper within the framework, opportunities and constraints of the Structural Adjustment Programme. Your Polytechnic education has already provided you with the technical knowhow. What you need to develop are the initiative, flexibility and diligence that will make you contribute meaningfully to the solutions of the nation's problems.

In realisation of the demands of the times and its responsibility for formal and non-formal education, the State Agency for Mass Education is being established to bring under one umbrella the various agencies dealing with Mass Education, Political Awareness, Adult Education, Continuing Education and the eradication of illiteracy in Lagos State. This would help rectify the present situation whereby various Agencies of Government e.g. Ministry of Education, the Ministry of Youth, Sports and Social Development, Ministry of Information and Culture, Department of Local Government and MAMSER engage in unnecessary duplication of efforts in the bid to bring Adult Mass Education to the generality of our people. Experience has shown that significant achievements have been recorded only in those states which have created this type of Agency for Mass Education.

Distinguished Guests, Ladies and Gentlemen, let me, at this juncture, express appreciation of the efforts of the Chairman, Members of the Governing Council of the Polytechnic and the entire members of staff of this institution collectively and severally, in pursuing the set objectives of the Polytechnic. I will urge that they should strive harder towards creating a more conducive environment for maximal results from the available resources and their efforts.

Thank you and God Bless.

AT THE COMMISSIONING OF A HEALTH CENTRE DONATED BY THE LAGOS (DOYEN) LIONS CLUB (25-1-90)

I consider today a great honour for me to be invited to this epoch making and memorable occasion. It is memorable because the commissioning of this health centre built through the joint efforts of the Lagos (DOYEN) Lions and Lionesses Club is one of the activities lined up for the week long silver jubilee celebrations of other organisation. Health is of a great importance to the socio-economic development of any country and the health status of the citizenry is an indicator of the level of development of such a country. Hence the huge financial allocation usually made in the budget for the health sector because the government realises the relative importance of health in its overall development plan. It has continued to maintain the highest financial allocation to the health sector. The health sector however still faces the imbalance between the expensive hospital bills curative health services and cheaper preventive health services.

The national policy is pivoted on a regular system, from the primary level to the secondary and tertiary levels. Primary health care as the corner stone of our national health policy is the foundation on which the health system is built. Through it, infrastructure and facilities are being provided for the majority of the people, particularly, those at the grassroots level. This is in consonance with the national philosophy of equity and justice. Primary health care relates mainly to education concerning prevailing health problems and methods of preventing and controlling them, promotion of food supply and proper nutrition and adequate and child care including family planning, immunization against major children diseases, prevention and control of Local epidemic diseases and proper treatment of common diseases and injuries and provision of essential drugs.

The primary health care also incorporates the provision of adequate physical and infrastructural facilities and training the appropriate health manpower. The Lagos State Government has embarked on many health related development projects and expansion programme in the recent past. While execution of the primary health care is being pursued with vigour, some health clinics have been upgraded in our local government areas with determined attempts to integrate all the components of the primary health care. Thus, most families can now avail themselves of the benefit of modern health care facilities through the provision of a system by which health care is made accessible, acceptable, affordable and available to the people. In so doing, this reduces the mortality and morbidity caused by most prevalent diseases.

It emphasizes the participation of communities, promotes self-reliance and uses health technology that can be sustained and maintained at the level of the development of the people. At this juncture, it is appropriate to stress the importance of community involvement and participation. Such community involvement and participation is what we are all witnessing today. The government has left no stone unturned in its effort to improve the health status of the generality of the people. I will like to seize this opportunity to implore all other philanthropists and service oriented clubs in the state to rise up and join the government in providing health care delivery services for the people thus serving as partners in progress with the government as in the case of other developing countries in the world, notably India, Brazil and Malaysia to mention but a few.

I therefore commend the donors of this health facility for the human and material resources expended towards the physical implementation of this project. There are many more challenges ahead and I implore you not to rest on your oars. The commissioning of this health edifice have fulfilled the goal of primary health care by bringing health care delivery service to the doorsteps of the Ado Community. It is my sincere prayer that the donors will be rewarded a hundred fold by the Almighty God.

Before I declare this Health Centre open, I will on behalf of the government and the people of Lagos State thank the donors of this building and at the same time to assist them in getting this health centre functioning very well. I will on behalf of the Government donate a sum of one hundred thousand naira (N100,000.00) towards this centre.

It is now my pleasure to declare open this health centre to the glory of God and the service of humanity.

Thank you all and God bless.

**AT THE FOUNDATION LAYING CEREMONY OF THE MULTI-PURPOSE ULTRA
MODERN COMMERCIAL DEVELOPMENT CENTRE KEFFI, IKOYI, LAGOS
ON MONDAY, 29th JANUARY 1990**

It is my honour and privilege to be invited as the Special Guest of Honour to perform the foundation laying ceremony of this Ultra-Modern Commercial Building Complex which is a joint ventures between the Lagos State Transport Corporation (LSTC) and Messrs Fasusi Associates. This project, I am informed is expected to be completed within twenty months of its commencement. I am also informed that in terms of revenue generation, the complex is expected to fetch a substantial sum of money which will assist the Corporation to break-even in its operation thus minimizing or completely removing the deficit financing which is the bane of public sector transport operations at present.

As you may be aware, the Corporation's operating cost which is heavily subsidised by the Lagos State Government, has increased astronomically in recent times. Unfortunately the Corporation's revenue has not shown any significant increase because it is the policy of the State Government that the Corporation cannot continue to raise its fares in the same manner as frequently done by the private transport owners because of its social service nature. It must therefore look for other sources of income if it is to remain in business. Accordingly, the development of this landed property is a step in the right direction. I therefore congratulate the management and other persons who have contributed to this noble objective.

The issue of public transportation is a priority for this Administration, accordingly the State Government in collaboration with Federal Military Government, has been tackling the problem on all fronts. In this regard, the Services of the Corporation, Lagos State Ferry Services (LSFS) and the Nigerian Railways have been harmonised in such a manner that the services of one new complemer's the other. LSTC buses are available at Iddo Terminus to convey Lagos Island bound passengers disembarking from the trains while ferry boats are stationed at Oyingbo jetty to convey passengers who disembark from the trains at Iddo to the Federal Secretariat, Ikoyi.

The State Government will continue to look for solutions to commuters problems through the provision of additional facilities and the expansion and maintenance of existing ones. We shall continue to work in the spirit of the Federal Urban Mass Transit Programme which has donated 128 buses to the Corporation under its programme. The purchase of additional ferry boats would be intensified by the State Government for the Lagos State Ferry Service in the current fiscal year.

It cannot be over-emphasised that in propelling the economic development of the Nation, the Government, the Private Sector and individuals should be partners in progress. In recognition of this factor, Government shall encourage the private sector to work in collaboration with the public sector to provide necessary infrastructural facilities where feasible and appropriate. In this regard, I wish to appeal to everybody particularly those in the private sector to support Government's Integrated Rural Development Programme. The promotion and development of commercial and industrial activity in the rural

areas are key components of the State Integrated Rural Development Programme. Government expects the private sector to play a major role in the implementation of the State's Rural Integrated Development Programme as part of the efforts to sustain development in the State and ensure balance economic growth development nation-wide. It behoves on them, therefore to do everything humanly possible, particularly private developers to look beyond Lagos metropolis and invest in projects that have direct beneficial linkages to the rural parts of the State noting particularly that the greater part of the land mass of the State is classified as rural. In this connection, Government will continue to provide generous assistance to prospective investors in these areas.

Finally, I congratulate Messrs Fasusi Associates for having won the contract to serve as managing technical partners to the project. I appeal to Nigerians and Lagosians in particular to make good use of the facilities to be provided in this Multi-purpose complex. I also congratulate the Management of Lagos State Transport Corporation for the Company's remarkable achievements in recent times. I wish you mere resounding successes and greater achievements in the years ahead.

Ladies and Gentlemen, it is now my pleasure to perform the foundation laying ceremony of the Corporation's Ultra Modern Commercial Complex to the Glory of God and for the benefit of all citizens of the state in particular and Nigeria in general.

Thank you and God bless.

**AT THE OPENING CEREMONY OF THE RURAL DEVELOPMENT WEEK ON
WEDNESDAY, 31st JANUARY 1990**

We are gathered here at this auspicious occasion of the commencement of this year's Rural Development Week in Lagos State. Since 1987, this time of the year has come to represent a period set aside for the appraisal of our rural development programmes and for the celebration of our successes and achievements in the continuing efforts at making life more meaningful for the people living in the rural areas. Furthermore, it offers us a unique opportunity to reflect and re-examine our shortcomings with a view to evolving better strategies to realise our home for a better life for rural dwellers.

Looking back, I wish to observe that within the last twelve months, the rural dwellers and indeed all of us in Lagos State have something worthwhile to celebrate. This is because within the larger perspective of rural development in the State, we have taken remarkable strides in this area of development. It is indeed commendable that places that where almost totally inaccessible a few months ago now have motorable roads linking them to adjoining communities. Likewise, electrification and potable water have been provided in many communities that probably never dreamt of having such facilities only a short while ago.

In specific terms, over 1,000 kms of rural roads have been opened-up since the rural development programme was embarked upon in 1987. Some of these roads have also been improved upon through full-scale construction in the last 12 months. Significant among them are the Agura-Igbokuta-Imota Road completed at a cost of ₦31.62 million, and the Gbaji-Aseri Road, which has constructed at a cost of ₦28 million.

In the area of water supply, the completion of 13 micro water schemes out of about 22 embarked upon all over the State have begun to improve the health situation of the benefiting rural communities. This has had a significant impact in curbing the incidence of water-borne diseases throughout the State. By the same token, we have made remarkable progress in the supply of electricity to rural communities. Ninety three (93) communities are enjoying electricity supplies from 57 projects in the State. Plans are also under way for additional 52 communities in the Second Phase of rural electrification programme in the State.

In addition, the State Government has completed four general transportation jetties at a cost of ₦7.84 million to ease transportation and enhance social mobility among the riverine communities. Also the Local Governments on their part have constructed 25 fishing jetties.

Other activities of the State Government include the provision of technical extension services in rural housing, involvement in better life programmes, generation of rural cottage industries, private sector participation in rural development, community mobilisation as well as the establishment of a Centre for Rural Development.

With the enthusiasm of the rural populace and with the continuing support of all of us, many more good things will surely come into our rural areas in the new decade.

As we light the candle of the third anniversary of rural development in Lagos State, I urge the rural communities to rekindle the spirit of self-development by establishing small-scale industries to boost the rural economy. There are unlimited opportunities for self-development in the area of agriculture, tourism and other commercial activities that will attract urban dwellers to the rural areas. I wish to implore the private sector to take advantage of the various amenities now available to industrialise the rural areas, thereby creating employment opportunities for the youths and helping to arrest rural urban drift.

The involvement of the business community in the national rural development effort has become urgent and imperative more so because rural development of the 1990s will tend more to be the people's programme with government only playing a catalytic and monitoring role. Consequently, a high premium should be placed on the development of skills and appropriate technology by private initiative. The products now abundant in the rural areas as a result of the agricultural and rural development programmes of the present Military Administration provide ready demand for simple machinery for food processing and storage

Finally, let me reiterate the State Government's commitment to creating a conducive atmosphere for better interaction among government, agencies, rural communities, voluntary organisations, as well as private entrepreneurs to enhance existing ideas on development issues so that our rural development goals of this decade could be more readily attainable

On this note, I hereby declare open the 1990 Rural Development Week in Lagos State

Thank you and God bless

AT A CIVIC RECEPTION TO MARK THE "MUSHIN DAY" DURING THE RURAL DEVELOPMENT WEEK ON 1st FEBRUARY, 1990

It gives me great pleasure to be here with you as part of the activities marking the 1990 Rural Development Week. I therefore wish to share the joy of today with the people of Mushin Local Government Area as we celebrate the Mushin Chapter of the Rural Development Week in Lagos State.

I am indeed very happy to note that even though Mushin Local Government is not all that rural, but they have not been lacking behind in rural development activities. For instance, some projects were commissioned in this Local Government last year and this year some projects have been lined up for commissioning. I have just commissioned the Women Vocational Training Centre at Isolo which is aimed at providing employment opportunities for the people resident in this Local Government Area. I will therefore enjoin you to avail yourself of the opportunity brought to your doorstep.

Our policy for Rural Development is predicated on the realisation that, a sector neglected for so long in the scheme of things has to be approached in an integrated manner within the context of a phased programme which identifies the key elements and accords priority to the major sub-sectors. That was the rationale for classifying rural development infrastructures into Basic, Social and Economic Infrastructures.

I am happy to inform you that the Lagos State Government has pursued vigorously these objectives and has left no stone unturned to ensure that the rural dwellers of your Local Government benefit from its programmes in the area of water supply, rural electrification, housing and provision of roads. The commissioning of the Vocational Training Centre Isolo and the Ejigbo/LSDPC/ Oke-Afa Borehole which had been commissioned before this ceremony bear testimony to the State Government's desire to ensure ever development within your Local Government Area.

A critical aspect of our rural development effort is social mobilisation for rural dwellers whilst in the past years, efforts were devoted to stimulating awareness among the rural masses, a lot still remains to be done to generate the same level of awareness among the urban dwellers who formed the majority of the inhabitants of your local government. In this connection, I wish to appeal to you to lend support to the programmes of the Agencies that are connected with the implementation of the programmes relating to the Transition to Civil Rule particularly the MAMSER, which has carried its enlightenment programme to the grassroots.

The journey in our march for rural development and transformation is progressing rapidly. We need the active and constant support of the entire citizenry of Lagos State to bring about radical improvement in the standard of living and quality of lives of our rural dwellers. With what has been achieved in the past three years in Mushin Local Government in the area of Health Care Delivery and provision of Rural Roads, I have no doubt that the prospects for rural development in the new year would be bright.

Finally, I congratulate you all on your commendable achievements so far on your rural development efforts.

On this note, I will like to thank you all, especially the Development Association of Ejigbo Town for the donation of this Police Post and it is now my wish and pleasure to commission the Police Post for the good of people of this State, Ejigbo in particular and the entire Nigeria in general

Thank you and God bless.

**AT THE COMMISSIONING OF RURAL DEVELOPMENT PROJECTS DURING
RURAL DEVELOPMENT DAY AT IKEJA LOCAL GOVERNMENT AREA
ON THURSDAY, 1st FEBRUARY 1990**

I feel highly delighted and honoured today to join the people of Ikeja Local Government Area in the activities marking the Rural Development Week. You would recall that on 7th February 1986, the Federal Military Government inaugurated the Directorate of Food, Roads and Rural Infrastructure (DFRRI) in order to give a more deserving focus on rural development throughout the country. The celebration of the rural development week therefore offers the opportunity to reflect on the efforts being made by both government and communities towards the modernisation of our rural areas and thereby making life more comfortable for our rural folks.

The present Military Administration is committed to the development of our rural areas in order to promote even development in the country, tap available rural resources and stem the rural-urban migration with its adverse social implications. To this end, the Directorate of Rural Development has been provided with substantial funds for its capital expenditure in the current financial year to facilitate the development of our rural areas. Emphasis will continue to be on the provision of rural roads, rural water supply and rural electrification schemes as a way of boosting rural development in all the local government areas in the State. The development of agriculture in all its varied forms will also be promoted to further boost food production, enhance rural income earning capacity and create a conducive atmosphere for the speedy growth and development of our rural areas.

At today's ceremony, the following projects are being commissioned:

- a. The 1.8 km Egan Road Project.
- b. The Onipetesi Police Post.
- c. The Isheri-Olofin Community Hall; and
- d. The Ifesowapo Deep Well Project.

I am happy to note here, the involvement of Community Development Associations in rural project implementation. Out of the four projects to be commissioned today, three were conceived and completed by communal efforts with some support from the Ikeja Local Government. In particular, the Police Post was initiated and built by the Onipetesi Community as a way of protecting the lives and property of its members. The community had expended about ₦70,000.00 on the project while the Ikeja Local Government assisted with about 10% of the project cost.

At Isheri-Olofin, the Community hall was built by its Community Development Association while the Local Government constructed the Ventilated Improved Pit (VIP) toilet to serve both the Community Hall and the Gari Processing Project situated in the same location.

On its part, the Ifesowapo Community Development Association has constructed three deep wells to cater for water needs of its members. One of such wells has been

completed and is supplied with an overhead tank and a water pump while the attached water filter was supplied by the Local Government.

The fourth project, the 1.8 kilometre Egan Road was wholly financed by the Ikeja Local Government at a cost of N40,000.00 in order to open up and facilitate the movement of farm produce from the area.

While I commend the efforts of those Community Development Associations for supporting their Local Government, I wish to appeal to other Community Development Associations to emulate them and give similar support for the upliftment of their Communities. We are all living witnesses to this era of dwindling economic resources available to government and therefore the task of promoting economic development and making life worth living in our rural areas should not be seen as government's responsibility alone. I am however happy to note the commendable examples being set in this regard by both voluntary organisations and community development associations. I hope they would not relent their efforts in this direction.

Distinguished Ladies and Gentlemen, while I congratulate the Obas, Chiefs and the entire people of the Ikeja Local Government Area, it is appropriate to call for vigilance and proper security arrangement for all these facilities either provided by government or through communal effort. In these days of rising costs of project implementation, every care should be taken to ensure the protection of these facilities.

May I also seize this opportunity to urge you all to co-operate with all government agencies including MAMSER, the National Electoral Commission and other bodies connected with the Transition to Civil Rule Programme of the present Administration.

Finally, Ladies and Gentlemen, it is now my honour and privilege to formally commission the following projects to the glory of God and the benefit of the members of the communities

- a. The Egan Road
- b. The Isheri-Olofin Community Hall.
- c. The Ifesowapo Water Project; and
- d. The Onipeteri Police Post

I thank you all and God bless

**AT THE COMMISSIONING CEREMONY OF ISHERI-OKE MICRO WATER
SCHEME IN SOMOLU LOCAL GOVERNMENT AREA ON THURSDAY,
1st FEBRUARY, 1990**

I am indeed very pleased to be amongst you here today to perform the commissioning ceremony of the first Micro Water Scheme to be completed in Phase II of the Micro Water System for Rural Water Supply.

It will be recalled that the state Government recently awarded contracts worth about N12.4 million for the construction and installation of seven micro water schemes for the rural areas of the State. The schemes are located at Isheri-Oke, Ajegunle-Odo and Agboyi in Somolu Local Government Area at a cost of N5.3 million, Araromi, Ijede and Offin-Oreta in Ikorodu Local Government area at a cost of N5.4 million. The other location is the micro water scheme for Otto-Ijanikin in Ojo Local Government Area. It is expected that most of them will be ready by the end of this quarter.

By the commissioning of this project the state Government has again demonstrated its commitments towards the modernisation of our rural communities.

Today's ceremony is also significant in order regards. The micro water scheme projects were a direct result of the dialogue and interaction I had with the rural communities during the various neighbouring meetings. Our commitment in identifying with their needs and the ability to put in place programmes and projects that would meet those needs is a step in the right direction to make life more comfortable to our rural communities. It is also in fulfillment of the State Government's pledge to provide potable water for rural communities that could not benefit from phase (I) of Federal DFRR rural borehole programme on account of their large population.

This commitment of "service for the people" could also be perceived in our global rural water package. We have in place now about 22 micro water schemes, costing on the average N1.5 million at the current market prices. It is significant to note that twelve of them have been completed. The micro water schemes are located at Kankon, Iworo-Ajido in Badagry Local Government Area; Melran, Isheri-Oke and Badore in Ikeja, Somolu and Eti-Osa Local Government Areas respectively. Other locations include Baiyeku, Igbokuta, Isiu and Ijede in Ikorodu Local Government area as well as Itoikin, Igbonla, and Ketu/Sekungba/Ejinrin in Epe Local Government Area.

Complimentary to the micro water system are shallow hand-operated borehole schemes provided for 250 communities in phase (I) of Federal DFRR's programme as well as the reactivation of Federal Abandoned Boreholes of the Civilian era.

In the same vein, with the completion of these micro water schemes, a solid foundation would have been laid for the rapid socio-economic transformation of the communities already benefiting from them. Additionally, plans are under way to provide more communities with the micro water system in 1990. However, our efforts this year will be directed to the newly created Local Governments of Ojo, Ibeju/Lekki, Agege and Eti-Osa.

Ladies and Gentlemen, I must not end this address without a word on the role of the communities in our joint efforts currently directed at improving the rural areas. The President, Commander-in-Chief of the Armed Forces, once said, and I quote, "Nations are built by the creative and productive energies of the people". unquote. The provision of basic amenities should serve as a catalyst in stimulating more economic activities in the rural communities of Lagos State. As these communities graduate from the first phase of our rural development effort into the second and third phases which are directed at the provision of social and economic infrastructures, I urge individual member of the communities to gird his or her loins for more productive work. Community members should organise themselves into virile and dynamic CDAs and co-operative societies so that they can take full advantage of the various programme, of the State Government such as the ADP/DFRRI, MAMSER, NDE, Better Life for Rural Dwellers Programme, and the people's Bank Scheme to improve the quality of life of their communities.

Once again, I congratulate members of Isheri-Oke and adjoining communities and I enjoin them to make a meaningful and purposeful use of the amenity. It is now my honour and privilege to formally commission the micro water scheme for Isheri-Oke Community.

Thank you and God bless.

**AT THE COMMISSIONING CEREMONY OF IGBONLA MICRO WATER SCHEME
IN EPE LOCAL GOVERNMENT AREA ON FRIDAY, 2nd FEBRUARY, 1990.**

It is a pleasure for me to be here this afternoon to perform the commissioning ceremony of the micro water scheme for Igbonla which is one of our efforts towards intensive and extensive development of the rural areas of Lagos State.

Today's ceremony therefore, marks a milestone in the achievement of the Federal and State Government's policy objectives on Rural Development Programme. I must commend your Local Government for its successful completion of this project which seems to demonstrate your Local Government's concern for the development of rural communities. By the construction of this micro-water scheme, your Local Government has thrown a challenge to other Local Governments and removed the dependency of the Igbonla Community on water merchants who sell water, sometimes untreated, at exorbitant prices. This project is therefore a well deserved social investment aimed at improving the living conditions of this community. It is thus a laudable project and I should, take advantage of this forum to call on other Local Governments to emulate this creditable achievement.

On our part, the State Government will continue to provide necessary potable water within available resources. Perhaps, I should recall that the Lagos State Government in the past complemented the efforts of the Federal DFRR in its programmes relating to the provision of hand-pump operated boreholes for rural communities.

I am happy to report that the target of 250 communities has been achieved. It is also pertinent to point out that the main objective of the State Rural Water Supply Programme is to provide safe water, easily accessible and in quantities which will be adequate for drinking. It is against this background that the State Government embarked on the provision of micro water system for larger communities that are identified as growth poles. It is thus evident that Lagos State has made remarkable contributions towards the supply of potable water to its rural communities.

Kabiyesi, Distinguished Guests, Ladies and Gentlemen, the Igbonla micro water scheme in Epe Local Government which is being commissioned today represents additional commitment in our attempt at building a strong edifice in rural water supply programme. Specifically, many communities in Epe now enjoy potable water from three functional micro water projects, completed at an average cost of ₦800,000. Similarly, 22 of such schemes are at various stages of implementation all over the State, out of which 12 of them, including the two we are commissioning today have been completed.

At this juncture, I also wish to assure you that the State Government will continue to devote attention, time and money in providing other large communities in Epe with this type of scheme

Finally, let me reiterate that Igbonla water project is of particular interest to the State Government, because we believe that it will help to accelerate development efforts in the

area particularly since a model school has been established in the village. The setting up of the school, coupled with the on-going construction of Ilara-Igbonla road and bridge complex have significantly transformed the community from an obscure village in 1987, isolated in its loneliness and distant from her neighbour, Ilara, into the limelight and an easily accessible environment, competing for attention and amenities.

On this occasion, I congratulate Messrs Preussag Drilling Engineers Limited, the contractor for the micro water project, for high quality of workmanship on the project and the people of Epe, the beneficiary, including the State Directorate of Rural Development into concrete realities.

It is now my honour and privilege to commission this Micro Water Scheme to the Glory of God and the benefit of the people of Igbonla area.

Thank you all and God bless.

**AT THE COMMISSIONING OF THE SANGOTEDO PRIMARY HEALTH CLINIC
ETI-OSA LOCAL GOVERNMENT AREA ON FRIDAY, 2nd FEBRUARY, 1990**

I am delighted to preside over this auspicious occasion of the formal commissioning of the Sangotedo Primary Health Clinic constructed by this Local Government. I regard the occasion as auspicious not only because it falls within the Rural Development Week Celebration in the State but it is another stride by the Local Government in ensuring the success of the Primary Health Care Programme of this administration.

The emphasis of the present Government is the implementation of Primary Health Care Programme which would enable us realise the set goal of Health for all by the year 2000. Primary Health Care entails the provision of functional, affordable and effective health care delivery through individual and community participation. What we are witnessing today therefore, is a manifestation of the efforts of the Local Government towards the development and establishment of rural health clinic as a deliberate policy, aimed at bringing Health Care to the door step of the rural communities. You would recall that before now, the Local Government operated a Mobile Health Clinic that visited the villages once a week.

This situation was considered not good enough. Consequently, and in order to ensure that health care delivery is provided to our rural dwellers on daily basis like their counterpart in the urban areas, the construction of permanent structures for use as Clinics, such as the one we are commissioning here today, were embarked upon in some villages in place of the Mobile Clinic.

I congratulate Sangotedo and other Villages that are to be the first beneficiary of such permanent structures. The services to be provided in the Clinic, which would include the following, are in consonance with the components of Primary Health Care:

- a. Maternal and Child Health and Family Planning.
- b. Health Education.
- c. Food/Nutrition.
- d. Water and Sanitation.
- e. Control of Communicable Diseases.
- f. Treatment of local diseases.
- g. Provision of essential drugs; and
- h. Immunization and O.R.T.

At this juncture I would like to implore you all to make full use of the facilities to be provided in the clinic and also enjoin you to adhere strictly to the rules and regulations on the use of the facilities.

Distinguished Guests, I now have the honour to formally declare open the Primary Health Clinic for the use of the people of Sangotedo and other villages within its environs.

Thank you all and God bless.

**AT THE CIVIC RECEPTION AND OFFICIAL COMMISSIONING OF ELEKO
MARKET IN IBEJU-LEKKI LOCAL GOVERNMENT AREA
ON FRIDAY, 2nd FEBRUARY 1990**

It is a pleasure for me to be here today to perform the official commissioning of Eleko Market in your Local Government Area. This occasion therefore marks yet another landmark in our efforts towards even development of our rural communities in the State.

You will recall that the main objective of the rural development programme in this State, and indeed Nationwide, is the improvement of the quality of life of the citizenry by the provision of necessary infrastructures and services. The Market that is being commissioned today is another effort in the rural development programme.

I have observed that the greatest problem militating against development in this Local Government Area is the terrain which makes accessibility extremely difficult. In the past, I wish to observe that major Government projects have been strangled by the difficulty of moving men and material to site.

I am, however, happy to note that the construction of Maroko-Kaiyeto-Eleko Road has partially solved this problem by opening up the Ibeju District of the Local Government Area. In another major effort to solve the accessibility problem, Government has embarked on the ₦120 million Eleko to Aboriji Road project as a means of opening up the remaining part of the Local Government Area and as a precursor and harbinger of development.

Kabiyesi, Ladies and Gentlemen, you may also have noticed that the Ibeju-Lekki Electrification Scheme has already taken off. Good progress has been made on the Aja-Ibeju component of the scheme, as a result of which Ibeju Township will soon enjoy electrification facilities. It is also of importance to mention that Government has given assistance to Ibeju-Lekki Local Government by purchasing, on its behalf, four new Landrovers to be used for road transport service. These efforts of the Government which I have just enumerated are designed to alleviate the suffering of our people, to improve the quality of life and lay the foundation for good development.

Another area of emphasis in our efforts towards intensive and extensive rural development are projects in the pipeline for this area which include micro and mini water schemes, the extension of Aja-Ibeju Electrification scheme to Folu in the Lekki District on completion of the Eleko-Aboriji Road Project and finally, the opening up of about 100 kilometres of rural roads.

I understand that Eleko Market which is being commissioned today is the Phase I of the project and that the Phase II comprising four blocks of ten stalls each, will be embarked upon later in the year. I also understand that the market has to be built in phases because of the financial limitations of the Local Government. I could also observe that

there is a nearby motor park to service the market and the beach. This is quite thoughtful of the Local Government. The emphasis on market construction is also of significance in view of the revenue potential of such projects and the services they provide. I commend the effort of the Local Government and hope they will continue to strive to meet the yearnings of the people through the provision of necessary infrastructures and services.

On their part, the residents of this local government area should take advantage of these infrastructures and facilities which are in place for the development of the Local Government Area. I will take advantage of this medium to appeal to you to be law abiding and should endeavour to sustain the cordial relationship existing between you and the residents from other neighbourhood.

Finally, your Royal Highnesses, distinguished Ladies and Gentlemen, it is my pleasure to now commission Eleko Market to the Glory of God and for service to the people.

Thank you all and God bless.

**AT A CIVIC RECEPTION ORGANISED TO MARK THE "IKORODU DAY"
OF THE 1990 RURAL DEVELOPMENT WEEK CELEBRATIONS
ON FRIDAY, 2nd FEBRUARY 1990**

It is a great pleasure for me to be with you this afternoon on the occasion of the third anniversary of the Rural Development Week Celebrations. I am extremely happy to celebrate with the citizens of Ikorodu Local Government Area on this occasion. I have no doubt that with the establishment of the Directorate of Food Roads and rural Infrastructure in 1986, a lot of attention has been focused on improving the quality and standard of life in the rural areas of Ikorodu Local Government. It is noteworthy to observe that this Local Government has intensified its rural development efforts in the past one year, particularly, in the provision of deep well model schemes, rural electrification projects, as well as the full scale construction of rural roads at Abule Eko, Igbopa, Gberigbe Owa, Oke-agbo and Igbalu. As a rural based Local Government, I wish to appeal to you to continue to foster the spirit of up-grading the rural settlement with a view to ensuring that the trend in rural transformation which has been the hall mark of this Local Government is sustained.

The State and Local Governments continued efforts on rural development has crystallised into the massive provision of infrastructural facilities designed to open up the rural areas: enhance rural productivity, and make life more livable in our country side. As a result, nearly all major access roads have been constructed to link the various communities in this Local Government Area. Potable water through the deep well schemes had been provided at Itowolo; Owode-Bale; Ilemeren/Orupodi, Mopelifa, Itamope; Laiyeode and Olorunda Primary Health Care, while various Rural Electrification Schemes had been commissioned at Abule-Sorun, Abule-Eko, Ewu-Elepe Oke-Eletu Losi-Oba, Olorunda, Bagidan and Popo-Mosan. To further enhance rural productivity and income, the Local Government, in conjunction with the State Branch of the Better Life for Rural Dwellers recently commissioned the Gari and Fish processing sheds at Igbogbo and Ibeshe respectively

The State Government since 1988 had also commissioned major landmark projects in the rural areas of Ikorodu Local Government such as the Igbogbo-Offin Oreta Road; Agura-Igbokuta-Imota Road; Micro Water Schemes at Igbokuta Baiyeku, Isiu and now at Ijede. In addition, about 16 communities in Ikorodu Local Government Area have so far benefitted from the State's Rural Electrification programme.

I wish to take this opportunity to urge all rural dwellers in Ikorodu Local Government Area to organise themselves into productive co-operative societies in their various economic pursuits - to embrace fish farming, agriculture and crafts-making, in order to attract Government's attention for assistance in obtaining the inputs needed for their respective trade and more especially to benefit from the loan facilities that would soon be provided by the proposed Ikorodu Branch of the People's Bank of Nigeria.

The State and Local Governments as well as MAMSER have embarked on Mass mobilisation of the entire populace to support the new march towards the creation of a new socio-economic-political order. It is therefore imperative that you should all embrace the

current mass literacy and Political education campaign of MAMSER on the Transition to Civil Rule, which are designed to increase your level of political awareness and enable all the citizenry lead a better life in future. To the various community Development Association in this Local Government Area, I am renewing my pledge made in 1989, to provide matching grants to complete projects embarked upon by the communities who are prepared to go into partnership by putting forward not less than 50% of the cost of executing the project.

Having highlighted the efforts made by both the State and Local Governments to the development of the rural areas of Ikorodu Local Government, I therefore appeal to you all to pay your taxes and rates, as and when due. The Government would not be able to implement its programmes if the people fail to pay their taxes and rates. It is for this reason that I am appealing to you all to make your own contribution for the development of your area.

The State and Local Governments are doing their best to complete all the projects that had been initiated within the limits of the available resources.

Distinguished Ladies and Gentlemen, as part of the activities to mark the "Ikorodu Day" of the 1990 Rural Development Week Celebration in Lagos State. I extend my greetings to the people of this Local Government Area on this year's celebrations; and now have the honour and privilege to commission the Ijede Multi-purpose Community Hall completed at a cost of approximately ₦175,000.00; while I will proceed to commission the Ijede Micro-water scheme; Egbin Multi-purpose Community Hall built at a cost of approximately ₦164,000.00; Ipakodo Recreation Centre built at a cost of ₦30,140.00; Ibeshe Recreation Centre with Public Toilet built at a total cost of ₦55,181.91k; and the Ikorodu Local Government Block of Offices built at a cost of ₦96,102.00 respectively to the Glory for he God and the benefit of the people.

Thank you and God bless.

**AT THE COMMISSIONING OF THE ILADO LIBRARY IN ETI-OSA
LOCAL GOVERNMENT AREA ON THE COMMEMORATION OF THE RURAL
DEVELOPMENT WEEK CELEBRATION ON FRIDAY
2nd FEBRUARY, 1990**

I am indeed pleased to be here today to perform the commissioning of Ilado Library in this Local Government Area. As you are aware, one of the priorities of the present Military Administration is to bring all social amenities enjoyed by urban areas to the rural areas of the country, to which the State Government identifies itself.

It is therefore in realisation of this development that we are gathered here today to witness another occasion in our giant stride toward the provision of the public library to Ilado Community. This project is thus a social investment aimed at improving the quality of education in Ilado area of your Local Government.

From the briefs I have received in respect of Eti-Osa Local Government, I have noted with delight that there are two big libraries at Ilado and Sangoledo and two small reading rooms at Obalende and Maroko. Let me remind you all that the objectives of the public library are many and varied but in essence they are to promote enlightened citizenship and to enrich personal life, through selection, organisation and dissemination of materials. To this end, such projects in a community of this nature are worthy and laudable ones. Perhaps, it is pertinent, at this juncture, to use this forum to advise the community to assist in changing the image of the Library from just a reservoir of literatures to being a fountain of ideas of communication, by making use of Library's resources from time to time. The citizens of Lagos State, especially Eti-Osa Local Government Area, with their insatiable desire for knowledge, should be too well aware of this fact.

Before I conclude this address, I would also like to call on other voluntary organisations and individuals to come forward and join hands with the Local Governments in their various areas of operation in the promotion of good educational system in the State through provision of standard libraries and other social amenities. On its part, Lagos State Government will continue to place greater emphasis on the provision of social amenities in the State. Every effort will be made to ensure that standard libraries are restored in all our educational institutions which have always provided the bulk of the State's reservoir of knowledge and communication. Similarly, the possibilities of locating and establishing more social amenities, particularly library facilities throughout the State, is under serious consideration.

The resources to be made available for the provision of these facilities will no doubt, be enormous. Yet, there are so many other equally important and highly deserving areas calling for the urgent attention of the State Government. With our limited resources, it will not be possible for the Government to single-handedly fund the provision of all the required social amenities all over the State. Hence, the appeal for assistance from all well-meaning citizens of the State.

I am also happy to note that Ilado Library will serve both children and adults, and it will accommodate one hundred readers. I understand too that Membership is absolutely free and this library is going to be a centre of cultural, literary and educational activities. Honourable Commissioners, Your Royal highnesses, distinguished Ladies and Gentlemen, it is now my honour and privilege to perform the commissioning of the Ilado library to the Glory of God and the benefit of the people of Eti-Osa Local Government Area, and Ilado Community in particular.

Thank you and God bless.

**AT THE LAUNCHING OF THE NATIONAL DRIVERS' LICENCE SCHEME
AND THE REVISED HIGHWAY CODE ON MONDAY, FEBRUARY 5th 1990
AT THE FORMER HOUSE OF ASSEMBLY, SECRETARIAT, IKEJA.**

On this occasion of the launching of the National Drivers' Licence Scheme and the revised Highway Code, I extend on behalf of the Government and people of Lagos State, our felicitations and congratulations to the organisers of the new laminated drivers' licence scheme. The pioneering inputs from the Lagos State Government are also noteworthy on this occasion.

It is a matter of great joy and satisfaction that the idea of laminated drivers' licence was first mooted by the Lagos State Government as far back as 1982. I understand that the contract had reached an advanced stage before it was suspended. The State Government's previous efforts, could therefore be described as an eye opener and a significant indicator to traffic and transportation technological development in the country.

Today, as we launch the National Drivers' Licence Scheme and revised Highway Code at the State level, there is need for us to say loud and clear, without mincing words, that our commitment to wipe out indiscipline and recklessness in our driving habit must remain total and unflagging. Therefore, the establishment of the Federal Road Safety Commission by the present Military Administration should be seen by all and sundry as a worth and laudable scheme for the benefit of all road users throughout the country. I am happy to note that this unified national drivers' licence scheme would open up future possibility of computerising personal and vehicle data nationwide. The scheme should thus be regarded as another fundamental achievement in the history our development in Nigeria, as the current booklet of driver's licence will be replaced with a laminated and more compact one. We have, I believe, restored a sense of direction and vision for our road users. Specifically, it is to be mentioned that the Federal Military Government has embarked on a historic, bold and innovative exercise of the present drivers' licences which, for now, have not been durable as they get torn and tattered easily.

Also the new scheme is devised partly as a means of generating more funds for the Government which, in the past, has been losing a lot of revenue to the touts and unpatriotic Nigerians through the counterfeiting and forging of licences.

I have noted, with delight, that the new National Licence is more compact to carry and would last longer than the current licence. I am also informed that it would enhance the effective monitoring of the number of licences issued monthly and thereby improve the accuracy of the yearly statistics of Drivers' Licences issued including the collection of personal data for future computerisation on information.

To further enhance the viability of this scheme, I have also been informed that the Highway Code will be reviewed every 2 years and could be used as a driving annual. Distinguished Guests, Ladies and Gentlemen, before I conclude this address, I would like to reiterate that it is the determination of the Government to always seek the safety and security of the life of the general masses at all times. There is no doubt, that the new

scheme, if properly implemented would reduced the carnage and other untold traffic accidents that are prevalent on our roads. I am therefore convinced that the national drivers' licence scheme and the revised highway code would make the required impact on Nigerian drivers in general and the entire Lagos State citizens in particular.

Finally, distinguished Guests, Ladies and Gentlemen, it is now a great pleasure for me to launch today and National Drivers' Licence Scheme and the Revised Highway Code in Lagos State to the glory of God, and the benefit of all Nigerians.

I wish every driver and motorist in Lagos State a safe driving at all times.

Thank you all and God bless.

**AT THE COMMISSIONING OF PROJECTS IN BADAGRY LOCAL GOVERNMENT
AREA DURING THE STATE RURAL DEVELOPMENT WEEK
ON MONDAY, 5th FEBRUARY 1990**

Precisely four years ago, the Federal Military Government, under the able leadership of General Ibrahim Badamasi Babangida, President, Commander-in-Chief of the Armed Forces, established the Federal Directorate of Food, Roads and Rural Infrastructures whose main task was to improve on the standard of living of the rural dwellers through the provision of socio-economic infrastructures which have eluded the rural areas for many years. Since then, the Lagos State Government and the Local Governments in conjunction with the State Directorate of Food, Road and Rural Infrastructures have fulfilled that declaration through their courageous and vibrant programmes from which many rural villages have benefited.

My presence here this afternoon therefore is to join you, the good people of Badagry Local Government area in celebrating our achievements in these last few years and renew our determination to carry on the crusade for the provision of a better life in the rural areas of our State in the new year.

Within the last one year, quite a number of rural development projects were completed and commissioned in this local government area. Among them are the Iloga-Zannu and Tahon Rural Electrification; Kankon and Iworo-Ajido Micro Water Scheme, which have since been put to use by the people in these areas.

I also want to join the Sole Administrator, in commending the efforts of the Lagos State Chapter of Better Life for Rural Dwellers Committee on their unflinching support to the State Government in making our rural development crusade a reality. The three projects commissioned by that Committee in this local government area i.e. Fish Smoking Shed at Marina, Badagry, the Gari Processing Shed at Apa and the Corn-milling Shed at Ashipa, are acknowledged and appreciated by the State Government. This has attested to the potentialities inherent in effective mobilisation of our womenfolk in the development efforts of this great country. In addition, I have to express my delight on the progress made by the Badagry Local Government in opening up the villages along Gbaji-Asheri Road through the construction of several link roads. This is a worthwhile contribution to the efforts of the State Government to bring meaningful progress to the doors of our rural population. It is my hope that the residents of these villages will take advantage of the facilities to improve their productivity since their produce can now easily be transported to the urban areas for disposal.

Today, we are gathered to witness the commissioning of projects to mark the 1990 celebrations of the Rural Development Week in Badagry Local Government Area. The projects are:

- a. Iyalin Rural Electrification.
- b. Idale/Topo Health Clinic
- c. Ajido Monumental Sculpture.
- d. Iragon Rural Electrification; and
- e. Frekiti Rural Electrification

The State Government has committed a substantial amount of money in the provision of these social services which will enhance the standard of living and promote the economic activities of the several communities. Therefore, since from whom much is given much is expected, the security of these projects are entrusted in the care of the local Communities. You are expected to provide adequate and maximum level of supervision to ensure the continuity of their usage by preventing the unscrupulous element from tampering with the amenities. I wish to assure you of the co-operation of both the State and Local Governments on the maintenance of all the facilities. You must therefore fulfil your civic responsibilities to assist the Government.

Finally, I must not end this address without touching the transition programme of the present administration which is aimed at establishing a stable and enduring political system. You are all aware of the creation of the two political parties to which I have recently appointed Administrative Secretaries for their take off in every Local Government in the State. It is the duty of every citizens to join the political party of his or her choice after careful consideration of its aims and objectives. The Public Enlightenment Committee has been put in place in each Local Government to create awareness and maximum level of participation by all and sundry in the activities of the parties. I must state that this administration is determined to pursue its lofty programmes towards the realisation of the total disengagement of the Military from Nigerian Political System in 1992.

Distinguished Guest, Ladies and Gentlemen, once again, I congratulate and rejoice with all the communities that have benefited from the recently commissioned rural development projects in this Local Government and wish them more progress in the years ahead. I now have the pleasure to commission the Iyafin Rural Electrification Scheme to the Glory of God and benefit of mankind.

Thank you and God bless.

**AT THE OFFICIAL COMMISSIONING OF IFAKO TITUN VIEWING CENTRE
AND COMMUNITY HALL ON MONDAY, 5th FEBRUARY 1990.**

I am delighted to be here this evening for the commissioning ceremony of the Ifako Titun Viewing Centre and Community Hall as part of the activities marking the Rural Development Week in Lagos State. I believe the completion of this project and commissioning is a landmark in the history of this community, because it is a self-help project jointly sponsored by the people of Ifako Titun through their Community Development Association and the matching grants from the Agege Local Government. I therefore wish to call on other communities, clubs and associations within this Local Government to embark on similar self-help projects that will attract government matching grants. In this connection, the State Government is doing everything possible to encourage self-help activities in the various communities in order to enhance and improve the quality of life and well being of the people. In pursuance of this objective, grants-in-aid are given periodically to deserving Community Development Associations whose self-help efforts are appreciable such as this Community Hall and Viewing Centre.

The need for a Centre like this cannot be over-emphasised at this crucial stage of political transition period in the history of the Nation because of the need for our people to be politically enlightened. It is therefore necessary to have a centre of information within our neighbourhood where people can gather together and be informed of government programme through the electronic media. In addition, this Centre will provide a forum to enhance rapid social development.

I also wish to seize this opportunity to call on the inhabitants of this Area to make the best use of this Centre for activities that will promote unity, peace and progress.

It is therefore expected that this Centre will serve multiple purposes because it can be used for the following social activities:-

- a. Information and public enlightenment centre.
- b. Discussion programmes, meetings of elders, public lectures and symposia.
- c. Christening and Marriage ceremonies and all types of indoor activities; and
- d. Adult literacy programmes.

I seize this opportunity to congratulate the inhabitants of Ifako Titun Community in particular for their sacrifices to ensure that this centre is completed, and the Agege Local Government, in general for having public spirited communities.

Before I end this address, I will like, on behalf of the Government and the People of Lagos State, and in order to encourage this association, donate a sum of N20,000.00 towards further development of the viewing centre.

It is therefore my honour and privilege to commission the Ifako Titun Community Hall and Viewing Centre for the benefit of the people and to the Glory of God.

Thank you all God bless.

**AT THE COMMISSIONING CEREMONY OF SHIBIRI, EKUNPA, ETEGBIN RURAL
ELECTRIFICATION PROJECT IN OJO LOCAL GOVERNMENT AREA
ON MONDAY, 5th FEBRUARY 1990**

About five months ago, precisely Monday, 28th August 1989, I commissioned the Igbede Rural Electrification Scheme in this Local Government Area. On that occasion, I said inter alia, "With the completion of the Igbede project, the State Government is now seriously considering taking over two communities initiated rural electrification schemes at Shibiri and Ekunpa with a view to ensuring their completion". The event we are witnessing today is a testimony to that proclamation. In line with this objective, the State Government has also awarded a contract for the completion of the abandoned rural electrification scheme at Ilogbo-Elegba.

The Shibiri, Ekunpa, Etegbin electrification project was taken over by the State Government in November last year following an appeal to the State Government by the communities for assistance because of incessant raids by men of the underworld who thwarted the communities efforts by stealing materials from the rural electrification project initiated by the people at a cost of ₦400,000.

This project and that of Ilogbo-Elegba which I commissioned last December have been completed in line with the objectives of this Administration to ensure the development of our rural communities.

It is significant to note that the project we are commissioning today was completed at a record time of two months, without variation in the initial contract sum. This project will not only provide electricity to Ekunpa, Shibiri and Etegbin, it is also capable of supplying electricity to nearby communities.

While rejoicing with the people of these communities on this occasion, I must commend the contractor Messrs Stecam Nigeria Limited for a job well done. Let me assure you that the State Government will continue to patronise and encourage contractors who are hard working and are able to prove their worth. The present Administration, in Lagos State will also blacklist any contractor who is unable to perform.

I wish to seize this opportunity to express my gratitude to the two agencies of the Federal Government, that is, the Federal Ministry of Mines, Power and Steel and the National Electric Power Authority (NEPA), without whose continued support and co-operation this effort would not have materialised.

Permit me to observe that with the commissioning of this scheme, Igbede, Ilogbo-Elegba, Ilemba Hausa, Ilemba Awori and other communities within this neighbourhood have been supplied with electricity within the last twelve months. In addition, Ibeshe, Igbologun, Ikare, and Irewe rural electrification project designed to serve over 12 communities are equally in progress in your Local Government Area.

Government has also recognised the need to provide rural electrification to other riverine communities that are yet to benefit from our electrification scheme. I wish to assure all the riverine communities that plans are underway to provide them with electricity in the near future

Distinguished Guests, Ladies and Gentlemen, I am using this occasion to entrust the safety of this rural electrification project to the people of Shibiri, Ekunpa and Etegin. You all have a duty to protect this project from any form of vandalism and theft thereby enhancing its durability.

I therefore have the singular honour and privilege to commission the Igbede Rural Electrification Scheme to the Glory of God and the benefit of the people of Shibiri Ekunpa and Etegin.

Thank you all and God bless.

**AT THE COMMISSIONING OF RURAL DEVELOPMENT PROJECT IN THE LAGOS
MAINLAND LOCAL GOVERNMENT AREA
ON TUESDAY, 6th FEBRUARY 1990.**

It is a great pleasure for me to be with you this afternoon on the occasion of the third anniversary of the Rural Development Week Celebrations.

You will recall that the President, Commander-In-Chief of the Armed Forces, General Ibrahim Babangida declared 7th February of every year as the Rural Development Day throughout the country, in commemoration of the inauguration of the nationwide Rural Development Programme under the auspices of the Directorate of Food, Roads and Rural Infrastructures.

The main objectives of DFRRI was to focus the attention of the entire citizenry on the development of the rural areas of the country, where the majority of our citizens reside. The 7th of February every year has therefore become synonymous with stock-taking on Rural Development activities of the previous year and also a day of reflection on the Rural Development programmes of both the Federal, State and Local Governments as well as the numerous communities and organisations concerned with Rural Development Programme in the entire nation.

Amongst other things, the Rural Development Programme is expected to usher in a marked improvement in the physical development of our rural communities through the provision of roads, potable water and electricity and to see to the general upliftment of the conditions of life and livelihood of the rural dwellers.

The projects which are being commissioned today under the DFRRI Programme are those that will confer direct benefits to the people in Lagos Mainland Local Government. Although it is widely believed that the Lagos Mainland is largely urban, it is also a known fact that there are pockets of blighted areas in the local government area which can be classified as rural areas.

During my last visit to this local government area under the platform of the neighbourhood meeting, my attention was drawn to the non-provision of basic infrastructural facilities in places like Makoko, Badiya, Sari-Iganmu and Iwaya. I want to assure you that government has put up a machinery in motion to find solutions to these problems. Besides, government will ensure the physical development and upgrading of infrastructures at Badiya, Olaleye and Makoko under its Urban Renewal Scheme.

I must commend the efforts of the Ijeshatedo Community for building a market entirely on their own. I also commend the Lagos Mainland Local Government for the provision of a public toilet in the market. The joint effort being demonstrated by both the Lagos Mainland Local Government and the community in the provision of this type of community related project is worthy of emulation and I must sincerely commend it to others

The Lagos Mainland Local Government public library being commissioned today, would enhance the level of literacy as well as readership of the members of the community. It is hope that the citizens of this Local Government would patronise the new library in order to meet some of the objectives and aspirations of DFRRI on the eradication of illiteracy.

One of the major objectives of DFRRI is the provision of potable water to rural areas. Although, Otto Town in this Local Government is based within the Lagos metropolis, it is one of those communities which had not enjoyed water supply for so many years. The Otto water project we are commissioning today will no doubt satisfy the yearning of the people in the area as they can now enjoy an amenity which had proved elusive in the past. I want therefore to commend all concerned for the attainment of this laudable feat.

I should not end this address without making special appeal to residents of this local government. It should be borne in mind that the projects being commissioned today have been provided entirely with Government or community funds. It is therefore incumbent on all of us that we put in place arrangement for their safety and security. We should not hesitate to report bad eggs in our society who might want to sabotage government efforts on the provision of these facilities.

I must publicly commend the spirit of collective efforts which communities in this local government have demonstrated since the introduction of the DFRRI Programmes. Without this burning desire to achieve the desired goals, most of the concrete projects being commissioned today would not have been possible.

Before I go and commission this market, I will like to say on behalf of the Government and people of Lagos State, and in appreciation of the efforts so far made in the building of this market, I have therefore directed the Lagos State Directorate of Food, Roads and Rural Infrastructure to provide you with a bore-hole in this market.

It is therefore my greatest pleasure to commission the Akorede Market and Public Toilet, the Lagos Mainland Public Library and Otto Water Supply Scheme to the benefit of all and to the service of mankind.

Thank you and God bless.

**AT THE INAUGURATION OF PANEL OF ENQUIRY INTO THE CLASH BETWEEN
THE ARMY AND POLICE PERSONNEL AT PEDRO POLICE STATION
ON 6th FEBRUARY 1990**

Firstly, I have to say that the members representing both the Police as well as the Army are totally officers outside the Lagos Police Command and the Military Formations in Lagos. We have done that to have a balanced report from the Panel.

Also, you have just witnessed the swearing-in Ceremony of the Panel of enquiry to investigate the clash between soldier and the Police men at Pedro Police Station which occurred on Tuesday, 30th January 1990. On this note, I have to congratulate them on their selection for this sensitive assignment.

Today's event is a fulfilment of the promise made in my recent press statement that a full scale investigation will be conducted into the matter. Although, the situation is now under control, no responsible government will fold its arms and allow a few individuals, no matter how highly placed, to take the law into their own hands. It is for this purpose among others that this Panel of Enquiry has been set up to conduct full scale investigation particularly that lives were lost in the unfortunate incident.

The Panel of Enquiry has the following Terms of Reference:

- (a) To investigate the cause or causes of the clash between the Soldiers and Police men at the Pedro Police Station, Lagos, on Tuesday, 30th January 1990.
- (b) To determine the remote and immediate causes of the clash and any other contributory factors;
- (c) To assess the roles and the degrees, of culpability of Military and Police Personnel or others, if any found to have contributed to the incident, and lastly
- (d) To assess the extent of damages and casualties in the clash.

The Chairman and members of the Panel of Enquiry have been carefully selected in view of the sensitive nature of the assignment. They are men of integrity reputation with high sense of responsibility and I have no doubt that they will perform their duties diligently and creditably.

Finally, let me again appeal to all interested persons and groups to come forward and assist the Panel of Enquiry in the discharge of its task. The State Government on its part will give the Tribunal necessary support for the effective performance of the sensitive assignment.

On this note, I will again like to thank everybody here and at the same time, I wish the Panel a successful deliberations and a very good report.

Thank you all and God bless.

AT THE LAUNCHING OF A COMMEMORATIVE BOOK WRITTEN BY MR NIYI ONIORORO AT THE NIGERIAN INSTITUTE OF INTERNATIONAL AFFAIRS, VICTORIA ISLAND ON TUESDAY, 13th FEBRUARY 1990

I feel delighted to be with you today as I welcome you all to this auspicious occasion of the launching of the book titled "Letters to Nigerian Society". This ceremony has been arranged to mark the fourteen Anniversary of the death of the late Head of State and Commander-in-Chief of the Armed Forces of Nigeria, General Murtala Ramat Muhammad who was assassinated on Friday, 13th February 1976 in an abortive coup. The book that is being launched today has been dedicated to his memory.

The book, "Letters to Nigerian Society" is a compilation of literary efforts by Mr Niyi Oniororo, a successful Journalist and Social Reformer, to expose some of the ills, indeed the bane, of the Nigerian society and proper solutions. The book has been published under the auspices of the Nigerian Council for National Awareness whose chairman is Niyi Oniororo himself.

"Letters to Nigerian Society" is a unique book which attempts to highlight the inadequacies and lapses of Nigerian in whatever role or calling they have found themselves, and it is expected to assist in focusing the critical areas of our national life which still require very urgent attention. The courage to write a book such as this should, therefore, be recognised and commended.

The short, but historic and highly impressive regime of the late General Murtala Muhammad provided a serious and purposeful administration which gave the nation a sense of direction and laid the foundation for meaningful development. I can publicly extol some of the virtues of the late General Murtala as I was privileged to work closely with him in some of the Formations. He was obviously a public-spirited statesman, courageous, firm but humane. The Book we are launching today is commemorative of the death of the General which occurred 14 years ago. We pray for the perfect repose of his soul.

The present Military Administration has demonstrated a strong political will and a remarkable ability for decisive action on fundamental issues. The house-cleaning exercise and the re-organisation and re-ordering of our social, political and economic life will soon be completed. To sustain our efforts and consolidate the gains, however, the present Military Administration requires a dynamic, courageous, responsible and purposeful civilian Administration as successor.

The role of the Nigerian Council for National Awareness, under whose auspices the book is being launched today, is also to be commended. Since its birth several years ago, the council has contributed immensely to the social, political and economic development of the nation through its many ideas and proposals to Government, including the present Administration. The Council has always been objective and forthright in assessing any issue as evidenced in the compilation of the series of letters to various segments of our society including the Armed Forces. It is important to observe also that this body is a non-partisan, non-religious but independent organisation, comprising all shades of opinion, devoted and dedicated to the positive development of the nation.

The present Administration welcomes a crusade such as the one the author of the book is undertaking. It is our noble intention to put this country amongst the great nations of the world. The Government will, therefore, encourage groups or individuals who will join hands with the Government to achieve this distinguished objective.

Service Chiefs, Members of the Armed Forces Ruling Council and National Council of Ministers, distinguished Guests, Ladies and Gentlemen, I once again welcome you all to this august gathering and I wish you all a successful outing. As we remember and mourn the passing away of our former Head of State, there is need for us to remained ourselves of the enormous tasks ahead in building a strong and virile nation. When we do this, we are paying glowing tribute to the memory of the late General who laid down his life for the good of the nation.

Thank you and God bless.

**AT THE OCCASION OF THE FIRST GRADUATION CEREMONY AND FOURTH
CONVOCATION OF LAGOS STATE UNIVERSITY
ON THURSDAY, 15th FEBRUARY 1990**

Today is a very unique occasion in the history of Lagos State in general and Lagos State University in particular as we are graduating and formally sending out into the world our first set of ambassadors and representatives by conferring Degrees, Diplomas and Certificates to successful candidates in the various course programmes of the University. This ceremony therefore marks the climax of the success story of an institution which, within five years of its existence has made appreciable progress towards the fulfilment of the dreams of its founding fathers.

As Visitor to Lagos State University, I feel very proud and highly honoured to be part of this historic achievement and I heartily welcome you all to share in the joy of this epoch-making event.

It is an opportunity on an occasion such as this to pay tribute to the vision and foresight of the founding fathers who worked assiduously to conceive, plan and establish the University. It is gratifying to note that their efforts have not been in vain. The fact that the institution has now joined in the academic tradition and colourful ceremony of conferring Degrees, Diplomas and Certificates, is in itself a fitting tribute to their immense contributions. The indomitable spirit, determination to overcome all odds, the zeal and the sweat of the founding fathers are the traditions that begot LASU.

The University is agog in celebration of the solid foundation laid by the men and women who, in the fore-front or behind the scenes, have helped to shape and create the promise of a fledging institution destined for fame and success. I salute the courage and collective will of my predecessors in office, the founding Vice-Chancellor and all others who could not be singled out for mention here. All Universities strive to establish credibility and attain an acceptable standard among their fold. No one can now be in any doubt as to the impact LASU is making nationally and the image it is carving for itself as a redoubtable citadel of academic excellence: thanks to the dedication, care and foresight of the initiators and indeed the present operators.

Distinguished Ladies and Gentlemen, the point is hardly lost on Government that a University can only flourish in an atmosphere free from dogma, prejudice and all forms of parochialism. In the short period that LASU has been established, Government has had to take decisive measures to save the University from regression and to allow a healthy environment to prevail. Today, we are justifiably proud of the hard decisions which we have had to take. From its commencement in 1984 with only 324 students in four faculties, the growth of the institution has been phenomenal. For the 1988/89 academic session, student enrolment has risen to 6,755, and an additional faculty, the Faculty of Engineering has been added.

Going by the current age of the University, sound planning dictates great emphasis on the provision of infrastructural facilities. Hence, the construction of the road network, designed to enhance the physical outlay of the University campus, is expected to be completed by the end of the current financial year. A sum of ₦2.5 million has been spent

on electricity supply on the campus while about half a million naira is budgeted for the purchase of a 330 KVA Generator that would complement supplies from NEPA. The Senior Staff Quarters Complex has just been completed at a cost of ₦8,500,228.00 in addition to the procurement of 60 Units of flats at the Iba Housing Estate for use as staff quarters for other categories of the University staff. The completion and implementation of the Lagos State University Masterplan, which would integrate and co-ordinate the existing and future structures on the campus will also receive due attention during the current financial year. Government is well aware of the National Universities Commission standards for the accreditation of courses and in concert with the University authorities, the staff and students, there will be no relenting in our resolve to meet the required standards and build an enviable citadel of learning.

Lagos State University has been able to attract, recruit, and retain a good crop of pioneer academic and non-academic staff whose hard work and personal sacrifice must be acknowledged today. I urge them to maintain a high level of dedication and total commitment to the ideals becoming of a prestigious apex institution that LASU is, in the State as well as within and outside the country. I am assured that the University, through its Council and the Senate will continue to protect the interest of all its members who would contribute meaningfully to the well-being and progress of the institution.

At this juncture, let me also congratulate the pioneer graduates of this young University. Yours is indeed a laudable achievement of which you should be justly proud. In this connection, I must refer in particular to the brilliant performance, severally and collectively, of the Law Graduates of the University at the Bar examination. They have proved themselves to be worthy ambassadors of the University and set a formidable record of excellence which succeeding generations of students must strive to attain and better. As young graduates being turned out into the world outside, you will find that your present achievement is only the beginning of the challenges which life and living continuously offer. These challenges will be the test of the versatility which is the hallmark of a good University education. Your years at LASU must have adequately equip you with the resourcefulness, flexibility and acuteness of mind necessary to achieve success in your endeavours. In all things, however, you must continue to stand out as worthy ambassadors of LASU.

I cannot end this address without a mention to the general behaviour of our students. Credible academic standards cannot emerge or be sustained in an atmosphere permeated by indiscipline and lawlessness. While the authorities at all levels must demonstrate sensitivity and responsiveness to the legitimate needs of students, let no one be in doubt as to the prompt measures that will be taken to deal firmly with acts of lawlessness in any of its manifestations. LASU has had its own share of unruly behaviour among students who must now learn that there are laid-down procedures for expressing grievances. Violent protests will no longer be tolerated, if we are to sustain a conducive environment for the steady growth of the University.

The Pro-Chancellor and members of Council, the Acting Vice-Chancellor and Members of the University Senate, your Royal Highnesses, My Lords Spiritual and Temporal, Graduands, distinguished Ladies and Gentlemen, I have the pleasure in welcoming you all to this Graduation and Convocation ceremony.

Thank you all God bless.

**AT THE MAIDEN GOVERNOR'S AWARD OF THE NATIONAL YOUTH AWARD
SCHEME, AT THE DEFUNCT HOUSE OF ASSEMBLY COMPLEX, IKEJA ON
THURSDAY, 15th FEBRUARY 1990**

I am particularly delighted to be present in your midst on this memorable occasion, of the first ever presentation Governor's Awards of the National Youth Award Scheme, since it was officially launched in Lagos State in 1987.

The historic presentation, of this award to seven (7) successful award participants for which we are gathered here today is very unique. It is unique in the sense that today's event, which marks the first presentation of any award in the programme of the National Youth Award Scheme in Lagos State, opens a new chapter in the determination of the present Military Administration to create various opportunities for identifying and developing the talents and potentialities of all our youths, in our efforts to inculcate in them new leadership qualities that would develop them into more dedicated and purposeful citizens of this country. The event also presents a challenging opportunity for our adult citizens as parents and guardians to mobilise their children to show interest in the scheme and participate effectively in the various categories of the training opportunities which the scheme is designed to offer.

I am aware that the journey to the realisation of the present stage of achievement of the National Youth Award Scheme in the State had not been easy. I am reliably informed that youths of various age ranges had participated in various training programmes in order to encourage the spirit of discovery and invention; acquisition and development of skills; and physical development of recreation and relaxation. These training programmes have no doubt offered the much required scope and outlet to the gainful interest, and develop in them a sense of responsibility towards their Community and the country in particular. I wish to congratulate heartily, the seven (7) successful candidate who have qualified for this enviable award through their drive and determination of excel. Apart from opportunities aimed at identifying and developing latest potentialities in our youths, it also affords the assessors and organisers of the scheme with opportunities for self development and a sense of pride for the successful realisation of their efforts. Thus, apart from adopting and implementing fully the National Youth Award Scheme in Lagos State as a way of engaging the energies of our youths in meaningful programmes, the State Government is also committed to reducing the problems of unemployment, among our young people. Towards this end, the State Administration had of recent focussed more attention on the graduate farmers scheme, open apprenticeship scheme, public works programme and the establishment of Vocational Training Centre for the training of our youths in various skills. These programmes which started as pilot schemes at various periods during the last decade had continued to yield commendable results. Furthermore, for the meaningful utilisation of leisure periods among the youths, the State Government has provided functional Play-ground where play equipment and sports facilities are made available in various Local Government Areas of the State. All these are geared towards making life more meaningful for our youths and for creating an atmosphere for effective contribution to the development of self, the community and the nation at large.

Finally, I wish to congratulate the chairman and the entire members of the State and Local Youth Award Committees for their pioneering efforts and selfless service towards the realisation of the goals of this laudable scheme. The recipients of this Award should see themselves as very fortunate as their efforts to fully develop themselves is being rewarded today. I wish also to recall that as a result of your collective efforts, two youths from Lagos State had benefited from maiden presentation ceremony of chairman's Award in July 1989. I am also informed that nine (9) youths have been found qualified for the final of the President's Award for gold medals. I congratulate them for their successes.

Honourable Minister for Youth and Sports, my dear young people of Lagos State, distinguished Ladies and Gentlemen, it is my pleasure to present the Governor's Award of the National Youth Award Scheme to the first batch of seven (7) successful youths from various Local Government Area of Lagos State at this maiden presentation ceremony.

Thank you and God bless.

**AT THE WORKSHOP ON THE REVIEW OF THE TOWN AND COUNTRY
PLANNING LAW IN NIGERIA, TAKING PLACE IN THE DEFUNCT HOUSE OF
ASSEMBLY COMPLEX, ON THURSDAY, 15th FEBRUARY 1990.**

I am delighted to be in your midst as Special Guest and to deliver the welcome address at this important Workshop on the Review of the Town and Country Planning Law of Nigeria. This Workshop is most timely in view of the growing concern on the part of State Governments and the Federal Military Government, for the quality of life in the country as a whole. More than ever before, Government now places a very high premium on the orderly physical development of both the urban and rural environment in order to ensure that the generality of our people enjoy good quality life.

The environment in which we live has a great influence on the quality of life, social behaviours, attitude to work and our output. It is therefore not out of place to say that one's life is to a very large extent shaped by the environment in which one lives. Physical Planning is an essential requirement for the enhancement of human life. It creates an orderly environment that is conducive to living, working, circulation and recreation. It is common knowledge that nearly all our towns and cities represent a convergence of two distinct traditions — African tradition and European tradition, which are presently passing through a period of dynamic disequilibrium. In other words, the challenges of physical planning are present everywhere.

In the recent past, environmental problems have attained greater dimension in both the rural and urban areas. Incidents of flooding have occurred in some towns and cities across the Federation which claimed the lives of many, rendered a lot of people homeless, destroyed valuable properties and agricultural crops estimated to worth millions of Naira. The Lagos State Government has been responsive to the yearnings of the people in the State in the area of de-flooding programme. As a matter of fact, "de-flooding of metropolitan Lagos received paramount attention in the course of 1989. A total of ₦16.06 million was spent on the construction and maintenance of drainage channels and box culverts", as a means of combating erosion and flooding related problems. In the 1990 fiscal year, a sum of ₦20.0 million has been provided for de-flooding of the State.

As our urban population continues to increase at an alarming rate, the rural areas continue to be depleted of their virile population. Great demands are placed on existing city's infrastructures and growing pressures result in the decay of towns, city slums and chaotic development. In fact, development activities continue to occur all over the places with little or no systematic direction.

The movement of people and goods are becoming more and more difficult and dangerous. Industrial and business premises have developed haphazardly within residential environment to the discomfort of residents. There is an alarming spread of massive illegal development

The Lagos State Government is particularly disturbed at the rate of growth of illegal structures within planned estates such as Victoria Island, Victoria Island Annex, Ikoyi, Cpebi, Surulere, Central Lagos and Government Residential Areas. Drainage channels are being blocked with illegal buildings and structures. Water fronts and major utility lines such as NEPA light Tension poles, NNPC pipelines and water-mains have not been spared by these unscrupulous developers. The resultant effects of the Illegal structures and its attendant problems include incidents of collapsed structures and incessant fire outbreaks in our cities and towns. Ladies and Gentlemen, in view of all these "tales of woes" we must ask ourselves what has gone wrong? Is the fault in the environment or the Laws we operate? What efforts are members of your profession making to reverse this unacceptable trend in the areas of physical development?

Town Planning as practised in Nigeria, clearly portrays a heavy assimilation of the European Planning Culture and a super imposition of an alien planning culture. In 1946, the Town and Country Planning Act was promulgated in Nigeria. The 1946 Act was a carbon copy of the British Town and Country Planning act of 1932. While the British Act of 1932 had since been reviewed several times, the 1946 Act is still being used in Nigeria. You would all agree that more than forty years after enactment, the Act has become obsolete and long overdue for review. In a nutshell, the 1946 act has become highly unsuitable, inappropriate and non-functional for our culture, customs and economy. While the efforts of some States of the Federation at legislating various edicts are commendable, it is however a known fact that very minimal achievements have been recorded.

Permit me to say, that the Town and Country Planning Law of 1946 is very limited in scope and does not cover enough ground. It has become grossly inadequate to meet the exigencies of modern times. The lapses and gaps of the obsolete law have therefore created room for inconsistencies in the execution of physical planning policies. The lack of dedication on the part of officials entrusted with the enforcement of the existing laws and lack of co-operation on the part of the public through illegal developments/buildings are contributory factors to environmental degradation. It is therefore my considered view that the present planning problems in our towns and cities have solutions. As a first step, the law regulating town planning needs to be reviewed. If Town Planning is truly the Art of controlling the use of land, the arrangement of buildings in order to achieve economy, secure convenience and beauty, then, I charge you all as members of this "noble profession" to put this Workshop to maximum use. Let your guiding principle be that "Legislation is a Guide" and come up with a workable legislation in tune with the realities of the current socio-economic and cultural values of the Nigerian Environment for which it is meant. Such Planning legislation must not aim too high or too low. If it is to be realistically implemented.

In Lagos State, the allocation of over ₦198 million which is 14.2% of the total state budget for 1990, to the Environmental Development Sector, is a manifestation of our commitment to the achievement of a well planned habitable environment for the citizens of the State. Let me assure you all of the continued support of the State Government at all times in the area of environmental development. The creation of the Ministry of the

Environment and Physical Planning in Lagos State is one of the steps taken to enhance greater efficiency in physical planning process in the State.

I want to seize this opportunity again to warn unscrupulous and over-zealous Town Planning officials to desist from encouraging developers to build or over-build and thereby contravening the operative laws. Similarly, all members of the public who have illegally over-built, or built along drainage channels, Public Open Space, NEPA lines, Government Acquisition Areas and other residential estates should remove their illegal buildings/ structures or face the wrath of the law.

Finally, I have no doubt that with the meaningful contribution of everyone of you to this Workshop, a realistic and useful law would emerge and an orderly development and control of the environment would be achieved.

Ladies and Gentlemen, it is my pleasure to welcome you to this Workshop. I wish you all a happy and fruitful deliberation.

Thank you all

**ON THE OCCASION OF THE COMMISSIONING OF LSBPC'S RETAIL CENTRE
AT OKO AWO ON FRIDAY, 16th FEBRUARY 1990.**

It is with great pleasure that I am here today to commission the Lagos State Bulk Purchasing Corporation's Retail Centre at Oko-Awo.

I wish to recall that I directed the Management of Lagos State Bulk Purchasing Corporation about a year ago to establish Retail Centres in all the Local Government Councils of the State and this Centre we are commissioning today is the fourth as those of Badagry, Ikorodu and Epe have been functioning for the past one year. The response and patronage of the people in those areas have also been very encouraging. I therefore congratulate the Lagos Island Local Government for the construction of this centre and I hope the Local Government for the construction of this centre and I hope the Local Government will educate its citizens on the need to patronize the centre.

The State Government, in line with its Structural Adjustment Programme Relief Package, has directed by Lagos State Bulk Purchasing Corporation to intensify its efforts in the Procurement of food items, textbooks and stationeries for sale at every affordable prices. These, I believe will go a long way in cushioning the effects of SAP on the people of Lagos State

I therefore wish to restate, once again, that the State Government and indeed the Lagos State Bulk Purchasing Corporation is NOT in competition with the Market Women and Traditional Book Sellers but rather we are only complementing their efforts. Let me say categorically that sales at this centre is purely for domestic consumption and not an outlet for middlemen to purchase goods for resell to members of the public. Indeed there is no need for distributors to patronise this centre as anyone caught trying to buy in bulk in order to resell will be treated as a saboteur of this programme.

Let me seize this opportunity to warn the citizens of this Local Government that the security of this centre is the collective responsibility of all of you. Also, anybody caught disrupting the activities of the centre will be dealt with accordingly.

In conclusion, I wish to express the gratitude of the State Government to the sole Administrator of Lagos Island Local Government and his management for their efforts in ensuring that this centre is put up within a short period of time despite all other competing and vital responsibilities.

Once again, I will like to congratulate the sole Administrator for the efforts he has made so far in meeting the yearnings of the people of this Local Government Area.

Thank you all and God bless.

AT THE 1989 9 MECHANISED BRIGADE WASA HELD AT THE BRIGADE TRANSIT CAMP GROUND ON SATURDAY, 17th FEBRUARY 1990.

I feel highly honoured to be invited as the Special Guest of Honour at the 9 Mechanised Brigade Garrison Welfare and Social Activities 1989. WASA amongst service personnel, dates back to the early days of the Nigerian Army. It has been deliberately sustained principally because it serves as a forum for social interaction with Commanders and their officers on the one hand, Commanders, officers, soldiers and their families on the other hand.

Soon, there is going to be the 1990 biennial Small Arms Championships NASAC. I am aware 2 Mechanised Division won the much coveted President, Commander-in-Chief's trophy, I am also aware 9 Mechanised Brigade was highly instrumental to this winning. I have no doubt in my mind that you will repeat that feat this year and this will enable the Division to retain the trophy for keeps.

On discipline, I have been briefed by your Commander that there is a lot of improvement, I implore you to keep up the new spirit of self-discipline.

During my address to you on this same occasion last year, I did say that the present military administration has set for itself a clear cut programme that will usher in the next civilian administration, come 1992. Already this machinery has been set on motion. It behoves all of us officers and soldiers to ensure the successful implementation of the programme without disruption. Experience has shown that political aspirants will warm their way into your midst. They would want to use you to achieve their selfish goals. You must resist any temptations.

Secret or open campaigns are strictly prohibited in the barracks. Any of you who wishes to join political parties or seek political appointments should seek discharge first and disengage from the Nigerian Army before donning your political garb. You must see yourselves first as soldiers and your allegiance must be to the Nigerian Army and the Nation

In the area of welfare for soldiers and your families the Federal Military Government through the Nigerian Army has practically demonstrated its promises made two years ago. Your personal emoluments have been harmonised, the same thing has gone for your transport and annual vacation leave allowances. We cannot afford to let the Army down. Better still, we cannot afford to let the present administration down.

On the part of the Lagos State Government which I have the humble privilege to oversee today, we have been striving to assist in whatever ways possible to improve your living conditions in the cantonment by providing the basic amenities for conducive living. I want to use this occasion to reiterate my earlier promise to your Commander that the State Government will continue to assist the Brigade in order to fulfil her obligations to you and your families.

Finally, before I end this address, I want to warmly congratulate the various traditional troupes that performed so brilliantly this evening. I also heartily congratulate the Sunshine Sisters of Africa, the Atilogwu outfit and our good friend and comedian, Jaguar.

Thank you and God bless.

**AT THE INAUGURATION OF THE LOCAL GOVERNMENT
CARETAKER COMMITTEES IN LAGOS STATE AT THE FORMER HOUSE OF
ASSEMBLY COMPLEX
ON MONDAY, 19th FEBRUARY 1990 AT 1.00 P.M.**

As you are fully aware, the Federal Military Government recently announced a change in the Political Transition time-table, of which the re-scheduling of the Local Government elections for the last quarter of the year 1990 is of immediate relevance. Consequently and in line with its policy to promote grassroots participation in governance, especially at the Local Government Level, the erstwhile system of Sole Administrators has now been replaced with that of Caretaker Committees.

You have just witnessed the swearing-in of the Caretaker Committees for the twelve Local Governments in Lagos State. As would have been observed, the Chairmen of the newly-inaugurated Caretaker Committees are the erstwhile Sole Administrators of the various Local Governments. I have decided to re-appoint them in view of their generally satisfactory performance during the period of about six months when they served as Sole Administrators. I therefore congratulate them on this new appointment and wish each and everyone of them a resounding success in steering the affairs of their respective Local Governments throughout the tenure of the Caretaker Committees. To work with each Chairman, Government has made a careful selection of four members (including at least one female member) to serve on the respective committees. Let me assure members of the public that the appointments have been made solely on personal merit and individual qualities which include impeccable character, high integrity, diligence, public-spirit- edness, flair for hardwork and non-involvement in party politics under previous political dis- pensations. With these factors as the basis of selection, I feel satisfied that the Caretaker Committees would work assiduously, to justify the confidence reposed in them by this appointment.

In consonance with the Local Government Guidelines, members of the Caretaker Committees would be assigned appropriate Constitutional responsibilities in the affairs of the Local Governments to conform with their status as supervisory Councillors. Let me, however, make it abundantly clear to you all that you are not allowed to participate in the membership and activities of the two Political Parties, either overtly or covertly, through- out your tenure of office on the Caretaker Committees. Rather, I enjoin you to commit yourself entirely to working tirelessly to meet the aspirations of the generality of the people you are called to serve

It bears emphasis that the Chairmen and members of the Caretaker Committees should see their appointments as a challenge; perhaps also as an opportunity of a lifetime

to make a significant contribution to the growth and development of their communities. They will do well to ensure continuity in the administration and management of the Local Government Councils through sustained interest in the welfare of the local areas. Furthermore, such laudable programmes of the present Military Administration as DFRRRI, MAMSER, NDE, Better Life for Rural Dwellers as well as all political, economic and social measures introduced from time to time should be faithfully and satisfactorily implemented in line with the relevant guidelines.

As a condition for a successful tenure at this crucial stage of our political transition process, I must emphasise the importance of the on-going public enlightenment campaign and the need to correctly interpret or explain the policies and programmes of Government to citizens in your areas of jurisdiction. It is incumbent upon Chairmen and members, severally or jointly, to establish rapport with the people and maintain regular contact with the Obas, Chiefs, Community Leaders and the various interest groups. The State Government would expect constant feedback from the Caretaker Committees.

Distinguished Guests, Ladies and Gentlemen, before I conclude this address, it is pertinent that I should invite attention to the provision of Section 33 of the Local Government (Basic Constitutional and Transitional Provisions) Decree 1989, which requires that the Chairmen and members of Caretaker Committees should observe and conform with the code of conduct for public officers under the Regulations of the Code of Conduct Bureau and Tribunal Decree 1989. I must emphasise the need for scrupulous probity and judicious use of available resources, more so during this period of economic reconstruction. As indicated in my address at the swearing-in of the erstwhile Sole Administrators, I hereby direct that the Accounts of all Local Governments as at 19th February 1990 should be audited. All former Sole Administrators of Local Governments should also prepare situation reports on the activities of their respective Local Governments, embracing the various projects, programmes and finances as at 19th February 1990. I should also add that a similar audit exercise will be undertaken at the end of the tenure of office of the Caretaker Committees.

The life-span of the Caretaker Committees shall terminate at the inauguration of elected Local Government Councils on political party basis during the last quarter of 1990. However, let me state for the avoidance of doubt, that Government would not hesitate to deal decisively with any Caretaker Committees or individual members who may place themselves in breach of the oaths they have just sworn to.

Once again, I congratulate the Chairmen and members of the newly-inaugurated Caretaker Committees of the Local Governments and wish them all resounding success in the task ahead.

Thank you all and God bless.

**AT THE OFFICIAL LAUNCHING OF LAGOS STATE TRANSPORT
CORPORATION'S NEW CAR SERVICES ON MONDAY, 19th FEBRUARY 1990
AT ILUPEJU**

I am delighted to be here this morning on the occasion of the official launching of the Lagos State Transport Corporation's new car services.

You will recall that in my speech on Monday, 29th January 1990 during the foundation laying ceremony of LSTC multi-purpose ultra modern Office/Shopping Complex at Ikoyi, Lagos, I said Inter-alia: "That the Corporation generating cost which was heavily subsidised by the Lagos State Government, has increased astronomically in recent times and the Corporation's revenue has not shown any significant increase because it could not raise its fares in the same manner as frequently done by the private transport owners because of its social service nature. At the same time, it was becoming increasingly difficult for the Corporation to maintain its fleet of buses, not to talk of acquiring of new ones. It must therefore look for other sources of income if it was to remain in business. Accordingly, the development of its Keffi Street Landed Property is a step in the right direction". On that occasion, I also congratulate the Management and other persons who have contributed to that noble project. Today, we are gathered here again in less than four weeks, to witness another effort at revenue generating by the launching of the Corporation's new car services, comprising the "Dial-A-Ride Service", car hire service for corporate organisations and inter-state car services for the teeming commuters in the State.

I am particularly delighted that the present management of the Corporation is very much concerned about the plight of commuters in the State, consequently, it has decided to complement the existing bus services with the car services, with a view to ensuring the survival growth and the profitability of the Corporation on the long run.

In the same vein, the State Government would soon take delivery of additional buses and ferry boats placed on order in 1989. I have also been informed that over 25 of the 70 grounded buses have been fully rehabilitated and are already operational.

The car hire services of the Corporation is an additional source of revenue for the Corporation if efficiently managed as a commercial venture. It is the hope of the State Government that the Corporation should be self sufficient in no distant future. It is also noteworthy that the service would increase the capital base of the Corporation whilst future revenue would fund the maintenance, repairs and fleet replacement cost. I am reliably informed that "Dial-A-Ride" service will cater for commuters in the low density areas of Lagos Metropolis. With the recent increase in air fares and the Corporation's operation on Inter-State routes, I am sure service would further enhance the potentials of a well run commercial transport service on selected Inter-State routes, catering for the medium and upper segment of the market.

Finally, I would like on this occasion, to pay public tribute to all the functionaries of the Lagos State Transport Corporation who worked tirelessly and quietly to implement this programme. I warmly congratulate the Executive Chairman and Management of the Corporation on the take-off of this epoch-making programme.

Lastly, I congratulate the great people of Lagos State on being the first to start of the "Dial-A-Ride" car service scheme in the country.

I now have the greatest pleasure in launching the Lagos State Transport Corporation new car hire services to the glory of God and the service of our people.

Thank you all and God bless.

**AT THE OPENING OF PEOPLE'S BANK BRANCH IN IKORODU, LAGOS STATE
ON TUESDAY, 20th FEBRUARY 1990**

On 1st of October 1989, the President, Commander-in Chief of the Armed Forces, General Ibrahim Badamasi Babangida, announced the establishment of People's Bank of Nigeria as a strategy to:

- (a) Ameliorate the sufferings of the masses by providing the people with easy credit for their businesses.
- (b) Curb mass unemployment; and
- (c) Encourage economic self-reliance at the grassroots.

To achieve these objectives, the President commissioned the first branch of the People's Bank on the 3rd October 1989 at Ajegunle in Lagos State. Since then several branches have been opened across the country including the branches at Ajegunle, Mushin, Maroko, Agege, Epe and Badagry all in Lagos State as part of the first phase of the bank establishment in the State.

The second phase of the bank establishment in the State is expected to take-off with the commissioning of Ikorodu and Somolu branches, the Somolu branch was however commissioned during the State's Rural Development Week.

I wish to emphasise that this bank was established for the masses of this country, that is, for the less affluent citizens who have legitimate businesses and have not been able to raise sufficient capital to invest in their trades. This category of people are to be found among our petty traders, craftsmen and women, artisans, farmers and other small entrepreneurs who have been handicapped by lack of access to credit.

Hitherto, bank credit through the commercial and merchants banks had only been extended to the few affluent members of the society who can provide huge sureties and collaterals to the banks before qualifying for loans. It is in recognition of this handicap of the less affluent Nigerians that the Federal Government decided to establish the People's Bank. Qualified Nigerians residing in this Local Government will from now have easy access to capital right here in Ikorodu without the constraint of providing collaterals and without the time consuming bureaucracy associated with obtaining loans from other banks. All that is required is for the people to form groups of 7 to 10 people with legitimate businesses, appoint a Chairman and a Secretary and register the group with any of the six satellite centres attached to the Ikorodu branch of the People's Bank. The field-workers and other bank officials will verify the stability of each group and the capability of the members to pay back. The first five members of the group will be given loans at the first instance and upon good repayment records of the first set of the group's beneficiaries, the other members of the group will get theirs, however, the Chairman and Secretary will be the last recipients of the bank's loan.

For the strategy of the bank to succeed, there is need for co-operation from you the people. It is important for the recipients of the loans to channel these loans into their trades and adhere strictly to the repayment programme of the bank.

I wish to stress that any borrower who breaches the repayment programme of the bank will be disrupting the whole process and at the same time will be blocking other serious borrowers from obtaining the loans. However, adequate arrangements have been made by all the three tiers of government (that is, Federal, State and Local Governments) in the Federation to recover the loans from such defaulters by all means.

It is necessary for me to state that the bank's officials are paid government workers who must not be given any gratifications before doing their jobs. Any official soliciting or demanding gratification before rendering services must be reported at once to the appropriate Authorities for disciplinary action.

Within the last three years, our nation has gone through economic restructuring changes occasioned by the Structural Adjustment Programme. The exercise is necessary to revamp our economy and give it proper footing so that our self-sufficiency and sovereignty will be guaranteed in the course. With the threats of an ever-increasing population and a higher demand for social services, we have been forced to accept the fact that government cannot provide everything for the people as was the case in the past.

I must commend and congratulate, Chief Oteju, an illustrious son of Ikorodu for providing an interest free loan of about ₦500,000 to the bank and for the other assistance that he has been rendering to People's Bank to ensure a better life for the people of Ikorodu. I hope that others will emulate this noble example. We have come into the era where every patriotic Nigerian must answer the call of rendering assistance to our people without waiting for the government alone to provide all the needs. We must initiate survival actions for ourselves by working hard to be self-reliant and self-sufficient even at the grassroots level. All that the government can do is to back up our endeavours by rendering assistance so that our journey to self-sufficiency will be easier.

Once again, I wish to appeal to the citizens of Ikorodu Local Government to take adequate advantage of this bank and to ensure that its operations are successful by their co-operation. I wish the recipients of today's loans the best of luck in their endeavours.

Thank you and God bless.

**AT THE SWEARING-IN OF THE ASG AND DG, MINISTRY OF JUSTICE
21st FEBRUARY 1990**

We have just been through with the swearing-in ceremony of Mr Johnson Yinka Ajitena as Acting Solicitor General and Director-General of the Ministry of Justice. I have to recall here that the former Solicitor-General and Director-General of the Ministry of Justice, Mr Oduneye was sworn in as a Judge of the High Court of Lagos State on 31st day of October 1989 and since that time the position has been vacant and Johnson Ajitena is now being appointed as the Acting Solicitor-General and Director-General of the State Ministry of Justice.

Before now, Johnson was the Director, Commercial law in the Ministry of Justice and I must say here that he performed his responsibilities in that post with effectiveness, hence his consideration for this new appointment. It is therefore my expectation that you would live up to the high ideal of this present appointment and again I would like to emphasise that your new appointment needs a higher sense of responsibility, dedication, honesty, commitment and integrity to cope with the responsibilities now revolving on you and on the government at this point in time.

Your appointment should be seen as a challenge to work harder than ever before in our joint effort to bring efficiency, effectiveness and continued loyalty to the institution of the civil service including an uninterrupted social services to the generality of our people.

Finally, as we share the joy of this happy occasion, let me once again urge the new appointee to rededicate himself to the selfless service of the people of this state through a total commitment to the programme of the present Ministry Administration without discrimination or favouritism.

I wish you a very successful tenure of office. Thank you all and God bless.

**AT THE CELEBRATION OF "EDUCATION DAY"
AT THE FACULTY OF EDUCATION, UNIVERSITY OF LAGOS
ON WEDNESDAY, 21st FEBRUARY 1990**

I am highly delighted to be part of this thoughtful and innovative programme, as Guest of Honour, at the EDUCATION DAY celebrations of the Faculty of Education, University of Lagos, Akoka. The day seeks to highlight and focus deserved attention on the Faculty of Education which produces ladies and gentlemen for the noble profession which handles the child from the cradle to adulthood.

I wish to acknowledge the past contributions of this Faculty in the form of manpower development and research ever since its days as a College of Education. The Faculty has contributed in no small measure to educational advancement in Lagos State in general in the following ways:

- (a) Through the production of Degree holders and National Certificate of Education holders to teach in our school system.
- (b) Through active participation in curriculum development and research efforts with the State Ministry of Education.
- (c) Through the training of our teachers under the Teachers' Vacation Courses (T.V.C.) programmes.
- (d) The University of Lagos Institution of Education has over the years developed a healthy brotherly relationship with the State College of Education Otolanikin with particular reference to moderation of syllabuses, and students teaching practice, and the gradings of final year students of the College of Education.
- (e) For several years, the former Director of the Institute, Dr (Mrs) J. I. Macaulay was also the Chairman of LACOED's Board of Governors.
- (f) LACOED's Certificates for its graduands are still written by the Institute of Education, University of Lagos, and still bears the crest of the University of Lagos

Since the establishment of the State-owned Lagos State University (LASU) there has been a considerable measure of co-operation and collaboration between the two Universities especially in the Faculty of Law and Engineering.

The present economic realities world-wide have made themselves manifest in the provision of activities in educational institutions throughout the world. We, in the developing countries have been worse hit. And yet, standard and very high quality education still has no substitute in terms of legacies to individuals and even to a nation.

In conscious realisation of the above-mentioned factors, the Lagos State Government still devotes the greatest percentage of its annual resources to education. For the current financial year, 1990, we have voted a total of ₦371.1 million for Recurrent Expenses, and ₦85.25 million for Capital Expenditure in the Education sector. Government will continue to give due and proper attention of primary education, and to this effect the Primary Schools Management Board alone has a sum of ₦156,159,494.00 approved

for it for 1990. In spite of these huge figures, there is still a lot of room for improvement in our education system and we are making necessary arrangements to ensure that our objectives are attained

Against the foregoing background, I wish to associate myself with the efforts of the faculty of Education to raise funds to enable it restore its facilities, I am very much aware that by and large, the faculty produces teachers for the Lagos State school system and if we have to achieve our goals on quality education, we need to start from the very root, the very sources where the teachers are produced. In view of this, I will like to, on behalf of myself and the people of Lagos State, donate a sum of ₦100,000 to the education development of University of Lagos. In addition to the foregoing, I wish to say that the noble old students of this faculty must rally round now and make their impact felt so that the present generation of students can also have good library and other facilities that make for good quality education. I wish the University of Lagos in general and the Faculty of Education in particular more successes in the years ahead.

Thank you very much and God bless.

AT THE OPENING CEREMONY OF 4th BIENNIAL CONFERENCE OF THE ASSOCIATION OF NIGERIAN PRINTERS AT DURBAR HOTEL, AMUWO-ODOFIN ON THURSDAY 22nd FEBRUARY 1990

I wish to start this keynote address by thanking the National President and members of the Association of Nigerian Printers for inviting me to be the Special Guest of Honour of this 4th Biennial Conference of the Association. I am particularly happy that the Conference is holding in Lagos which harbours a sizeable proportion of printers, both in the public and private sectors, and where much printing work is done. The reason for this can be traced to the political, social and economic position of Lagos in our national life. Therefore, I have great pleasure in welcoming you all to Lagos in the hope that this Conference will afford you the opportunity to exchange ideas about the development of your profession.

In the words of Samuel Johnson, the renewed Philosopher, "Without printing, perhaps there would be no learning". It could also be argued a little further that "without learning, the need for printing would probably not arise." Therefore, if printing gave us learning, learning has become essentially the soul of printing. There is no doubt that printing has contributed significantly to civilisation and knowledge. It is used not merely for books and newspapers but also for textiles, plates, wall paper, packaging and bill boards. Although the great variety of printed products is common place in modern life, the most important role of printing still remains the communication of information and ideas. It is in consideration of these multifarious roles of printing that I consider any step taken by the government, individuals or organisations to plan its advancement and better utilisation a worthwhile venture. This is particularly so in under-developed and developing countries of the world where the advancement of printing and printing habit will further enhance the learning process.

The development of printing technology could be traced to the 15th Century and with its spread in Europe, people learnt to read and thereby became more educated. Before now, development of printing was limited to illustrative matters copied by hand or reproduced by printing from wooden blocks cut by hand. The invention of new ideas in printing represents, therefore, one of the most remarkable landmarks in human history. As a product of the re-birth of culture and society known as the Renaissance, printing makes possible today the wide dissemination of knowledge, rapid flow of ideas from one country to another and the popularization of learning. In short, it has helped to promote greater understanding among the different peoples of the world.

Like any growing industry in Nigeria, the printing industry has its problems, some of which are inadequate raw materials, exorbitant prices of printing machines, and non-availability of spare parts, in the right quantum. While this is recognised and government is doing everything possible to alleviate the hardship to Printers, it must be borne in mind by members of your Association that it is practically impossible for you to import everything needed in the printing industry especially now that industries are required to source their raw materials locally. As you may be aware, the significance of sourcing materials locally

is to conserve foreign exchange, invigorate local industries and stimulate local production and income. It therefore devolves on those in the industry to see the positive aspects of Government policy in this regard and look into the sourcing of the needed raw materials locally. I believe that their efforts can yield better and long-lasting results through positive research findings. Members of the printing and publishing industries should therefore form the habit of sponsoring research into activities that could benefit them and the generality of their clients.

Distinguished Ladies and Gentlemen, we are now in the crucial period of political transition to civil rule. Your association has a significant role to play if democracy must thrive in Nigeria. In this connection, I would want you all to examine the ethics of your profession and see how you can effectively curb the unpatriotic acts of some of your members who, through acts of commission or omission, would want to tarnish the reputation of the profession through various unpatriotic acts such as printing of destabilising articles and documents, and fake ballot papers for the sole purpose of rigging elections. It is my belief that if we all show the desired patriotism, our hope for better tomorrow to cultivate virile political culture will be assured.

In our effort to enthrone democracy, the present Administration has embarked on massive enlightenment campaign on the manifestoes and constitution of the two political parties and on the other aspects of the transition programme. I wish to use this opportunity to enjoin members of your Association to assist government in this and other onerous tasks ahead particularly in the production of relevant publications, posters, pamphlets and enlightenment booklets at "patriotic" prices that will enable the generality of Nigerians to benefit from them.

Before I conclude this address, I would like to draw your attention to the continuous need for the training of your members. Like in other professions, printing technology keeps advancing in the developed countries. In order to be able to catch up with this development, our printers must be exposed and keep in touch with the latest developments in the industry. I would also like your Association to look into the ways and means of finding concrete and lasting solutions to the problems besetting the printing industry in our country so that the desired growth of the industry can be achieved. I am convinced that the future of the industry is bright if all concerned play their parts well.

In conclusion, I wish to extend to you all the felicitations and goodwill of the Government and people of Lagos State. I am sure that you will find their hospitality warm wherever you may visit in the State during your Conference. Once again, I wish to express my gratitude for your invitation which has afforded me the unique opportunity to address you this morning.

Thank you all and God bless.

DAY AT THE 12TH KADUNA INTERNATIONAL TRADE FAIR
ON FRIDAY, 23rd FEBRUARY 1990

It gives me great pleasure to welcome you all this afternoon to this year's Lagos State Day at the on-going 12th Kaduna International Trade Fair. The laudable and inspiring efforts of the Kaduna Chamber of Commerce, Industry and Agriculture in organising the Annual Kaduna International Trade Fair bear eloquent testimony to the point of view that if given the opportunity, the private sector in Nigeria could and will indeed rise to the occasion in a positive and fruitful manner. Government's faith in the ability and capability of the private sector to continue to play the leading role in the productive sector of the nation's economy is demonstrated by the formulation and implementation of policies designed to enable the private sector to play a dominant role in the national effort to develop our economy. This Administration, through its economic recovery programme, is providing the enabling climate for the nurturing and sustenance of creative and productive activity in the Nigerian economy. The task before us now is to ensure that the immense promise of this great nation becomes a reality through the consolidation of the gains resulting from the implementation of this Administration's economic recovery programme.

The theme of this trade fair—Consolidating the gains of Economic Reform—is an indication of the private sector's recognition that it is indeed through consolidation of the gains achieved so far in the process of restructuring the economy that the basis can be provided for sustained and real-economic growth. Experience world-wide and indeed in Nigeria clearly suggests that the attainment of our economic objectives is dependent on the ability of Government and the private sector to perform their expected roles in the process efficiently and creditably.

Accordingly, we in Lagos State have formulated and are implementing an industrial policy whose main focus is the attainment of a business climate that attracts, promotes and sustains private sector investment in the State. To this end, the State Government's role in the productive sector is limited primarily to that of a catalyst and facilitator of private sector investment in the State.

Pursuant to its industrial policy the Lagos State Government devotes a considerable proportion of its resources to the provision of essential infrastructure such as roads, water and industrial estates to create an enabling environment for sustained private sector investment in the State.

In this regard major projects such as the World Bank supported water project which will increase substantially, potable water available in the State, the establishment of industrial estates with essential infrastructure and the construction of major link roads State-wide are being implemented.

The State Government is also committed to the attainment of balanced economic growth and development State-wide. Accordingly, through the implementation of the State's integrated rural development programme, the Government is in the forefront of efforts to bring about the social and economic development of the rural areas of Lagos State and thereby provide the basis for the continued growth and development of Lagos

State, the nation's major industrial area. Consequently, the State Government, through the provision of essential social and economic amenities will continue to enhance the economic viability of rural areas of Lagos State. Model schools, housing scheme, water, power and roads are being provided in the various rural communities. Major highways are currently under construction in Badagry, Epe, Eti-Osa, Ibeju-Lekki, Ikorodu and Ojo Local Government areas. Work on the coastal road which will boost social and economic development on the south-east coastal portion of the State has commenced. Similarly, work on the provision of the infrastructure at Ikorodu Industrial Estate is continuing this year.

The State's integrated Development Programme supported by the efforts of the Directorate of Food, Roads and Rural Infrastructure (DFRRI) and the Local Governments are already having positive effects on the State's economy, especially in the agriculture and tourism sectors. In consonance with Federal Government policy on food sufficiency, the State Ministry of Agriculture is actively engaged in the implementation of programmes to boost the production of fish, cassava, rice, vegetables and other crops that the State has the potential comparative advantage in production.

The State's component of the World Bank supported Agricultural Development Programme is due to become loan effective this year and this should result in increasing activity of the programme State-wide. A major and successful component of the State's promotional support for the agriculture sector is the Agricultural Input Programme which provides for the bulk purchase of essential inputs by government for sale to producers at concessionary rates. Government intends to extend the scope of this programme with the active support of the banking system. Furthermore, Government will henceforth issue Certificates of Occupancy in respect of agricultural land holdings to provide security of tenure for producers and facilitate the procurement of loans from banks for their agricultural operations.

The President, Commander-in-Chief of the Armed Forces in his speech at the opening ceremony of this Trade Fair, restated the Federal Government's resolve to continue to promote the export sector of our economy. The Lagos State Government fully shares and supports the Federal Government's aspiration and programmes for the development of the export sector. As the nation's major industrial, commercial and financial centre with the country's largest air and sea ports, Lagos State is committed to the promotion and development of an export sector based on the export of processed and manufactured goods. In conjunction with the Federal Government and its relevant agencies such as the Export Promotion Council and the private sector, the Lagos State Government is committed to ensuring the realization of the Federal Government's export promotion programme. In pursuance of this objective, I will soon be inaugurating the State Export Promotion Committee as provided for by the provisions of the Nigerian Export Promotion Council Decree to advise and assist in the promotion and development of the export sector in Lagos State.

The measures which I have just highlighted and others stated in my budget speech earlier in the year clearly demonstrate Government's resolve to sustain and nurture an enabling environment for private sector investment in Lagos State.

At this juncture, I must appeal to the private sector to also show its commitment to the development and growth of the Nigerian economy through increased investments in Lagos State. For it is only through increased investments by the private sector can Government's efforts in providing the right atmosphere be sustained and the gains of the Structural Adjustment Programme be maximized.

In conclusion, I would like to congratulate the organisers of this Trade Fair which I am informed has a record number of exhibitors, foreign and local. I trust that the interest shown in the Nigerian economy by the large number of exhibitors at this fair will be translated in the very near future into increased investments nation-wide.

Thank you and God Bless.

**AT THE OPENING SESSION OF THE STATE DELEGATES' CONFERENCE OF
THE LAGOS STATE COUNCIL OF MEDICAL AND HEALTH WORKERS' UNION OF
NIGERIA HELD AT IMOUDU HALL, NIGERIA LABOUR CONGRESS, YABA,
LAGOS ON FRIDAY, 2nd MARCH 1990**

I feel most delighted to have been invited as Guest of honour at today's official opening session of the State Delegate's Conference of your Union, that is, the Lagos State Council of the Industrial Union of Medical & Health Workers' Union of Nigeria. I wish to assure you that I am with you in spirit as I identify myself with your yearnings and aspirations in the bid to enhance increased productivity and efficiency in the health care delivery service of the State.

I am reliably informed that this Conference will, among other things, review the past activities of the Union and also elect new officers to run the affairs of the Union in the next session. I do sincerely hope, therefore, that you will seize the opportunity of this Conference to elect officers who will not only render selfless service but who will apply their energies to general rapport with the State as well as between the Government and your Union.

I have read with keen interest, the Constitution of your Union and I am delighted to reiterate that your aims and objectives conform with the aspirations of the Government. However, it is observed that many resources remain unharnessed and many avenues unexplored to complement Government efforts to improve the lots of your members and enhance the socio-economic development of Lagos State in particular and the Country in general. It is against this background that I call on those who will be elected to run the affairs of the Union during the next session to focus attention on the following areas in the months that lie ahead. These areas which, understandably, form the salient components of the objectives of founding the Union, are:

(i) Advancement of education and training of your members through the mounting of seminars, workshops on a more regular basis as part of continuing education programme

(ii) Initiation of a special scheme for each member to take more active part in some on-going Public Health Programmes e.g. Environmental Sanitation, EPI/ORT, Family Planning, Health Education etc. to facilitate the achievement of the laudable goal of Health-for-all by the year 2000.

(iii) The establishment of Research and Information Centre for the use of your Union members.

It is only through the foregoing strategies that you can enhance your members' productivity, widen their horizon and above all, make them more professionally dependable. You represent a dynamic profession in which new medical and health breakthroughs are constantly achieved. There is, therefore, a pressing need for constant self-improvement on the part of your members to keep abreast of modern medical and health techniques

On its part, the State Government has placed a very high premium on professionalism and staff training facilities. This is aimed at providing the wherewithal to enhance the

degree of efficiency, effectiveness, promptness and speed of operation in the rendition of better quality service to the general public. In order to achieve this laudable goal, the State Government has formulated a sound, significant and well Structured Training Policy for the Entire Service designed to provide training and re-training schemes for all levels of officers in the Service.

In this connection, I am happy to say that the State Government has approved the sum of ₦3.2 million (three point two million naira) for the implementation of the Training Policy this fiscal year. The amount represents 400% increase over the 1988 allocation of ₦600,000 which was the highest financial allocation for training and manpower development in the past three years.

In addition to the foregoing, Government has intensified work on the construction of the permanent site for the Staff Development Centre at Magodo with a view to making the Centre to start functioning before the end of this year. I therefore, charge you, as professionals, to seize the opportunity now available for study leave and sponsorship to specialise more in the various fields within your professions. May I also use this forum to urge all the members of your Union to give their best always and ensure a more result-oriented, cost-effective, and efficient health care delivery in the State.

At this juncture, I will like to recall the meeting I held with the representatives of Trade Unions operating in the State's Public Service on Wednesday, 24th August 1988; when I urged the Trade Union officials and leaders to ensure that dialogue is always used as a means of creating understanding and resolving specific differences or problems to the mutual benefit of the Management and the workers. While still reiterating my conviction that dialogue is the most formidable weapon of responsible trade Unionism, I wish to urge your Union to avoid making demands which might be impossible for Government to meet within its limited resources. Your Union leaders and members should familiarise themselves with the level of the financial strength of the State of their operation and identify themselves with the socio-economic problems confronting the State Government. As partners in progress, your Union should eschew "destroying" but should join hands with the Government in "building" the Nation. In consequence, emphasis should henceforth be laid more on consultation and dialogue with Government rather than engaging in industrial actions and confrontation as means of making your demands.

The President and the Executive members of the Medical and Health Workers' Union, Conference Delegates, Distinguished Guests, Ladies and Gentlemen, whilst wishing you successful deliberations and God's guidance in the election of the new Executive members of your Union, it is my pleasure to formally declare open the State Delegates' Conference of the Medical and Health Workers' Union of Nigeria.

Thank you and God bless.

**THE OCCASION OF THE INAUGURATION OF THE INTER-MINISTERIAL
COMMITTEE ON LOGISTICS AND ELECTORAL DUTIES IN LAGOS STATE ON
FRIDAY, 2nd MARCH 1990**

I am delighted to be here this morning to perform the inauguration of the Inter-Ministerial Committee on Logistics and Electoral Duties in Lagos State. The setting up of the Committee has become necessary in order to create a support base for the Lagos State Office of the National Electoral Commission to enable it organise and supervise elections in the State in line with the Transition to Civil Rule Programme of the Federal Military Government.

Prior to the establishment of this Inter-Ministerial Committee. Its precursor, the Task Force on Elections in Lagos State, had set a very high standard when it successfully helped to organize the rescheduled Local Government elections in the State in March, 1988. Similarly, the Task Force, among others, successfully helped the National Electoral Commission in conducting the revision of Voters' Register Exercise which took place from 12th — 26th May, 1989. In fact, the success of the Lagos State Task Force on elections encouraged the National Electoral Commission with the support of Federal Military Government to adopt the introduction of similar committees into the organisation of elections throughout the country.

In order to brace up with the dynamics of electoral duties, the Task Force is being further strengthened to give it greater impetus. In this direction, additional membership have been drawn from Army, Navy, Air Force and Department of National Civic Registration. With this composition, we now have in place, an Inter-Ministerial Committee on Logistics and Electoral Duties (ICLED). Thus, in the light of the past performance of the Task Force, all its members are being appointed into the Inter-Ministerial Committee. It is hoped that the members of the Armed Forces in the committee will assist in the area of logistics, to facilitate flawless planning, organization and conduct of elections in Lagos State.

Distinguished Ladies and Gentlemen, the Chairman and Members of the Inter-Ministerial Committee on Logistics and Electoral Duties are as follows:

- a Alhaji Isa Mohammed
Resident Electoral Commissioner — Chairman
Lagos State.

- b Navy Captain Wole Bucknor (ret.)
Director for Lagos State
Directorate for Social Mobilisation — Member
(MAMSER)

- c Mr O. Oluwatayo
Director General
Ministry of Information and Culture — Member

d.	Mr O O Bajulaiye Director General Political and General Administration Department	—	Member
e.	Director General Department of Local Government	—	Member
f.	Director General General Services Department	—	Member
g.	Director General Establishments, Pension and Training Department	—	Member
h.	Alhaji Y. O. Basorun Chairman Teaching Service Commission	—	Member
i.	Representatives of the Army, Navy and the Air Force	—	Member
j.	Representative of the Police	—	Member
k.	Mr. B. S. Hassan State Co-ordinator Department of National Civic Registration	—	Member
l.	Representative of the State House Annex, Ikeja	—	Member
m.	Representative of the Ministry of Works and Transport	—	Member
n.	Mr. E. Akin Oyenusi Chief Political Officer Political and General Administration Department	—	Secretary

The terms of reference of the Committee are:

- a. To oversee and facilitate all preparatory arrangements and the actual conduct of the forthcoming Local Government Elections on Political Party basis in Lagos State. support to the Committee for the realisation of a stable Third Republic.

Before I formally inaugurate this Committee, I wish to seize this opportunity to state that the registration of the two grassroots democratic parties, the National Republican Convention (NRC) and the Social Democratic Party (SDP) by the Federal Military Government is to promote national unity, tolerant political culture for a stable and economically virile future. With this arrangement, all Nigerians, irrespective of status, creed or wealth, will be given equal opportunity to come forward to offer service and leadership to the people. Government is spending large sums of money in the new innovation. I wish therefore, urge all eligible Lagosian and indeed all Nigerians to carefully consider the programmes of the two parties and thereafter make their choice free of any hinderance. It is only by so doing that the current human and material inputs of government would be justified.

I now have the honour and privilege to inaugurate the Lagos State Inter-Ministerial Committee on Logistics and Electoral Duties.

Thank you and God bless.

**ON THE OCCASION OF THE LAUNCHING OF THE STATE WORLD DECADE
FOR CULTURAL DEVELOPMENT IN LAGOS STATE
ON SATURDAY, 3rd MARCH, 1990**

Today, Lagos State like the other States of the Federation, is launching the World Decade for Cultural Development. This is sequel to the national launching by the President, Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria, General Ibrahim Babangida on Saturday, 25th November 1989.

The declaration of the period 1988 — 1997 as the World Decade for Cultural Development, as proclaimed by the 43rd United Nations General Assembly in 1986, was a follow-up to recommendation NO. 27 of the World Conference on Cultural Policies held in Mexico City from July—August 1982 and was necessitated by the general unappreciative attitude towards culture, the neglect of culture in all its ramifications and the misconception of culture as a call to return to the customs of the past or the mere display of traditional dances. Above all, the declaration was made out of the need to bring culture from the periphery into the centre of all human development programmes, for a nation's progress hinges on identifying the critical cultural characteristics of its people, and harnessing them for national development.

In order to give effect to the declaration, the following four major objectives were identified as the set targets of the Decade:

- (i) Acknowledgement of the cultural Dimension of development;
- (ii) Affirmation and enrichment of cultural identities;
- (iii) Broadening participation in cultural life; and
- (iv) Promotion of international cultural co-operation.

For the smooth take-off of the Decade's Programme in Lagos State, a 21-member State Committee on World Decade for Cultural Development has been inaugurated to deliberate on the details of the Decade Programme and advise the State Government in the formulation of policy objectives, co-ordination of developmental projects, establishment of guide-lines for implementation, as well as to monitor cultural development in the State

To enrich the launching of the Cultural Decade in this State and create the desired awareness, a week-long programme of activities and events has been lined up. They are as follows:

- (i) A Period Costumes Exhibition and Exhibition of Historical Monuments in Lagos State at Lagos City hall on Sunday, 4th March 1990;
- (ii) A Command Performance of "Spirit of Lagos" — a historical play commissioned by the State's Council for Arts and Culture to be staged at the Banquet Hall of the National Arts Theatre, Iganmu, on Wednesday, 7th March 1990;
- (iii) A Schools' Debate on "Culture and the Arts", organised under the auspices of the Ministry of Education, the finals of which will take place at the Lagos City Hall on Friday, 9th March 1990, and
- (iv) A cultural Carnival involving masquerades, cultural groups and registered Cultural Associations at the Lagos City Hall on Saturday, 10th March 1990.

Cultural Associations at the Lagos City Hall on Saturday, 10th March 1990.

I wish to seize this opportunity to assure the people of the State that the State Government will carry out as much as possible, the programmes and activities of the Decade as stipulated by UNESCO throughout the Decade. Fortunately and happily, the State Government, through its Council for Arts and Culture, has always pursued vigorously some of the programmes now included in the World Decade Programme. For instance, the Lagos State Council for Arts and Culture took a play to the United States of America in 1986 in fulfilment of its International Cultural Exchange Programme with WAJUMBE CULTURAL INSTITUTE of San Francisco, California while the Lagos State Historical Monuments Preservation Committee was inaugurated in 1985 to document and advise on the preservation of historical sites and monuments in Lagos State.

I enjoin you all to join hands with the State Government to make all the week-long activities marking the launching of the Decade in Lagos State a success. It is necessary for us as Nigerians at this crucial period of our development to assert our cultural identity for positive ends and progress. We should be determined to encourage the development and promotion of what is ours, either in the field of education, indigenous technology or local industries served by local raw materials. This is necessary because, a nation that destroys its heritage in the name of development destroys the very soul which is vital for its existence and survival.

Fellow citizens of Lagos State, I am happy to state that our performance in the cultural sector in Lagos State, particularly in the closing years of the past decade, has been noteworthy. The Lagos State Council for Arts and Culture was established by Edict No. 12 of 1973. It had a fairly steady growth for the first decade of its existence. In 1984, however, the Council experienced a remarkable re-organisation which changed its structure, expanded its functions and turned the Council into a formidable tool of enlightenment, entertainment and education. The four divisions of the new structure cover Cultural Heritage, the Performing and Design Arts, as well as Research and Publications. The Edict establishing the Council was reviewed extensively in 1989, to allow for broader participation on its Board by all Local Governments in the State, relevant Ministries as well as eminent citizens from the private sector. Special dispensation was also granted to recruit key professional and administrative personnel. All these efforts were aimed at putting the Council in a position to discharge its duties efficiently and effectively.

In consideration of the acute shortage of facilities for the enhanced growth and development of the arts and culture of the State, the State Government has adopted a pragmatic approach to dealing with the problem this year. In the short-term, the Glover Memorial Hall is to be refurbished and put back to the use for which it was initially meant. In the medium-term, the contract for the construction of Onikan Cultural Centre which was determined last year will be re-awarded before long. Its completion will go a long way in boosting cultural and arts development in this State. Simultaneously each local government will endeavour to erect a specially designed Proto type cultural centre based on the design of the Onikan Culture Centre, and using in the main locally developed and available building materials such as burnt bricks, laterite blocks, stones seasoned wooden frames, carved timber columns and locally developed roofing sheets and tiles. These materials

have been developed and used in the State for rural development programmes and merely need strengthening and refinement

Before I conclude this broadcast, I wish to remind the private sector and individuals of the need for them to always support and complement the efforts of the Government in the promotion of culture and the arts. The World Decade programme offers them a unique opportunity to demonstrate this support by contributing their own quota to the success of the programme through sponsorship, organisation and promotion of Arts and Crafts exhibitions, drama and cultural festivals.

It remains for me to call on the people of this State to attend en-masse all the activities organised to mark the launching of the World Decade for Cultural Development in the State, as large turn-outs at the various venues will no doubt be a good beginning for the subsequent activities that will characterise the Decade. On this note, I have great pleasure in launching the World Decade for Cultural Development in Lagos State and wish you all a memorable and exciting week.

Thank you all for your continued co-operation in the service of our State.

Long live Lagos State of Nigeria.

Long live the Federal Republic of Nigeria.

**AT THE OPENING CEREMONY OF THE HISTORICAL MONUMENTS AND
PERIOD COSTUMES EXHIBITION AT THE LAGOS CITY HALL
ON SUNDAY, 4th MARCH 1990**

I am happy to address this august gathering on this occasion of the opening of the Exhibition of Historical Monuments and Period Costumes, which is part of the activities marking the launching of the World Decade for Cultural Development in Lagos State.

This, no doubt, is the dawn of a new era for culture in Nigeria and the whole World in general. Culture is never a static phenomenon because man is forever reaching out for new horizon, thereby refining his social and economic relations with his fellow men. There is the need, therefore, for conscious and concerted efforts to preserve, develop and promote our culture; hence the declaration of the period 1988 - 1997 as the World Decade for Cultural Development.

The theme of the Decade in Nigeria has been tagged "Culture Builds a Nation". In view of this four main objectives were identified as the set targets of the Decade:

- (i) Acknowledgement of the Cultural Dimension of Development.
- (ii) Affirmation and enrichment of Cultural identities
- (iii) Broader participation in Cultural life;
- (iv) Promotion of International Cultural co-operation.

The conscious efforts of the Nigerian Government in the vigorous pursuit and implementation of the programme of action as highlighted by UNESCO and the National Committee on World Decade for Cultural Development are commendable.

Notable among these are the annual Festival of Arts and Culture, the formulation and launching of the National Cultural Policy for Nigeria in August, 1988, the creation of a Federal Ministry of Social Development and Culture out of the former Federal Ministry of Information and Culture in December, 1989 and the launching, in grand style, of the World Decade for Cultural Development in November 1989.

The reason for the heightened attention now being given to culture should be seen as a step in the right direction in view of the crucial role of culture in the make-up of human beings. It promotes and develops human idea, ideals beliefs and values. Its totality, therefore is responsible for giving identity and direction to any group of persons. It is clear to me in the circumstance, that arts and culture in all its ramifications are the lifeline of any nation and are indispensable to human development.

To facilitate effective participation in the Decade in this State, the State committee on the World Decade for Cultural Development with members drawn from both the public and private sectors as well as from the mass media, and the Committee of Patrons with the Military Governor as the Chief Patron were put in place.

I am optimistic that through this arrangement, conscious planning and well designed activities, the cultural awareness of the people of Lagos State would be enhanced. Today's exhibition of Historical Monuments and Period Costumes Display of Lagos State is meant to remind us of what the past generations of this State wore from 1800 to the present day.

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Efforts should be made to encourage this type of exhibition in order not to neglect our Culture. In order to keep the exhibition going in future, we shall continue to call on our Obas, Chiefs and other individuals to kindly donate costumes passed on to them by their forebears, and the ones they have used during their own time. Many of these costumes shall be used for permanent display in the proposed Lagos State Costumes Museum, when it eventually comes into existence.

It is also important for each and everyone of us to have an abiding interest in our cultural heritage and use this as the basis for forging a new contemporary culture which will ultimately entrench our country on the cultural map of the World. Without culture, man is but like any other animal, without hope of redeeming himself through self-improvement.

At this juncture, I would like to thank all those who have spared their precious time to share in the joy of this memorable occasion, especially Your Royal Highness, for the royal support you have given to the programme through donation of costumes and accessories, as well as some of your paraphernalia of office. I would also like to put on record my gratitude to all others who have contributed one way or the other to the success of today's launching programme.

I now have great pleasure in declaring open this historical exhibition and display of period costumes to the eternal glory of Lagos State and the Federal Republic of Nigeria.

Thank you all and God bless

**AT THE INAUGURATION OF THE LAGOS STATE EXPORT PROMOTION
COMMITTEE 6th MARCH 1990**

It is with great pleasure that I welcome you to this ceremony for the inauguration of the Lagos State Export Promotion Committee. Your positive response to our invitation is a clear demonstration of your appreciation of the urgent need to inaugurate this body to promote the development and growth of the non-oil export sector through the export of goods and services and thereby broaden the base of our foreign exchange earnings. A major objective of the nation's economy recovery programme is the diversification of the nation's economy so as to enhance external and domestic trade. Accordingly, this administration has embarked on the implementation of various measures designed to ensure that the non-oil export sector is rejuvenated. The Legal frame-work for the implementation of the various export incentives is provided by the export, that is, Incentives and Miscellaneous Provisions Decree of 1986. In addition to the promulgation of the Nigerian Export Promotion Council Decree 1984, the Nigerian Export Promotion Council which is the executing agency of the Federal Government in the promotion of non-oil export has been reorganised to enhance its ability to discharge its duties as the apex export promotion body in the country. A major feature of the Nigerian Export Promotion Council Enabling Decree is the provision for the establishment of the state's committees on Export Promotion. The Decree provides that the State Export committee shall:

- (a) Constitute a forum for the promotion of exportation of the principal export products of the state;
- (b) Advise the Nigerian Export Promotion Council on the best means of achieving the objectives of the Decree;
- (c) Carry out such other functions as the Council may from time to time direct. Recognising the need for joint private and public sector promotion of the non-oil export sector, the Decree provides for the representation of relevant interest groups from both the public and the private sectors.

The composition of the Lagos State Export Promotion Committee is as follows:

- 1 The Director-General, Mr Odusanya, Ministry of Commerce and Industry as Chairman.
- 2 Mr M. A. Sabiolegbe, Representative of Lagos State Small-scale Industrialist — Member
- 3 The President of Lagos Chamber of Commerce and Industry or his representative — Member.
- 4 Official of the Department of Customs and Excise in Lagos State — Member.
- 5 Mr Z. A. Osunnnde, Representative of Manufacturers of Nigeria, Apapa — Member
- 6 Chief (Mrs) Nike Akande, Representative of MAN, Ikeja Branch — Member
- 7 Miss Evelyn Nwachuku, Representative, Federal Ministry of Trade, Lagos — Member
- 8 Representative of the Bankers Committee in Lagos State — Member
- 9 Mr A. F. Awoga-Agodo, Representative of Nigerian Export Promotion Council — Member

- (a) In carrying out its charge the committee is expected to advise the council from time to time on how best to assist exporters.
- (b) Organise farmers and small-scale industrialists into export cooperatives.
- (c) Advise exporters on supply sources, quality standards, pricing and so on.
- (d) Identify exportable products and commodities in the State.
- (e) Organise, with the support of Nigerian Export Promotion Council, Export Awareness Campaign.
- (f) Assist the Nigerian Export Promotion Council on Collection of information.
- (g) Disseminate information on Export products, Export procedures, Export documentation, Export policy and Export incentives, and lastly,
- (h) All such other activities it may deem necessary in the discharge of its commission.

Inauguration of the Lagos State Export Committee constitutes the first of several measures being undertaken by the Lagos State Government to promote the development and growth of investments in the non-oil export sector in particular and investments generally, in Lagos State. As part of these efforts the Ministry of Commerce and Industry in collaboration with Lagos State Investment Promotion Council shall in May, as a major activity of this year's Lagos State Trade Fair "Eko Expo '90" hold a workshop on export incentives.

I trust and expect that the State export committee shall be an active participant in the workshop, I charge you all to put in your very best during your tenure of office as members of this committee so that the purpose for which this committee is being set up may be achieved. I wish to assure you all of the full support and assistance of the Lagos State Government in your committee's efforts to promote and develop the non-oil export in Lagos State.

I thank you all and God bless.

**AT THE LAUNCHING OF THE LAGOS STATE SPORTS ENDOWMENT FUND
ON THURSDAY, 8th MARCH 1990**

It gives me great pleasure to be here at this unique occasion of the launching of the Lagos State Sports Endowment Fund. Let me recall that in anticipation of today's launching and subsequent generation of adequate funds for the overall development and improvement of sports in Lagos State, a Committee under the Chairmanship of Mr Olabode Emmanuel was inaugurated in May 1988 by the former Governor of Lagos State, Navy Captain Mike Akhigbe. This was in realisation of the need to involve private participation in the development of sports infrastructure in the State. The Committee was charged with the following principal responsibilities:

- a. To generate a modest sum of ₦50 million through organised activities and programmes within a period of five years. This was aimed at complementing the funding of the State's Sports Development Rolling Plan which was then estimated to cost about ₦500 million.
- b. To carry the launching of the Endowment Fund to all the twelve Local Government Councils of Lagos State; and lastly
- c. To ensure strict accountability and prudent management of the Fund.

I am particularly happy at seeing many eminent Nigerians in the private and public sectors of the economy present here this morning. This is a pleasing indication that the target sum of ₦50 million would be realised within the time stipulated. I therefore seize this opportunity to congratulate the Chairman and Members of the Committee for making this day a reality, in spite of the initial delay in starting-off. They have worked relentlessly; thus heightening our enthusiasm about the relevance of the Committee in the implementation of our sports development

As I indicated earlier, the Endowment Fund is designed to supplement the State Government effort towards achieving a marked improvement in the sporting facilities available in the State. There is no gain-saying the fact that the limited resources at the disposal of Government would be inadequate to provide the needed facilities single-handedly. It is therefore against this background that the Sports Endowment Fund is being launched to raise funds in support of efforts aimed at providing adequate training facilities for our athletes and to stimulate the growth of a virile Sports Industry which could further generate employment opportunities for our youths. On its part, and especially in its desire to achieve the best, the Lagos State Government would continue to accord Sports the

pride of place in its overall development programme; hence the irreversible commitment on the construction of Teslim Balogun Stadium at Surulere. Moreover, a substantial amount has been allocated in the 1990 budget for the renovation of the Rowe Park Centre. While sports equipment worth over ₦1.5 million was procured for the State contingent to the 8th National Sports Festival

Often, there is general hue and cry about the poor performance of our sportsmen and women, especially at international sports competitions. I should hasten to say, not so in the recent Commonwealth Games held in Auckland, New Zealand. Even then, we would readily admit that the country could have performed much better, given the fact that she is the most populous African member country of the Commonwealth. Excellence in sporting competitions should rightly be our national goal. However, the basic sports infrastructure is grossly inadequate. There is shortage of modern stadia, gymnasias, swimming pools and facilities for other sports. The few that are available are not regularly maintained and cannot therefore be put to intensive use either for training or for competitions. Indeed, the situation is worrying, not only to sportsmen and women but also to all who are concerned about actualising the great potentials of the country in the sporting world. It is however cheering to see all of you sports enthusiasts and supporters here today to lend credence to our collective will to improve the situation. The challenge is to provide better facilities and opportunities, all of which constitute the critical factor in achieving the level of fitness that could see our nationals through to sporting excellence and the Sports Hall of fame.

Ladies and Gentlemen, we, in Lagos State have put together a programme which includes the development of sports stadia in the various Local Government Headquarters. The objective is that these should serve as centres for sporting and recreational activities, thus facilitating the realisation of the "Catch them Young" programme at the grassroots level. Parents-Teachers and Old Students Associations are also encouraged to contribute to the provision of sports facilities in our schools. Moreover, the State policy on Youth, Sports and Social Development focuses attention on greater involvement of the private sector in the systematic training and provision of adequate incentives and awards for credible performance by our sportsmen and women.

Let me therefore seize this opportunity to appeal to all Business Organisations, Sports Associations, Philanthropists, Communities and all sports lovers to contribute generously to this Fund in the effort to provide adequate sporting facilities.

I must also salute the courage and dedication of all sportsmen and women in Lagos State who, over the years, have maintained their interests in sports and have always

responded enthusiastically to the repeated clarion call to represent this State and indeed the Country at national and international sports competitions. I believe that we all owe it a duty to support and encourage such sports-men and women who have consistently proved themselves worthy patriots.

Distinguished Ladies and Gentlemen, it hardly needs stating that every kobo contributed to this Fund would be fully accounted for, and judiciously utilised for the desired purpose. I have no doubt whatsoever that those charged with the management of this Fund are dedicated, honest and selfless citizens who have rendered impressive and invaluable service to this State in the past.

Finally, I appeal to all residents in Lagos State, fellow Nigerians in other States of the Federation, Colleges, Philanthropic Organisations, Corporate bodies in the public and private sectors as well as all well-meaning individuals to contribute in no small measure, to making the vision towards sporting excellence a reality.

Eminent Guests, Ladies and Gentlemen, I now have the honour and privilege to end this address at the launching of the Lagos State Sports Endowment Fund with an initial donation of ₦1m from the Lagos State Government.

Thank you and God bless

**AT THE CLOSING CEREMONY OF THE WORLD DECADE FOR CULTURAL
DEVELOPMENT, 10th MARCH 1990**

On Saturday, 3rd March 1990, I performed the formal launching of the World Decade for Cultural Development in Lagos State through a Radio and Television Broadcast to the people of the State. The events of the last week marked a new turn in the planned development of our cultural heritage and a continuation of concerted efforts to encourage in our people self awareness, national pride, creativity and self reliance.

As we are already aware, the theme of the World Decade for cultural Development in Nigeria is CULTURE BASE AND NATION, besides, the focus of the Decade is the promotion of greater consideration for cultural dimension in the development process as well as the stimulation of creative aptitude in cultural life in general. The set targets of the Decade which include the affirmation and re-arrangement of cultural identities, broader participation in cultural life and the promotion of international cultural co-operation are proposals which are intended as a response to the great challenges confronting the world at the turn of the 21st century. Recognition of the benefits which it stands to gain at the people's realization of the relevance of culture to human personality and development.

The State government is determined to reawaken in our people the consciousness of their rich cultural heritage. It is for the foregoing reasons that the week-long activities marking the launching of the World Decade for Cultural Development in this State ranging from the historical monument and periodic costumes exhibition, Command Performance of the Spirit of Lagos by Professor Akinwunmi Ishola, schools debate on culture to today's cultural carnival are being carefully programmed to generate in our people a genuine sense of their historical past associated by a culture that they should be all proud of.

The Cultural Carnival which you are about to watch will feature display by selected cultural associations and groups including colourful masquerades. I understand that each of the cultural associations referred to above absorbed over a hundred members groups affiliated to it. The Sangbeto masquerades slated to perform at today's carnival are used mainly in the past for ritual purposes in Badagry and its environs. The masquerades sometimes appeared during social and festival events. A total of twenty two cultural groups and associations are expected to participate actively in the carnival.

I enjoined all cultural associations to embrace wholeheartedly, the form being carried out by the Council for Arts and Culture by expunging the negative aspects of our obvious participation in the traditional festivals and other cultural events in the State. In this connection, I would like to use this occasion to mention a few of the problems created by some youths parading themselves as masquerades during which process, innocent citizens are usually molested and embarrassed. I have received reports of vandalism, unruly behaviour and harassment of innocent people by some masquerades during annual festivals of masquerades.

Masquerade and their followers have often gone berserk with case of lawlessness completely in wanton destruction of property. I want to emphasise that such behaviours

on the part of erring masquerades are disgraceful and unbecoming of our people whose pre-occupation is to promote the culture of Lagos State. I want to emphasise that the government will no longer tolerate this unruly behaviour. Cultural displays are not meant to be violent but to demonstrate to the people the fine points in their culture and traditions.

Henceforth any masquerade caught harassing innocent citizens with a view to creating commotion which often disturbs the peace of the State would be decisively dealt with by the law enforcement agencies.

I sincerely hope that this advice and warning will be taken seriously by all concerned. Distinguished ladies and gentlemen, since it is virtually impossible for the government to provide all the needs of the citizens, I wish to call on the private sector organizations and the public in general, once again, to always support and complement the efforts of the government in the promotion of culture and the arts. They should always remember that culture builds a nation and that a people's culture portrays who the people are.

I wish to express my appreciation and gratitude to the members of the committee of patrons and the implementation committee of the state chapter of the World Decade for Cultural Development in Nigeria and to all those who have contributed their quota to the success of the programme and activities for the launching of the Decade in Lagos State. It has been a week long display of birth in the arts and culture of the state. I now have the honour and privilege to declare open the cultural carnival which marks the closing chapter of the activities marking the launching of the World Decade for Cultural Development in Lagos State

Thank you all and God Bless.

**AT THE OFFICIAL COMMISSIONING OF THE TYPESETTING CENTRE OF LAGOS
HORIZON NEWSPAPER HELD ON MONDAY, 12th MARCH 1990**

I am happy to be part of this epoch-making event which is the official commissioning of the Typesetting Centre of the Lagos Horizon Newspaper. Since its official launching by the President, Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria, General Ibrahim Badamasi Babangida in June 1988, the newspaper has, by its new coverage and reporting, happily justified the objectives for which it was set up, some of which are as follows:

- (a) To enlighten and inform the citizens.
- (b) To promote urban-rural communication; and
- (c) To make the newspaper available at an affordable price to all the citizens.

The performance of Lagos Horizon so far has raised the optimism of the State Government about the newspaper's bright future if all the necessary facilities are provided. Conscious of this fact, Government decided, as a first step, to equip it with modern facilities that would make its production and print highly qualitative; hence the purchase and installation of the twelve Apple Mackintosh typesetting machines with Linotype image setters and bromide processors which we are commissioning.

With the commissioning of Lagos Horizon typesetting computer units, the newspaper will be taking a big leap in newspaper production. The computer units will eliminate many cumbersome processing problems associated with hot metal production and wet operation some other typesetting systems. The Apple Mackintosh typesetting computer brand will also eliminate dark room problems. In addition, the machines are accompanied by two processing unit from which the whole page of the newspaper can designed and printed out in bromide form. This is another labour-saving device which modern newspapers in the advanced nations of the world use. I have no doubt in my mind that we have one of the best newspaper typesetting outfit in the county at the Lagos Horizon typesetting Centre.

What more, the centre has enough capacity to cope with commercial typesetting jobs. In fact, the centre has already been receiving typesetting jobs for some weekly newspapers and magazines. This is so because the computer units have varied type faces with attractive characters. The centre also has efficient computer operators whose speed and accuracy are comparable with any in the country. I wish to use this occasion to assure book publishers as well as magazine and newspaper owners to avail themselves of the services of Lagos Horizon Typesetting Centre. Other jobs like pamphlets, invitation cards and special documents can be produced in the centre while photographs can scanned into required shades. Furthermore, computer bureau services to print out accounting and business documents are handled with effortless ease.

With the unflinching support of the State Government, we expect the management of Lagos Horizon to map out a comprehensive strategy for the survival of the organisation in the 90s. This is because, the acquisition of the latest Hi-Tech Equipment does not solely

make a newspaper; rather its success is adjudged by the level of service it renders to humanity and its level of profitability which can only be achieved through resourceful management and creativity. We shall ensure therefore that only highly qualified staff are recruited into the Lagos Horizon while the training and re-training of the staff in the organisation is intensified. In addition, the conditions of staff and general welfare of the staff will be such that will motivate them to optimum performance. I therefore charge the entire members of management and staff of Lagos Horizon to put in their best at all times as excellence shall always be amply rewarded.

As you are already aware, our country is on the threshold of a new democratic system which requires the co-operation of everyone especially the media, if it is to succeed. The Lagos Horizon should therefore, join the others to use the advantage of the prevailing press freedom in this country to propagate the ideals of democracy. The Press must consciously educate and enlighten our people on contemporary issues which invariably affect their lives, their destiny and their future. Knowledge is power and the ability to contribute meaningfully to the political, economic and social development of this country by our people depends largely on their knowledge of the state of affairs.

I am convinced that this Administration strongly believes in the freedom of the press, provided that freedom is exercised in such a manner that the security, stability and national interest of our country are not subverted. An unfettered, critical, strong and responsible press is the pride of any free society as it helps to strengthen the society and its government. I wish to appeal to all sections of our Press therefore to fashion out a new role for themselves in the light of our contemporary history. This is particularly necessary now if they must wipe out the despicable roles played by some of them during the Second Republic when they followed the course of falsehood rather than truth all in an attempt to satisfy the whims and caprices of a negligible privileged few. Objectivity was thrown overboard at the expense of the happiness of the majority of our people. Media men should recognise that today, Nigerians are more aware than they were during the Second Republic. They expect the Press to give them accurate rather than distorted information about events. I myself believe that strict adherence to this cardinal principle of a responsible press will help in no small measure in building the credibility of our people in the Press and ensuring the success of the new socio-political Order.

On its parts, the Lagos State Government, through the State and Local Government Public Enlightenment Committee, has been putting across the nationalistic and patriotic message of the new Socio-Political Order to the people of the State. In conjunction with the Directorate of MAMSER, these committees shall continue to educate and enlighten the people on the transition to civil rule programme. Let me assure these organs that the Lagos State Government will continue to give the necessary assistance and support that will sustain their virility and enthusiasm to carry out their assignments to a successful end.

Before I conclude this address, I should mention that the Lagos State Government has not, in any way, interfered with the news reporting and publications of the Lagos Horizon since its inception. This is informed by the State Government's belief that the newspaper should maintain an independent posture in its news coverage and what it

publishes in order to be able to report objectively and maintain a credible posture with the public. Government has no intention to deviate from its present policy. I sincerely hope, therefore, that the Lagos Horizon will continue to justify the confidence reposed in it and make service to the people of this State in particular and Nigerians in general its guiding compass.

I wish to congratulate the Ministry of Information and Culture and the Lagos Horizon Publishing Company Limited for the laudable achievements of the Lagos Horizon newspaper so far and for the successful establishment of this Typesetting Centre. I should also pay tribute to Messrs Anjogab Limited for the supply and installation of the machinery in the Centre.

On this note, distinguished Ladies and Gentlemen, I hereby commission the Lagos Horizon Typesetting Centre to the glory of God and the service of mankind.

Thank you all and God bless.

AT THE OPENING OF THE TRAINING WORKSHOP FOR REGISTRATION OFFICERS FOR THE TWO POLITICAL PARTIES IN THE LOCAL GOVERNMENT AREAS OF LAGOS STAGE HELD ON TUESDAY, 13th MARCH 1990 AT THE CITY HALL, LAGOS.

Today marks another milestone in the implementation of the Transition to Civil Rule Programme which is the major focus of the present Military Administration. We are here to perform the official opening of the Training Workshop organised for Registration Officers who are going to undertake the impending Registration Exercise, pursuant to the formation of the 2 Grassroots Political Parties. The exercise we are pursuing is significant and unique in the body polity of the nation. In your assignment as Registration Officers, you are helping to further the Federal Government's Political Programme and on this occasion you are involved in the registration of Political Party members.

As you would all recall, the formal launching of the Training Programme for Party Administrative Secretaries was performed by the President, Commander-in-Chief of the Armed Forces, General Ibrahim Badamasi Babangida on Wednesday, 31st January 1990 at the International Conference Centre, Abuja. Similarly, the Local Government Administrative Secretaries, who were appointed and sworn-in by me on 19th January 1990 had participated in a training programme in Benin City between 14th and 17th February 1990. We are today involved in a move to extend the training facilities to other handlers of the Registration exercise which is very basic to the whole Political Programme, because we want to ensure that the exercise does not fail.

Distinguished Ladies and Gentlemen, I wish to commend the efforts of the Centre for Democratic Studies, the organisers of the Training Programme, for a job well done. To organise and arrange a successful nation-wide training programme of the magnitude embarked upon by the Centre for Democratic Studies is no small achievement. I also wish to congratulate those that are participating in the Training Workshop, but I should, however, point out that the selection has been carefully made to underscore the importance of the assignment. The selection was in fact based on some rare personal attributes and qualities which I consider most relevant to this crucial assignment. It is my hope that the participants will take their assignment with all seriousness and ensure a hitch-free registration exercise, thereby justifying the confidence reposed in them. I should add a timely warning that in view of the significance of the Political Programme, any acts of commission or omission which tend to obstruct or hinder the Programme will be regarded as sabotage and will be treated as such.

On its part, the Federal Military Government has introduced the Transition to Civil Rule Programme as a vehicle to usher in a stable, democratic and viable Third Republic. It is, therefore, imperative on our part to assist the Government to evolve an orderly and constitutional democratic process which will guarantee political stability and provide the frame work for rapid economic development of the nation.

To assist in the initial take-off of the Political Party Secretariats in the 12 Local Government areas of the State, a sum of ₦2.9 million has been released by the State

Government for furnishing and equipping the State and the 24 Local Government Party Secretariats. Prior to this, I directed the Local Government Councils to provide logistics support for the Party Secretariats. This includes the provision of temporary office accommodation, transport, staffing and maintenance of an imprest account.

In carrying out your assignment as Registration Officers, you are advised to shun all temptations to be bias in favour of individuals or groups. You have to be resolute and upright, and remember that if you fail in this crucial exercise, the whole Political Programme may be jettisoned. You will deal fairly but firmly with all manners of people who will come before you. The rules, regulations, guidelines and relevant laws have to be mastered as this is basic to a successful accomplishment of your task.

Let me seize this opportunity to appeal to all Nigerians, in whatever station they may be to give this unique political arrangement a chance by embracing the ideal of grassroots political Parties and enrol peacefully in the Political Party of their choice.

Ladies and Gentlemen, it gives me great pleasure to declare this training programme open. I wish all participants a successful training session.

Thank you and God bless.

**ON THE OCCASION OF THE INAUGURATION OF THE POLITICAL TRANSITION
COMMITTEE IN LAGOS STATE ON TUESDAY, 13th MARCH 1990.**

It is a pleasure for me to preside this morning over the unique occasion of the inauguration of the Committee on Political Transition to Civil Rule in Lagos State. As you all know, the setting up of this Committee is imperative, in view of the decision of the Federal Military Government to hand over power to the Civilian Government in 1992. In order to ensure a smooth handover of political power to a Civilian Government, this Committee has been established to oversee all aspects of the implementation of the Transition to Civil Rule Programme, including the registration of Political Party members and conduct of elections for party posts at various levels.

Distinguished Guests, Ladies and Gentlemen, the committee, which will be chaired by me, has as its members the following distinguished personalities:

- | | | | |
|----|--|---|------------------|
| a. | Mrs A. A. Taire
Secretary to the State Military Government | — | Member |
| b. | Mr 'Tunji Oluwatayo
Director-General, Ministry of Information and Culture | — | Member |
| c. | Mrs W. A. Folami, State Administrative Secretary for
Social Democratic Party | — | Member |
| d. | Dr S. O. Adeoye, State Administrative Secretary
National Republican Party | — | Member |
| e. | Captain Wole Bucknor NN. (Rtd), Director
Directorate for Social Mobilisation (MAMSER)
Lagos State | — | Member |
| f. | Representative of the State Police Command | — | Member |
| g. | Representative of the State House Annexe | — | Member |
| h. | Alhaji Isa Mohammed
Resident Electoral Commissioner, Lagos State | — | Member |
| i. | Co-ordinator
National Population Commission, Lagos State Office | — | Member |
| j. | Mr O. O. Bajulaiye, Director-General
Political and General Administration Department,
Military Governor's Office. | — | Secretary |

Ladies and Gentlemen,

The terms of reference of the Committee are as follows:

- a. To take full responsibility for formulating policies that will guide the corps of Public Servants appointed to register, and conduct the elections for party posts at the various levels.
- b. To work out the logistics for printing of Membership Registration Forms and other related forms including Administrative expenses of the Secretariat and lastly
- c. To oversee all aspects of Transition to Civil Rule programme including the deployment of the Registration personnel at Local Government and ward levels for the exercise on party membership.

Since your appointment, I have directed that a position paper be made available by all the relevant Agencies connected with the Transition to Civil Rule Programme so that the details of the plans, programmes, activities, problems and the progress made so far, as related to the Transition programme could be clearly spelt out and reviewed.

To ensure the success of this very important national assignment on which the success of the political transition hinges, it is important for all to work harmoniously and relentlessly without leaving room for undue pressure from any quarter.

I also wish to seize this opportunity to appeal to all organisations, Government and Private establishments including all citizens of Lagos State, to give the members of the Committee their full support and co-operation in the arduous task ahead.

I now have the honour and privilege to inaugurate the Political Transition Committee in Lagos State.

Thank you and God bless.

**ON THE OCCASION OF LAGOS STATE DAY AT THE SECOND
BETTER LIFE FAIR FOR RURAL DWELLERS
ON SATURDAY, 17th MARCH 1990**

On behalf of the Government and people of Lagos State, I use this occasion of Lagos State Day at the on-going 2nd Better Life Fair to pay a richly-deserved tribute to the organisers of the Fair and the distinguished participants from Lagos State.

It is indeed gratifying to note that the presence of Lagos State at this Fair is more extensive in scope and content than at the first Fair held two years ago. Arguably, this happy development is indicative of the wider acceptance of the programme in the State and also an eye-opener to the enormous resource base of rural Lagos which has significance for our present efforts in revitalising the socio-economic life of this country.

When historians catalogue events of a particular period for posterity, some ideas stand out as the watershed of particular points in time. There is no gainsaying the fact that the Better Life Programme initiated by the First Lady, Mrs Maryam Babangida, stands out in bold relief as a landmark which lends a unique character to the present Military Administration's programmes. From all indications so far, the Better Life Programme would remain a major platform of our national efforts towards rural development in the decade of the 90s and even beyond. Furthermore, it would continue to serve as an institutional framework for promoting better and higher agricultural production and as an avenue for popularising improved technologies for higher yields, processing, preservation and storage. Its significance as a major catalyst for activating the rural economy is amply demonstrated at this Fair. Against this background, we owe it a duty to ourselves as a people and as a nation to pursue the on-going awakening in the rural areas to sustain the process of rural upgrading and transformation.

As part of the rural development drive, the Lagos State Government has, in the last two years, made conscious efforts at providing basic infrastructure such as roads, rural water supply and rural electrification. In this connection, it is worthy of mention that some areas that were almost totally inaccessible a few months ago now have motorable roads linking them to adjoining communities. Similarly, electrification and potable water have been provided in many communities that probably never dreamt of having these modern catalysts for development, only a short while ago.

Specifically, over 1000 kms of rural roads have been opened up since 1987 in Lagos State. Some of these roads have also been consolidated through full-scale construction in the last 24 months. Outstanding among them are the Agura-Igbokuta-Imota Road which passes through a combination of jungle and a deep gorge and costing the State Government ₦31.6 million; the Kaiyetoro-Eleko Road in the coastal axis of Ibeju-Lekki Local Government area was completed at a cost of ₦19.4 million and the on-going coastal road project from Eleko-Akodo-Lekki-Okun-Folu that would open up what has been aptly described as a future "goldmine of Lagos", to mention a few.

In the area of water supply, the completion of 13 micro water schemes, at an average of N1.6 million per package at current market prices, have begun to improve the health status of the benefitting rural communities. By the same token, 93 communities are enjoying electricity supplies from 57 projects in the State. Plans are also underway to cover an additional 52 communities in the second phase of the rural electrification programme in the State.

In addition, the State Government has spent 7.84 million Naira to put in place four general transportation jetties to ease transportation and enhance social mobility among the riverine communities. Complementary to this are 25 fishing jetties which were constructed by the Local Governments. Other activities of the State Government that should be highlighted, include the provision of Technical Extension Services in rural housing, support for the Better Life Programme, promoting a rural cottage industry and private sector participation in rural development. Community mobilisation and the establishment of a Centre for Rural Development at the Lagos State University are other contributions made towards rural development in the State. In fact, our efforts in making the rural areas accessible have provided a solid foundation for the success of the Better Life Programme.

Our focus in 1990 will emphasise the rapid completion of on-going rural projects in the area of water supply, road, electrification and maintenance of existing facilities. The N35.75 million earmarked in the 1990 budget will be judiciously used to further improve the quality of life of rural communities. For instance, we shall encourage the setting up of small-scale and agro-allied industries as well as the development of appropriate technology to optimise and improve existing methods of preservation, conservation and storage.

Finding appropriate role for rural women in the development process is very dear to us in Lagos State. I believe that since the womenfolk constitute the bulk of the workforce, improving their living conditions and productivity will be tantamount to facilitating the general well-being of all rural dwellers. The Better Life Programme therefore, deserves the active and continuous support of the public and private sectors of the economy.

Once again, I congratulate most heartily, the organisers and participants in this 2nd Better Life Fair for their initiative, constancy, devotion and relentless efforts in ensuring the success of the Fair. However, I urge all rural women in Lagos State through the Lagos State Chapter of the Better Life Programme not to rest on their oars but to rededicate themselves anew to overcoming the task of making life better for our rural dwellers.

Distinguished Ladies and Gentlemen, I now have the honour and privilege to declare the Lagos State Day open.

Thank you and God bless.

**ON THE OCCASION OF THE CLOSING CEREMONY OF THE BETTER LIFE FAIR
FOR RURAL DWELLERS HELD AT TAFAWA BALEWA SQUARE, LAGOS
ON SUNDAY, 18th MARCH 1990**

It is my honour and privilege to be part of this glorious occasion marking the end of the 2nd Better Life Fair. The events of the few days are no doubt of tremendous significance to the entire nation and particularly to its womenfolk. The present Military Administration has amply demonstrated its unflinching commitment to its rural development programmes which place great premium on the participation of women.

One of the central principles of the 'Better Life Programmes' is predicated on the fact that national economic development cannot be achieved without the active and meaningful participation of rural dwellers who constitute the bulk of the nation's population. The point should be stressed that the particular situation of developing economies such as ours requires that our development efforts should involve all sectors — the rural and urban, the women as much as the menfolk in the direction and process of development as well as in the distribution of its benefits. It goes without saying that no nation can take meaningful strides towards development while leaving some sections of its population behind. This justifies the need for full support for the Better Life for Rural Dwellers Programme and other measures aimed at activating the rural economy.

The Better Life for Rural Dwellers Programme is today the toast of the entire nation and deservedly so. All well-meaning people everywhere are agreed on the tremendous impact that the programme has had in creating general awareness of the innate capacities of the rural areas to support economic enterprise. In the relatively short period of about two years since the programme was inaugurated, it has succeeded in awakening the rural communities to the reality of a better life which will be the just reward of their organised efforts to tap the resources available to them.

The notable achievements of the Better Life Programme so far are a tribute to the vision of the founder and the dedication, hardwork and untiring efforts of National Executive and State Chapters of the Programme. The success of the second Better Life Fair is a salute to the courage and determination of the rural dwellers, particularly the womenfolk, to break through all barriers and place the programme firmly on the national agenda. The massive participation of the 21 States and Abuja, Federal Capital Territory has been characterised by a commendable keeness to demonstrate the potentials and achievements of our numerous and diverse communities.

It is also worthy of note that the Better Life Programme has political relevance for the nation as a whole, particularly against the background of the need to fully mobilise the masses for the transition to civil rule programme. Indeed, the ramifications and significance of the programme are such that they touch every facet of our national life, thus making it a veritable organ of social change. It has encouraged self-development and self-reliance as a way of life amongst the rural folk. This Fair has provided a panorama of what is available nationwide in the field of agriculture, rural technology and crafts. It has all been a most rewarding and pleasing event.

Distinguished Ladies and Gentlemen, I must at this juncture congratulate the First Lady, Mrs Maryam Babangida, the initiator of the Better Life Programme for her steadfastness in seeing the Programme through to this impressive level of acceptability and achievements. I also wish to congratulate the Chairpersons of the various State Chapters of the Programme, their Executive Members as well as the rural women themselves for identifying themselves with the laudable idea and for their immense contributions to the success the programme has recorded so far. Yours has been a truly worthy cause, a movement aimed at improving the lot of the under-privileged and infusing zest and economic well-being into the hitherto neglected and depressed rural areas. I must however urge you all not to rest on your oars but rather to take the success so far achieved as a further challenge and a means to an end. The vision of a better life for the rural dwellers must be continuously sharpened in its focus and aligned to changing times and developments. Perhaps one of the immediate task the Programme must tackle is the need to maintain the present level of enthusiasm to make it self-propelling and self-regenerating. I trust that the well-known ingenuity of the womenfolk will be fruitfully employed in this regard.

The reality of our time suggests that all hands must be on deck to achieve the goals of our national rural development effort and accomplish the re-structuring of our socio-economic life. Let me therefore seize this opportunity to appeal to all Nigerians and to all sections of the country as well as sectors of the national economy to rally round and embrace the Movement for a Better Life for all.

Once again, I rejoice with the Organisers of the 2nd Better Life Fair on the successful outcome of their efforts and I wish all participants a safe journey back to their various States. We part today to meet again in Kwara '92 !

I have the honour and privilege to declare the 2nd Better Life Fair closed.

Thank you and God bless.

AT THE CLOSING CEREMONY OF THE ZONE 2, 2ND BIENNIAL SPORTS CHAMPIONSHIP OF THE NIGERIA POLICE FORCE, HELD AT ABEOKUTA, OGUN STATE ON SATURDAY, 24th MARCH 1990.

It gives me immense pleasure to be invited as the Special Guest of Honour at today's closing ceremony of the 2nd Biennial Sports Championship of the Nigerian Police Force, Zone 2, comprising the Ogun, Oyo and Lagos State Commands. It is indeed a welcome back to familiar surroundings and another opportunity to meet and fraternize with old friends and acquaintances.

From my information, I am aware that since the tournament began, it has been very exciting, entertaining and keenly competitive. I therefore commend the efforts of all the sportsmen and women who took part in the preliminary stages of the tournament and congratulate those who had succeeded in reaching the finals. There is no doubt that at the end of the day, the tournament has achieved the objectives of the organisers of this competition as it would have assisted to a very great extent in exposing participants to the latest techniques and rules in the sporting world. I am positively convinced that the competition has discovered latent talents while new records have also emerged thus paving the way for representation of such sportsmen at similar championships both at the State and National levels in future sporting events. I also implore these newly discovered talents to improve on their training and win laurels for the country at International competitions.

Apart from stimulating positive physical and mental relaxation, sporting activities also serve to promote good and sound health. Thus, sports is an area which deserves to be accorded necessary attention. It has even attained a much wider scope and dimension, having gained incursion into world politics in recent times. It is in recognition of this trend that the present Military Administration is doing everything possible to encourage loyal and patriotic participation in all facets of sports. In the bid to actualise the nation's objective in this area and especially if the country is to excel at International sporting events, it is my fervent belief that the Government alone cannot be left to provide all the facilities necessary to achieve this great feat. To this extent, the organised private sector should be involved in the promotion and development of sports through the provision of adequate and modern sporting facilities.

I wish to use this medium once again to call on all corporate bodies, philanthropic organisations, clubs and other well-meaning individuals to join hands with this administration in the development and promotion of sports so that the much desired improvement in our existing sports facilities and infrastructure can be attained in the overall interest of the nation.

One must however sound a serious note of warning to all our sportsmen and women that, in as much as sports is very relevant in attaining international fame, they should eschew any act that would make them crash from Olympian height to the depths of disgrace and scandal. My concern here relates to the current vogue of dependence on

hard drugs as a means to attaining fame in sports. My advice to our sportsmen and women is that they must not make the attainment of success in sports a matter of life and death by resorting to drugs. Rather, they should strive towards the best through constant, devoted and dedicated practice as well as strict discipline.

Distinguished Ladies and Gentlemen, I hope that all members of the Police Force, especially those under Zone 2 who have taken part in this sports championship would continuously ensure the sustenance of the high momentum which the competition has generated since it commenced two years ago. The Nigeria Police Force and indeed the entire nation expect much from these competitions and I trust that much will accrue therefrom for the sporting glory of the motherland.

Thank you and God bless.

**AT THE COMMISSIONING CEREMONY OF THE IPAJA HOSTEL, AGEGE
ON TUESDAY, 27th MARCH 1990**

I am particularly delighted to have in our midst a very distinguished Guest of Honour, Brigadier Mobolaji Johnson (Rtd.), the first Military Governor of Lagos State at this epoch-making occasion of the official commissioning of the Ipaja Hostel Complex. I also acknowledge the presence of all dignitaries who have found time to honour our Invitation to this ceremony which signifies a landmark in the provision of facilities and infrastructure for the overall development of the nation's youths.

The Hostel Complex being commissioned this morning was conceived by the first Military Administration in Lagos State as part of its programme aimed at establishing Government Colleges in the then five divisions of Lagos State. Although, the project has been slightly modified, it is pleasing to note that the idea mooted in the 1970's has been more appropriately applied to present needs, thus culminating in the project being commissioned by no less a person than the prime mover and the motivating spirit behind the notion I have the honour therefore to congratulate Brigadier Mobolaji Johnson (Rtd.) for his foresight at conceiving and initiating the project designed to support and promote the proper development of the youths of the nation.

We are all aware of the unique position of Lagos State as the commercial and political nerve-centre of Nigeria, thus attracting the posting of a large number of Youth Corpers to the State on an annual basis. I am informed that not less than 2,500 corpers are posted to this State annually. This then imposes on the State the herculean task of providing suitable and conducive facilities which would accommodate the corpers adequately during the service year.

I let me at this stage acknowledge the good hand of fellowship that the Yaba College of Technology, the Federal College of Education, Akoka and the Lagos State College of Education, Ojo-Ijanikin, have extended to the State Government in the past in providing corpers with suitable accommodation during the period of orientation. However, the noticeable inadequacy of the available facilities provided by these institutions, especially at the stage of primary assignment of the corpers, has further buttressed the desire of the State Government to establish a big site where corpers posted to the State can have the opportunity to live together, fraternize and exchange ideas in a camping atmosphere in the course of their service year. This is in keeping with deliberate policy objective of the National Youth Service Corp which aims, among other things, at fostering understanding and co-operation among the multi-ethnic and cross-cultural participants from all over the Federation.

For the records, the contract for the completion of the building which has been re-designed as an hostel complex, was awarded to Messrs Horatio Limited in 1986 at a contract sum of ₦1.8m with a completion period of forty-two weeks. However, the project was beset with many problems connected with increase in the cost of building materials, variation in design and cost of labour. Consequently, the contract price was revised

upward to ~~N5~~ million, this time with the inclusion of external works that were excluded in the initial contract. I must at this juncture mention that the contractors have not disappointed the State Government in adjusting to our style of project execution. I should therefore commend their efforts and satisfactory performance on the project.

Needless to say that the physical structures, comprising about 96 rooms, in this hostel complex do not in themselves constitute a complete hostel facility as there is still the need to provide necessary equipment, furniture and fixtures which will transform the complex into a habitable and conducive residential accommodation. For this purpose, a sum of N1 million has already been earmarked. It has also been proposed that staff quarters, including laundry facilities and standard sports field complex with athletics tracks, Man-O-war and gymnastics equipment would be provided in due course.

In consonance with the traditional hospitality and responsiveness of the State Government to the needs of all people resident in the State, Government will strive to maintain the facilities being commissioned here today. I, therefore, wish to use this medium to call on all Youth Corpsers posted to this State to support the efforts of the State Government and ensure that the facilities provided here are utilised with all sense of responsibility, in the interest of themselves and succeeding generations. It is important that the users of the hostel should appreciate that the funds used in executing the project came from the sweat and toil of the good people of Lagos State. They expect in return, the careful and judicious use of the facilities. Let me also warn against any tendency to turn the hostel complex into a venue for the perpetration of nocturnal and illicit cults, indisciplined behaviour and revelry in alcohol, drug and immoral conduct.

Ladies and Gentlemen, it is my pleasant duty to invite our very distinguished Guest of Honour, Brigadier Mohalaji Johnson (Rtd.) to formally commission the Hostel complex, Ipaja.

Thank you all and God bless.

**AT THE OPENING CEREMONY OF DR. J. K. RANDLE AGE GROUP SWIMMING
COMPETITION, HELD ON TUESDAY 27th MARCH 1990.**

I am highly honoured to be invited to this year's opening ceremony of Dr J K Randle Age Group Swimming Competition. The competition is designed to develop, encourage and sustain the interest of our youths in swimming and to give these up-and-coming stars the opportunity to compete at higher levels. It is gratifying to note that the J. K. Randle Age Group Competition has over the years produced many stars who had not only won laurels at State and national competitions, but also represented Nigeria at International sporting events. There is no gainsaying the fact that Lagos State occupies a leading position in the area of sports. The State is able to achieve and maintain this enviable position through the co-operation and active participation of individual sponsors such as Dr J. K. Randle and philanthropic organisations.

I am happy to inform you that the present administration is determined to give more attention to the development of sports. To this end, the government has embarked on the provision of comprehensive sports infrastructure and equipment in all the Local Government areas such that the State's policy of 'Catch them Young' can be realised.

You would recall that recently, the State Government launched a N50 million Endowment Fund. The aim is to involve individual sports lovers, philanthropic organisations and business communities in the determined efforts of the government; to provide sports facilities in the State with a view to exposing our athletes to modern sporting facilities.

I wish to thank the family of Late Dr J. K. Randle, the organisers of this competition, for their contributions towards the development of sports and especially swimming in Lagos State in particular and Nigeria in general.

Finally, I wish to appeal to the participants, at the J. K. Randle Swimming Competition beginning from today to ensure a very entertaining, exciting and friendly competition. I am sure that through this competition, swimmers from various parts of the State would have the opportunity of showing their talents and achieve recognition. The competitions are expected to demonstrate a high level of discipline.

Once again, I thank you for the invitation extended to me and wish you a successful competition.

Thank you all and God bless.

AT OCCASION OF THE LAYING OF THE FOUNDATION STONE OF THE ADIYAN
WATERWORKS PHASE I ON TUESDAY, 3RD APRIL 1990

I am delighted to be here at Oke Aro this morning to perform the ceremony for the "Laying of the Foundation Stone" of the Adiyari Waterworks under the Lagos Water Supply World Bank Assisted Project Phase I. The Project which is in three phases, will increase the production capacity in Metropolitan Lagos by 320.00 cubic metres or 70 million gallons per day at each phase.

It will be recalled that precisely 80 years ago, in 1910, work commenced on the construction of the first water treatment plant with a production capacity of 1000 cubic metres or 2.4 million gallons per day about 28 kilometres north of Lagos Island, at Iju Village. This scheme was designed and executed to serve the residential reservation of the colonial administration at Ikoyi. Subsequent developments recognised the need for additional source-works which were developed at Akure, on the Ogun River, to complement the water supply from the Iju Village Waterworks. However, with the increasing residential demand and development of the industrial sector, the production and distribution capacities to metropolitan Lagos became overstretched. It therefore became apparent from the accelerated population growth and development trend in the State, that the only way to bridge the huge deficit in demand for water was to initiate a bold and comprehensive water scheme.

In the interim and as a stop-gap, the State Government in 1979 embarked on the construction of ten Mini Waterworks which were located throughout the State and drawn from ground water through boreholes, to feed direct into the networks laid in their locations. Seven of the Mini Waterworks in Metropolitan Lagos have a designed output of 18 million gallons per day, while the remaining three located in sub-urban Lagos have a combined output of 8.4 million gallons per day.

By geographical coverage, Lagos is the smallest but the most populous State in Nigeria. Metropolitan Lagos presently having a population in excess of 6 million, accounts for about 90% of the total population of the State. From available data, the population is expected to continue to grow at about 4.5% per annum and may likely exceed 12 million by the year 2000. In view of this rapid population growth in Lagos and the attendant heavy burden on the public water supply system, the State Government embarked, in November 1988, on the construction of the Adiyari Waterworks, Phase I. The project when completed will produce 70 million gallons of potable water per day. This will be equivalent to the present production capacity of all the existing water supply installations in the State as a whole. Presently, about 42% of the residents of Metropolitan Lagos have access to potable water. When the on-going project is completed in 1991, the population will be served at improved levels in the following areas: Agege, Ipaja, Isheri Oke, Idimu, Ikeja, Ogudu, Oshodi, Isolo, Mushin, Somolu, Ajegunle-Apapa, Lagos Island and Victoria Island.

I am happy to report that substantial progress has been recorded since the project was commenced and it is my hope that the project will be completed on schedule. To

ensure effective transmission system, under the Lagos Water Supply Expansion Programme, 80 kilometres of the Primary Trunkmains is being laid with pipes of diameters varying between 2000mm steel pipes and Ductile Iron pipes of sizes varying between 1600mm and 800 diameters. The ultimate consumers will be reached with 280 kilometres of Secondary Trunkmains of size varying between 800mm and 300 diameters and 1600 kilometres of Tertiary mains of sizes 300mm diameters and below as well as service connections.

As part of the on-going re-organisation by the State Government, the State Water Corporation is currently undergoing an extensive administrative reforms with a view to its having increased autonomy over the day-to-day management of its affairs. These measures are to assist the Corporation to improve its efficiencies administratively, operationally and financially, and also to help in the achievement of a cost-reflecting tariff situation which is crucial for the future development of the Water Supply Sector in Lagos State.

Distinguished Guests, Ladies and Gentlemen, today's Foundation Stone Laying Ceremony is a landmark in the efforts of government in ensuring adequate provision of water to the teeming population of the State. I congratulate members of the Task Force on the Water Project and staff of the Corporation for their devotion and hard work. I also wish to congratulate both the contractors, Messrs Degremont and Bouygues and the Consultant, Messrs Tahal

I wish to conclude this address by placing on record the invaluable assistance and support that the Lagos Water Supply Expansion (World Bank-Assisted) Project has enjoyed from the Federal Military Government since 1988 when we embarked on the project.

I now have the honour and privilege to perform the ceremony of the "Laying of the Foundation Stone for the Adiyen Waterworks, Phase I".

Thank you and God bless.

**AT THE 1990 9 MECHANISED BRIGADE OFFICERS TRAINING WORKSHOP
ON 4th APRIL 1990**

I am delighted to be in your midst today to open the 1990 Officers' Training Workshop for the Brigade. Having gone through your programme, I am glad to note that most of the topics to be discussed are relevant to your needs as leaders in your various units who are expected to educate your subordinates and clear any doubts that they might have as it relates to their environment in particular and the world in general. The inclusion of geo-politics, economics and current affairs in the programme is therefore a good development, as this is the only way you can get yourselves fully prepared to play your leadership roles in your units.

In the course of the Training Period, I want you to get involved with open minds in all discussions and ask questions that will clear your minds in any area you have doubts. Once you do this, I believe that you will at the end of the Workshop leave here better prepared for the tasks ahead. I have no doubt in my mind that you are all aware that the days of half baked officers are gone. Army officers are now expected to acquire higher education and to some extent acquire a lot of knowledge on many subjects and issues outside the military. This forum is therefore a good opportunity for the development of such knowledge.

Permit me at this juncture, to reiterate the present Administration's commitment to the Transition Programme which I believe will culminate in the handing over of power to an elected civilian government in 1992. You are aware that the programme has been going on as planned. I do not intend to discuss the programme in details because as senior officers you are expected to keep abreast of current events in the country. You are to ensure that you contribute to the success of the Transition Programme for which I believe we are all committed. I expect you to educate your soldiers on this very important programme, so that they are not misdirected by disgruntled elements who may wish to sabotage government efforts in ensuring the success of the programme.

I am glad that this very important subject is included in this Workshop. Once again, I wish to appeal to you to ask as many questions as possible in order to clear your minds in any aspect you do not understand. This will assist you to be in a better position to answer questions from your subordinates.

Let me seize this opportunity to appeal to all of you to ensure that soldiers are well informed on the need to maintain cordial relationship with fellow security personnel and civilians. You will no doubt agree with me that a situation where there is misunderstanding with other security forces or civilians does not augur well for the Army since it will distract our attention and energies from our traditional roles of protecting the Nation. It is also sad that officers sometimes take part in such unfortunate incidents. We must therefore keep our soldiers busy by training and exercises to make them keep fit to protect our great Nation when the need arises.

Finally, I wish to congratulate the Commander 9 Mechanised Brigade and his Officers for organising this Training Workshop. I know the importance you have been giving training in the Brigade. It is my hope that you will keep it up.

Distinguished Guests, Participants, Ladies and Gentlemen, it is my honour and privilege to formally declare the 9 Mechanised Brigade 1990 Officers' Training Period open.

Thank you and God bless.

**AT THE COMMISSIONING OF APAPA BRANCH OF THE NEW NIGERIA BANK
LIMITED ON THURSDAY, 5th APRIL 1990.**

It gives me great pleasure to take part in the commissioning of New Nigeria Bank Limited, Apapa Branch. I rejoice with the Government and people of Bendel State, the owners of the bank and wish to congratulate Colonel Tunde Ogbaha, the Military Governor of Bendel State, the Chairman, Board of Directors and the Management and Staff of New Nigeria Bank Limited, for the opening of a new branch at Apapa.

The establishment of a bank and the expansion of its network are informed by well reasoned considerations, arduous preparatory work, and considerable material input. An additional branch in Lagos, therefore, underlines the faith the New Nigeria Bank has in the industrial, commercial and financial potentials of Lagos State in particular, and the national economy in general. The choice of Apapa for the siting of a new branch is undoubtedly well placed and I have no doubt that it will turn to be a vigorous and viable branch.

The growth of the Banking Industry in Nigeria has in the last five years been very exceptional. In 1985, there were only forty (45) banks in the country as compared with eighty at the end of 1989. Similarly, bank branches rose by 38.5% from 1323 in 1985 to 1833 in 1989. It was soon realised that numerical growth must be matched with qualitative development. Thus the quest to maintain competitiveness generated considerable mobility among seasoned bankers, whose experience and expertise were in high demand by new banks.

Faced with this phenomenon, premium is now placed on in-service staff training coupled with enhanced salaries and allowances thus making the banking industry a choice employer. The high income profile in the Banking Industry has ripple effect on other sectors, as employers, desirous of keeping their staff have to step up their incentive package. Equally and especially in Lagos, real estate transactions have enjoyed a boost from increased demand for office space for Banking Halls and executive residential buildings. While some aspects of this phenomenal growth are beneficial and welcomed, others have created new problems. To that extent therefore, it is my view that banks have a duty to make meaningful efforts towards finding solutions to the problems. I would expect for instance, that banks should assist through investment in land and estate development, and residential housing schemes amongst many others.

Banking should not degenerate to a game of square board oligopoly where the astute players accumulate idle funds. Banking should not depend on the manipulation of concepts for unearned commissions, interests etc, but should advert itself to the larger aspirations and interest of the community. In this connection, I will expect that banks will actively assist Government in promoting the development of our rural areas and the transformation of the agricultural sector to create a solid base for real growth in our national economy. Of relevance to our situation is the development of indigenous small-scale industrial enterprises, which would reduce the economy's exposure to foreign exchange

crunch. It is for these reasons that I enjoin banks to take full advantage of the existing Agricultural Credit Guarantee Scheme and the National Economic Recovery Fund (NERFUND) which have been established by the Federal Government to enhance rapid agricultural and industrial development of the national economy. You will no doubt agree with me that agricultural and small-scale industrial enterprises are the mainstay of sustainable economic growth and self reliance. I therefore take this opportunity to enjoin the banking industry to re-appraise the corporate objectives of the banking institutions with a view to providing very effective support to Government in these two areas.

The Military Governor of Bendel State, Distinguished Ladies and Gentlemen, once again, I congratulate the Government and people of Bendel State on this happy occasion of the opening of the Apapa Branch of the New Nigeria Bank.

I now have the pleasure to formally commission this building and to declare open the Apapa branch of New Nigeria Bank Limited to the glory of God and for the overall development of the Nigerian economy.

Thank you all and God bless.

**AT THE OPENING CEREMONY OF COMMERCE BANK LIMITED
ON FRIDAY, 6th APRIL 1990**

It is my pleasure to be here this morning to join in the happy ceremony of the formal opening of Commerce Bank Limited. In the first place, let me congratulate the Board and Management of this Bank for successes already made. Noteworthy of mention is the foresight displayed in the choice of Durbar Hotel, located in the outskirts of Metropolitan Lagos as a commencement branch, quite against the conventional practice of a first foot in Central Lagos. Another significant stride is the diversification of retail banking through the introduction of new products and schemes hitherto not practised in commercial banking in Nigeria. The customer enlightenment talk which your bank sponsored should not go unmentioned. Apart from being new it was reported that it had significant impact on participants some of whom were market women, artisans, farmers and small scale industrialists.

In my view these steps and many more which you have taken, must have been borne by the realisation of the growing competitiveness in the banking industry in Nigeria which calls for resourcefulness, initiative and dynamism. Also, it is apparent that your bank has desire to render excellent service. Most importantly, I believe that you possess the urge to contribute in the achievement of the plans and programmes of the military administration aimed at turning round to the path of recovery the Nigerian economy in terms of its agriculture, industry, commerce and finance.

The commissioning of a bank is by no means only a fanfare event. It should afford the opportunity to invite attention of eminent managers of the economy, who are likely to be present, to the direction of this administration. In my view, the broad issues which the banking industry must pursue at this time is the consolidation of the gains of the structural adjustment programme, the centre piece of which is the deregulation of access to the allocation of factor inputs vital to production and entrepreneurship. A few areas should merit your consideration. First, we should avoid replacing the negative bureaucratic procedures, pulled down in government departments and institutions, with the like in the Banking Halls. Secondly, it is necessary to encourage entrepreneurship, not to stifle it. Through policy thrusts such as the Graduate Self-Employment Schemes and NERFUND, this administration is not only encouraging new entrepreneurship but assisting existing ones to grow in specified areas. Banks should, in turn, through favourable schemes, especially the declaration of interest rate levels promote the growth and development of our economy. This intervention should assist agriculture (especially the production of food); manufacturing and exports. Our lasting achievement is higher productivity levels in all sectors. There must be more produced by our effort, and more earned from our effort, to achieve a buoyant level of demand and supply relationship. What we are currently experiencing is that the forces of needs on one side, and provisions on the other, are interplaying at very low levels. This is reflected in low income, low purchasing power, ineffective demand; loss of incentive to utilise plant capacity to the optimum; low demand for inputs including labour. It is a chainlink which we believe the banking sector is in the vantage position to grease and prevent from rusting. I believe the Commerce Bank Ltd. will pursue the forgoing objectives in the context of their self developed positive horizon.

Other banks whose main objectives is the milking of existing cows, not grazing the young ones, might sooner or later realise their proper role.

Once more, I wish to congratulate the Board, Management and staff of the Commerce Bank Limited. I greet all the invitees, especially the Representative of the Chief of Air Staff. I hope he will join me in wishing the Commerce Bank Limited a resounding success in its march forward.

Thank you all and God bless.

**AT THE NATIONAL WORKSHOP ON THE LAND USE ACT
ORGANISED BY THE FACULTY OF LAW, UNIVERSITY OF LAGOS,
ON MONDAY, 9th APRIL 1990**

It is a pleasure this morning to address this august gathering. It is now over 12 years since the Land Use Act was enacted during which period, it has evoked a great deal of comments. Being the unifying Act on the Land Tenure System in this country, the Land Use Act has understandably raised issues of interpretation and implementation of its various provisions. It is one piece of legislation that affects the life of every Nigerian and the controversy the Act has generated among academicians, the professionals and laymen alike, is of unparalleled dimension in the history of legislative act, as land constitutes the core of production enterprise of any nation or its citizens.

In Lagos State, land is of great importance. This is because of the peculiar size of the State which is the smallest in the Federation; yet the most densely populated. In land area, Lagos State is 0.4 per cent of Nigeria but it accommodates more than 5% of the nation's population. Of this 3,577 sq km of land, 22% or 787 sq km is made up of lagoons and creeks. It is in this regard that the Land Use Act is of great significance to the State, not only in the management of this scarce resource but also in ensuring its various provisions for the benefit of its citizens. I have gone through the list of subjects for discussion at this Workshop, as well as the eminent persons assembled to discuss them and I am quite confident that the deliberations will be in depth, critical and more importantly, objective.

The Lagos State Government has for long had a close relationship with the Department of Private and Property Law of this University. We have benefited from such relationship by way of advice and proposals. Since we appear to be the heaviest user of the provisions of the Land Use Act, the State must take advantage of all discussions on it. That in part explains why I accepted the invitation to be the Special Guest of Honour today. It is my hope that the organisers will ensure that the proceedings are well documented and copies made available to both Government and the Private Sector. I have looked at the theme of the Workshop and I find that it is aimed at proposing solutions to the numerous problems which indeed have been encountered in implementing the law.

As I have earlier observed, the Land Use Act, had since its enactment, generated a lot of acrimony; as well as criticisms and obvious violation, even by our traditional rulers and eminent persons within the legal profession. Whilst many of our Obas and Traditional Chiefs still see the Act as infringing on their right as the 'Custodians and Managers' of land within their various domains, others particularly among the learned members of the Bar and Bench, see the Act as an infringement on the fundamental human rights of the citizens to own land.

I believe this notion to be a misconception of the general intentment of both the Constitution and the Land Use Act. I say this because I have had the opportunity of reading both the Constitution and the Land Use Act.

In the process, I have found through Section 274(5) (d) of the Constitution of the Federal Republic of Nigeria that "nothing in this constitution shall invalidate the Land Use Decree of 1978". Furthermore, Section 47(1) of the Land Use Decree provides as follows:

"This Decree shall have effect notwithstanding anything to the contrary in any law or rule of law including the Constitution of the Federation or of a State and, without prejudice to the generality of the foregoing, no Court shall have jurisdiction to inquire into:

- (a) any question concerning or pertaining to the vesting of all land in the Military Governor in accordance with the provisions of this Decree; or
- (b) any question concerning or pertaining to the right of the Military Governor to grant a statutory right of occupancy in accordance with the provision of this Decree; or
- (c) any question concerning or pertaining to the right of a Local Government to grant a customary right of occupancy under this Decree".

In the light of the foregoing, I hold the view that the Land Use Act is superior to the constitution as of today and I stand to be corrected.

We have had instances of Court injunctions against Government in cases where one would expect public interest to override the interest of individuals. Similarly, costs had been awarded against Government in cases of Government acquisitions of land for public use, inspite of the fact that such acquisitions were made under the relevant provisions of the Land Use Act. This is an area which this august body should examine very critically and objectively. Our experience had also been that no sooner a notice of acquisition of land in overriding public interest was published by Government, than the whole area was sold overnight by so-called land owners, to individuals and other private organisations, to erect illegal structures. I therefore charge this Workshop to address these problems with a view to focusing attention on the advantages of the Act in the management of our land resources for the greatest good of the majority of our people.

I wish to place on record the achievements which Lagos State Government has recorded in the implementation of the provisions of Land Use Act since its enactment in 1978. For example, over 18,000 residential plots had been allocated to its citizens within the past 12 years through our Land Use and Allocation Committee. Also, over 2,500

Industrial/Commercial/Recreational/Institutionals plots were allocated to various applicants within the same period. For the purpose of harnessing the agricultural resources of the State, we established by Edict, the "Lagos State Agricultural Land Holding Authority" and over 20,000 large and small-scale farmers had benefitted from allocation of land for various agricultural purposes. In addition to providing land for residential, commercial/Industrial and agricultural uses, the State Government is providing low, medium and high class residential houses in various schemes within Lagos Metropolis, notably at Amuwo-Odofin, Omole, Ogba/Ijaiye, Ojota-Ogudu, Ebute-Metta and Ikoyi, for all categories of its citizens. Government is also encouraging corporate bodies with staff strength not below 500 to develop housing estates for their staff, especially in the Lekki Peninsula area of the State. In recognition of the fact that Government cannot on its own provide all the needs of the citizens with regards to land, the State Government has almost concluded arrangements with private developers to assist in the rapid development of Government Estates.

Going by this track record you would all agree with me that by and large the principal aims of the Act, that is, the protection and preservation of the rights of all Nigerians to use and enjoy Land in Nigeria in general and Lagos State in particular have been assured.

Perhaps it is pertinent at this juncture, to mention that the cost of providing infrastructural facilities in Government Estates has greatly escalated in recent years. As these facilities normally enhance the value of the properties in the Estates, it is only equitable that the owners are made to share the cost with Government. Consequently, Government has introduced with effect from March 1990, the payment of "Capital Contribution" by allottees of all our Estates, particularly those within the Lagos Metropolis. While appealing to all leasees and allottees of State land to fulfil their obligation to Government in this regard, I also want to seize this opportunity to warn defaulters of land charges to pay up or lose their land. Equally, the State Government is poised to re-enter plots which remain undeveloped by allottees, after the statutory period allowed in their certificate of occupancy for developing such plots.

Once again thank you very much for listening and I wish you all very fruitful deliberations.

Thank you all and God bless.

**AT THE COMMISSIONING OF THE GBAJI ASERI ROAD IN THE BADAGRY
LOCAL GOVERNMENT AREA ON THURSDAY, 12th APRIL 1990.**

It is a pleasure to welcome all the august guests here present today to this occasion of the commissioning of the Gbaji-Aseri road in the Badagry local government area. It was three years ago that the present Military Administration took the first bold step to the journey towards a complete transformation of our rural area.

The rationale for rural development as a strategy to accelerate national development could be found in one of its definitions by a development expert, and he says, "that rural development is the process through which the efforts of the people themselves are united with those of governmental authorities to improve their economic, social and cultural conditions of communities, to integrate those communities into the life of the nation and to enable them contribute fully to national progress."

This affords most rural development a people oriented programme in two major ways: first, it sees rural development as a co-operative endeavour between government authorities and the people within their respective communities. Secondly, it recognises the need to make the community develop and sustain a feeling of belonging and be part of the dreams of the modern society.

Therefore, in order to integrate the rural people into the life of the nation the economic, social and cultural conditions of the communities must be improved. It is against this background that the Lagos State Government put in place a borrowed 4 Year Rural Development Programme capable of meaningfully transforming over 875 of its rural communities out of the 1,374 identified. A major approach adopted by the State Government is to make rural environment attractive through the provision of basic amenities of life.

I am therefore happy to report that within the last three years Lagos State Government has spent over N250 million on the provision of basic infrastructures in the rural areas of the state. In the areas of opening up of roads, rural electrification, water supply, general transportation, fishing and transportation, jetties and rural housing. This is in addition to the subvention received from the Federal Directorate of Food, Roads and Infrastructures.

The commissioning of the Gbaji-Aseri Road today, at a cost of N28,000,000, is a manifestation of our rural development drive. There are five other major roads in rural areas of the state including:

- (a) The Igbogbo-Offin-Oreta Road in Ikorodu Local Government Area at a cost of N7,000,000. already commissioned.
- (b) Agura-Igbokuta-Imota Road (Ikorodu) N31,800,000; commissioned,
- (c) Kaiyetoro-Eleko Road in Ibeju-Lekki at a cost of N19,000,000, commissioned.
- (d) Aja-Addo Langbasa-Badore Road in Eti-Osa Local Government Area at a cost of N17,400,000. It is an on going project and needs to be commissioned soon.

- (e) The current Eleko-Aboreji coastal road in Ibeju-Lekki Local Government area, a distance of over 120km at a cost of ₦120,000,000.

It is also noteworthy that 13 micro water schemes have been completed and all of them except 2, have also been commissioned in rural areas of the state within the last 12 months. They are located at Igbonla, Igbokuta, Badore, Meiran, kankon and other areas. Others again are at Iworo-Ajido, Itoikin, Ketu-Ejinrin, Isiu, Baiyeku, Isheri Oke, Irewe and Agboyi. In addition to the above projects, four transportation jetties have been constructed and commissioned at Badagry, Epe, Tarkwa Bay and Ebute-Ero in order to improve transportation of the people in the riverine areas of the state.

Ladies and Gentlemen, there is no looking back in our rural development drive. We shall continue to intensify efforts at making life more meaningful for our rural dwellers.

On this note, I thank you very much and God bless.

**AT THE OFFICIAL COMMISSIONING CEREMONY OF THE RABIATU AYINKE
HOUSE, IKEJA GENERAL HOSPITAL, BY THE PRESIDENT,
COMMANDER-IN-CHIEF OF THE ARMED FORCES OF THE
FEDERAL REPUBLIC OF NIGERIA, GENERAL IBRAHIM
BADAMASI BABANGIDA, CFR, fss, mnl
ON SATURDAY, 14th APRIL 1990**

I feel highly delighted by the most distinguished presence in our midst of Mr President, Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria, General Ibrahim Badamasi Babangida, at this momentous occasion of the formal commissioning of the "Rabiatu Ayinke House", Ikeja General Hospital. I also acknowledge most heartily, the presence of members of the Armed Forces Ruling Council, past Governors of Lagos State and other dignitaries who have found time to honour our invitation to this ceremony. It is indeed an epoch-making event for which we are justly thankful to the Almighty. We also feel particularly proud that "Rabiatu Ayinke House", an Obstetrics and Gynaecology edifice, has been built and donated by an eminent Lagosian in the person of Sir Mobolaji Bank-Anthony, whose name has become synonymous with genuine philanthropy in our society. The memory of the late Alhaja Rabiatu Ayinke Aleshinloye-Williams, has been immortalised by this monumental donation by her illustrious son.

By its imposing nature and unique location, the complex being commissioned today will not fail to arrest the attention of visitors arriving in Lagos through the nearby airports. It will thus serve as a monument to the love and concern which our revered donor has for fellow citizens. Indeed, when the history of health care delivery service in Lagos State is written, the name of Sir Mobolaji Bank-Anthony will be cast in letters of gold as a major benefactor to whom the State owes a debt of gratitude. In acknowledgement of Sir Mobolaji's humanitarian services, I am happy to announce that the Ikeja Local Government has re-named the Airport Road, Ikeja "Mobolaji Bank-Anthony Way".

It is pertinent to mention that the present administration in the State, in appreciation of the need to make 'Rabiatu Ayinke House' fully functional, embarked on the provision of modern medical equipment as well as ancillary infrastructural facilities. To this end, a ₦5.7 million contract was awarded to Messrs Health-Aid Nigeria Limited in 1989 for the supply and installation of medical equipment. This was followed by a second contract, in the sum of ₦7.55 million to the same Company. Our aim in making these commitments has been to make the "Rabiatu Ayinke House" a centre of excellence, comparable to any such facility in other parts of the world. I should add that apart from the provision of medical equipment, contracts totalling ₦3.5 million have also been awarded for ancillary and complementary facilities such as the supply and installation of air-conditioners and fans, the provision of borehole and underground water tank, the installation of sun-breakers, fly-screens, an Intercom network as well as the landscaping of the surroundings.

I should perhaps seize this opportunity to re-affirm the commitment of the State Government in facilitating the fundamental role and the resultant beneficial effects of a functional and effective health care delivery service in national development. This is

precisely why the present Administration has continued to vigorously pursue the implementation of the various national programmes initiated by the Federal Government at the primary and secondary levels of health care delivery. The tempo of activities on the Expanded Programme on Immunisation (EPI) in the State has increased considerably and it is hoped that by the end of the current year, coverage will be in the range of 85%. The same can be said of the Oral Rehydration Therapy (ORT). In furtherance of its EPI Programme, the State Government recently bought two boats at a cost of ₦250,000.00 for use in the riverine areas of the State. It is pleasing to note that as against the WHO standard of 5% of Annual Budget to the Health Sector, the State Government has appropriated 10.12% of its total Budget for the fiscal year 1990 to the health services. As regards family planning activities, a total of 69 Clinics have now been established, spreading all over the twelve (12) Local Government Areas of the State. We have also embarked on a determined programme for the refurbishment of basic furniture and medical equipment as well as the supply of new beddings in State owned hospitals and health centres. Furthermore, contract has been awarded for the refurbishment of the mortuary at both the Lagos General Hospital and the Ikeja General Hospital.

With respect to the procurement of drugs and medical consumables, large orders, amounting to ₦27 million in all, have recently been placed with some reputable pharmaceutical companies who are scheduled to deliver shortly. It is hoped that when these new orders are received, the Drugs and Consumables Revolving Fund Account will be boosted and the cost recovery system now in operation, will function more effectively. Fully conscious of the critical need to keep the technical facilities care in all hospitals and clinics in Lagos State functioning continuously, a practically oriented course in hospital equipment maintenance shall be established at the Government Technical College, Lagos. Indeed, this is part of comprehensive maintenance training programme for other electronic technology under Lagos State wide skill Applicant Scheme. The main purpose of the course is to train unqualified young Nigerians through the installation, inspection, maintenance, repair, calibration and adjustment, of bio-medical and hospital equipment, instrument and appliances.

Naturally, many of the graduates will have to work for themselves, since the national demand for bio-medical and hospital equipment maintenance will keep them viable in self employment. Similarly, the love for foreign exchange which now goes for importation under the old infringement syndrome will be changed under this type of celebrated maintenance culture.

I should not end this address without publicly acknowledging the commendable and supportive role being played in the Health Sector in this State by some non-Governmental Organisations and Voluntary Associations. Top on the list is UNICEF, which has continued to play a pivotal role in the area of primary health care, particularly the EPI. Recently, it donated four (4) Outboard Engines to the State for the prosecution of the EPI Programme in the riverine areas. The Pathfinder Fund, the Africare Organisation, the Health Care Organisation for Africa, the Lion and Lioness Clubs and the Rotary Clubs have all assisted in various forms, towards the enhancement of health care delivery in Lagos State. Such

contributions undoubtedly have a salutary effect on our health services. We salute these voluntary efforts and will welcome similar gestures from other associations. Men at the noblest disposition save themselves happiness when others share their happiness with them. It is clear to you, any dual measure for a man than by what he does is worth doing by what he gives out. Therefore, once again, I congratulate Sir Bank-Anthony on giving out a public caring in blessing not only to this generation but to the future generations of Nigeria. We commend the monumental benefaction of Sir Mobolaji Bank-Anthony for emulation by other individuals and corporate bodies.

Distinguished Guests, Ladies and Gentlemen, it is now my privilege and honour to invite the President, Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria, General Ibrahim Badamosi Babangida to deliver his Address, and commission this edifice.

**AT THE FIRST EDITORS AND VETERAN JOURNALISTS FORUM SPONSORED
BY THE LAGOS STATE COUNCIL OF THE NIGERIA UNION OF JOURNALISTS
HELD ON THURSDAY, APRIL 19, 1990 AT THE NIGERIAN INSTITUTE OF
INTERNATIONAL AFFAIRS, VICTORIA ISLAND, LAGOS**

It is my pleasure to be here today to declare open a forum that is meant to bring together the cream of top media executives and other veteran journalists in our society to examine contemporary issues, carry out a self-critique of their practice and set out tasks for themselves to meet the challenges of both the present time and the future. This is, indeed, a lofty objective and I will like to congratulate the Lagos State Council of the Nigeria Union of Journalists for this initiative.

This forum could not have been arranged at a better time than now when the political transition programme is gaining momentum. The programme has been designed to usher in a democratically elected government in 1992 and a state political system. This Administration believes that this arrangement will ultimately ensure for us:

- (a) A united, strong and self-reliant nation
- (b) A great and dynamic economy
- (c) A just and egalitarian society
- (d) A nation full of opportunities for all citizens; and
- (e) A free, democratic society.

The Nigerian Press is very conversant with these objectives which have become institutionalised. It is its duty, therefore, to join hands with the government and all well-meaning Nigerians to ensure their realisation.

The historical development of the Nigerian Press has been very gradual and progressive. The first newspaper, "Iwe Irohin fun awon Egba" was effectively used by the journalists to promote national interests against the attacks or domination of the then colonialists. Since then, many newspapers and journals had sprung up for the purpose of informing, educating, enlightening and entertaining the people on various facets of our national life, including politics. Their contributions have no doubt shaped the political, economic and social outlook of Nigerians. An institution as important as the Press should therefore steer clear of ethnicity, religious bigotry, graft, destructive journalism and selfishness in the body polity of our nation. At the same time, however, the Press should project a coherent image of our national aspirations and ambitions which are worthy of display to the outside world since it dictates public taste and decides what the public should know.

The issue of Press freedom has been so much flogged in this country. The Nigerian Press cherishes its freedom and has often published information that came its way without

any hindrance. This is in the true spirit of press freedom. But press freedom should be exercised fairly and be devoid of libel or sedition and without prying into the privacy of individuals. The Press, as the watchdog of both the government and the governed, should always exercise its power responsibly because, an unfettered, critical, and strong press is the pride of any free society.

The freedom of the Nigerian Press is unequalled in this part of the world and it is being jealously guarded by the Nigerian journalists. Unfortunately, the freedom is often misapplied and misused to the detriment of the unity and stability of the nation. Examples abound where the Nigerian Press had put the national interest, the privacy of the individual and the plight of fellow Nigerians in jeopardy. Many of our journalists today cherish yellow or junk journalism to the detriment of the ethics of their profession. Although no human system is perfect, these journalists often indulge in mistakes which arise from exaggerated reporting, mis-information or lack of adequate and correct information which readily lead to false publications.

Our press may not realise it. Today, many Nigerians read newspapers not for the hard news they can get in them but just to relax. This can definitely not be regarded as a healthy development and the Press must positively readjust itself and its orientation to correct the phenomenon.

In my view, the Nigerian Press should emulate the media in the Western World which have built a reputation as veritable and dependable national institutions. They should help in reshaping our political climate. In fact, they should assist in purging the old political system and other national structures of their ills. Our society expects the Press to project its image, culture and values as well as act as its moral conscience, stand where others waver, speak when our national conscience and values are abused and say "no" when everybody weakly bows to pressure.

The present administration has given our media men the where withal to operate and practise their profession in an unrestrained atmosphere. During your deliberations today, you should evolve a development-oriented journalism whose main focus will be the betterment of the society. In this regard, the process of change and modernisation in rural development through the provision of roads, water, electricity, jetties and other social infrastructure which were hitherto only enjoyed by the urban dwellers should be highlighted.

With regard to the on-going transition to civil rule programme, our media should join hands with the government in enlightening the people on what the programme connotes and entails. Unless the people are adequately informed, all efforts will be in vain. The Press too has a duty to ensure that good leaders, performers, defenders or promoters of democracy are enthroned and placed in positions of responsibility.

Permit me to use this forum to enjoin you to think seriously about cooperation among the various media houses during your deliberations. For instance, I am told that as part

of their cooperative efforts, the BBC and Independent Broadcasting Authority in the United Kingdom site their transmitters in a manner that would enable them cut down both capital and recurrent expenses. Programme exchanges among our electronics media can be planned in a way to make programmes on the different stations complement one another.

The area of joint training programme must also be explored. Development in technology imposes the need for continuous training on all media practitioners. New gadgets are being produced and put into the market, it is only through regular training that the modern skills to operate them can be acquired. The more training that is acquired the more the proficiency displayed by the individual professionals. All media executives are therefore enjoined to train their staff. Incidentally, this was emphasised at the just concluded 5th ordinary session of the Conference of OAU Ministers of Information held in Abuja early this month.

Distinguished Ladies and Gentlemen, may I, at this juncture, express my sincere belief in the usefulness of this forum. All that is required is that participants should express views that will be thoroughly honest and useful in the future plan and activities of the NUJ so that the NUJ could be seen as contributing its own quota to the building of a virile nation. Suffice it to say that, a regular brain-storming conference or gathering of journalists is needed for critical assessment and analysis of the political development that is now unfolding in the country.

While wishing you very fruitful deliberations at this Forum, it is now my pleasure to declare the First-ever Lagos State Council of the Nigerian Union of Journalists | Editors and Veteran Journalists' Forum open.

Thank you all.

**AT THE 5th TIMES INTERNATIONAL AGRICULTURAL AND FOOD EXHIBITION
HELD AT IBADAN, OYO STATE ON SATURDAY, 21st APRIL 1990**

I am delighted to be here today as the Guest-of-Honour on this occasion of Lagos State Day at the on-going Times International Agricultural and Food Exhibition which is the 5th in the series. I am particularly delighted because the sitting and timing of this exhibition are unique and appropriate. The sitting of the exhibition in Ibadan, capital of Oyo State is unique and appropriate because Oyo State has, over the years, played a vital role in the agricultural development of Nigeria. Oyo State, no doubt, used to be the "food basket" of the defunct Western Region of Nigeria and is still playing this role effectively. One is not surprised therefore, that the playing this role effectively. One is not surprised therefore, that the pioneer Agricultural Institutes, that is the Institute of Agricultural Research and Training (I.A.R. & T) and the International Institute for Tropical Agriculture (I.I.T.A.) are located in Oyo state. The timing of the exhibition is also unique and appropriate because with the onset of the rains we are now in the planting season, a very vital period to all farmers in this locality. Thus, I have no doubt in my mind that the new techniques which may be gained during this exhibition will assist the farmers in their cultural operations and improve their production

Agricultural Exhibitions serve in many ways to improve the agricultural development of the country. The advantages derivable from exhibitions like this are numerous but in a nutshell, they provide a common forum for all the actors in the food industry including researchers, producers, processors and consumers to interact, compare notes and benefit from each other's experiences and discoveries. The net effect of such interactions is increased food production and I am pleased that Times Leisure Services Limited, the organisers of this exhibition, has identified itself with the aspirations of government, in promoting the agricultural development of this country.

Lagos State is the smallest State in Nigeria with a size of over 3,577 square kilometres which is about 0.4% of the whole country. The Landmark is further reduced by lagoons and creeks which constitute about 2 per cent or 787 sq kms of the total area. The small size of the State and her riverine nature often give the false impression that agriculture cannot be successfully practised in Lagos State.

I wish to state that despite these geographical limitations, Lagos State has one of the most virile agricultural policies and a very vigorous drive towards agricultural self-sufficiency. The role of government in all agricultural pursuits is purely to promote and motivate the private sector. Thus, government is only involved in the provision of essential agricultural inputs like land, seeds, agro-chemicals, day-old-chicks, point-of-lay birds, fingerlings, drugs and vaccines. The input delivery services are backed up by effective extension services. In order to rationalise the distribution of land for agricultural development, the Lagos State Agricultural Land Holding Authority Edict was enacted and the Authority has opened up 41,000 hectares of farm land. The New Towns Development Authority has designed agricultural layouts for agricultural estates located at Barjagry, Ikorodu, Epe, Eti-Osa and Ibeju-Lekki Local Government Areas of the State. These

estates have provided 114,071.26 hectares of land for small, medium and large scale farmers and each estate is serviced by an Agro-Service Centre where essential inputs like improved seeds, agrochemicals and Tractor Hiring services are available. In recognition of the important role played by the small-scale farmers in our agricultural development and in order to minimise the hardships often encountered in acquiring essential inputs, the State Government recently acquired 70,000 units of good quality cutlasses and sold them to this category of farmers at ₦25.00 each.

A pilot day-old chicks and point-of-lay input supply programme was introduced in Lagos State last year with a view to re-vitalising the ailing poultry industry. The Programme is aimed at providing day-old-chicks and point-of-lay birds of proven genetic ability to poultry farmers in the State. The Poultry Breeding Centre and the Hatchery were reactivated and stocked. It is expected that 100,000 day-old-chicks and 30,000 point-of-lay birds will be produced from the poultry stations this year for sale to poultry farmers at affordable prices. The State Government has concluded arrangements for the importation of Grand Parent Stock day-old-chicks, drugs and vaccines worth ₦3.7m to boost poultry production in the State.

We have formally launched the Schools' Agricultural programme on the 14th of February 1989 with the twin objective of stimulating the interest of pupils in agriculture from early age by involving them in practical agriculture thereby preparing them for self reliance and to boost food production in the State. The Programme include arable cropping, fish farming, livestock rearing and fruit trees production. A total of 152 Secondary Schools were involved in maize production while 103 Secondary Schools cultivated cassava and all the 1,213 primary and secondary schools planted different types of fruit-trees. In the area of livestock rearing, 46 secondary schools were assisted to embark on poultry, while 30 schools are raising rabbits and 9 schools have commenced pig rearing. Fish ponds have been constructed in 7 schools in the State. In order to provide formal training in agriculture to young school leavers and curb unemployment amongst the youths, the State Government opened an Agricultural Training Institute at Araya in Epe Local Government Area last year. The Institute is now in session and running a one-year residential course in integrated agriculture and fishery. There are fifty-six (56) students in the Institute now and this number will increase to 100 by 1991.

Lagos State has comparative advantage in vegetable production and fisheries and the potentials are very enormous. It is in recognition of these potentialities that the State Government has decided to embark on an Accelerated Fish and Vegetable Production programme. The primary objective of the programme is to maximise the ecological advantage of the location of the State with abundance of water resources and fertile land vis-a-vis the enormous market potentials. The accelerated fisheries production programme will involve expansion of aquaculture, promotion of artisanal fisheries and establishment of a cage pen culture on a pilot scale. The aquaculture component of the programme will involve the establishment of fish farming estates, and community fish ponds. Under the artisanal fisheries development, government will provide extension services and essential inputs to facilitate extensive artisanal fisheries and also re-stock existing water reservoirs and dams. It is estimated that a total of 58,500 fishermen will be

covered by the extension and training components of the artisanal fisheries development programme and 102,000 tonnes of fish produced between 1990 and 1992 will be improved upon. The aquaculture development programme is expected to produce a total of 5,400 tonnes of fish within the same period.

The overall objective of the accelerated vegetable production is to gradually but steadily close the gap between the demand and supply of vegetables to the people of Lagos State and thereby aid the advance to national self-sufficiency in vegetable production. Under this programme, all farmlands currently lying fallow will be cultivated and essential infrastructures like boreholes and dug-wells as well as vegetable gardening tools will be provided. It is estimated that 1,675 farming families will be involved in the cultivation of 3,350 hectares of land during the project period of 1990-1992 and an output of 207,000 tons of assorted vegetables is expected.

The small-scale farmer and small-scale fishermen will be the focus of these programmes. Thus, the net effect is that the output of the farmer is increased with a corresponding increase in the per capita and an improvement in the quality of life. I have no doubt in my mind that when these programmes are successfully implemented, there will be abundant fish and vegetables in Lagos State. In order to ensure that these food items are available all the year round and at affordable prices, we invite private investors to seize the opportunity of the large-scale production and establish fish processing and storage factories in Lagos State. The prospects are very bright and you will be glad you did.

Finally, I wish to congratulate the organisers of this Exhibition for a job well done. By organising this exhibition, you have no doubt, identified yourself with the aspirations and objectives of the present administration in ensuring adequate food supply to all at affordable prices. I wish you success in your endeavours.

Thank you and God bless.

**GOODWILL MESSAGE SENT TO THE PEOPLE OF LAGOS STATE
ON THE OCCASION OF 1990 EID-EL-FITRI, 26th APRIL, 1990.**

Fellow Citizens of Lagos State,

I feel highly delighted to congratulate and also rejoice with you on the occasion of this year's Eid-El-Fitri. I join you in giving praise to God for making us witness the end of this year's fasting period.

There is no doubt that fasting in the month of Ramadan is a tedious but well deserved mental exercise in self-discipline. Fasting, if done sincerely and honestly, could be of tremendous benefit to the body and the soul. Therefore, in obedience to the injunctions of Allah as clearly laid down in the Holy Quran, Muslims all over the world are required during the Ramadan to abstain from foods, drinks and other physical pleasures and devote their time to prayers and meditation so that they could atone with God. The Ramadan fast is also regarded as an exercise to atone for the sins committed in the previous year.

If the majority of Nigerians of both Islamic and Christian faiths can abstain from some of the vices in our society for a minimum of 30 days, there is no reason why we cannot extend this period during which we are law-abiding beyond the traditional Ramadan and Easter fasting festivals. A general look at the attitude of a few Nigerians and their life styles gives a lot of concern, not only to the Government, but also to well-meaning Nigerians. The frequency of the commission of serious crimes such as drug trafficking, fraud, armed robbery, murders, arson and the general lukewarm attitude of Nigerians to their work continue to portray this nation in very bad light to the rest of the world. I enjoin the citizens of the State and, indeed, all Nigerians to take the lessons of Ramadan as the tenets to guide and guard their behaviour in society. The exemplary life of Mohammed himself whose virtues we extol annually, should provide us with the moral strength to live as honest and law abiding citizens

This country expects a lot from its citizens and as we are passing through this crucial period in the life of the nation, it is expected that you will all join hands with the Government to ensure the successful completion of the Political Transition Programme. Any distractions now, in whatever form, can only bear negative influence on the Programme, destroy the whole exercise and throw the nation back into chaos. I am, therefore, making a strong appeal to the people to continue to forebear, embrace the programmes of the Government and shun all moves directed at subverting or distracting attention from the Political transition Programme.

The present Administration will continue to show genuine concern for the welfare of the general citizenry. As far as the State resources can permit, Government will also continue to provide such amenities as will enhance the quality of life of the citizens.

Once again, I congratulate you all on the successful completion of the Ramadan fast and I pray for God's blessings.

Thank you all.

**AT THE 5th ANNIVERSARY DINNER OF THE ORIWU SUN NEWSPAPER HELD
AT THE LAGOS SHERATON HOTEL, IKEJA ON FRIDAY, 27th APRIL 1990**

I am delighted to be present as the Chief Guest of Honour at this dinner organised by the publisher of Oriwu Sun, a community newspaper based in Ikorodu, to mark the 5th Anniversary of the publication of the newspaper.

I have followed with great delight, the progress of Oriwu Sun since its first appearance on the newstand five years ago. The paper rightly aims at achieving excellence in informing, educating, enlightening and entertaining its readers. From its inception, it has shown promise and exhibited a great capacity for growth. For instance, in barely two years of its existence, the newspaper's circulation figure has shot up to 10,000. That feat was no doubt an indication of the acceptance of the newspaper by the immediate community in which it operates as well as by the whole Lagos State at large.

As genuine success can hardly be achieved without hardwork, I heartily congratulate the Publisher of Oriwu sun and his aides without whose commitment and untiring efforts, the community newspaper could not have been so well accepted, especially in Ikorodu and environs within the relatively short period of its existence. As a community-based newspaper, the publisher should aim at the production of a Yoruba version of the newspaper so as to increase its readership and to give more people, especially those who do not read English the opportunity to know what is going on around them.

At this period of transition to civil rule, Oriwu sun should use its position as a community newspaper to educate the people, especially the rural dwellers, about Government efforts to improve their lot through the various rural development projects. Along with the other newspapers, Oriwu Sun should assist the Government in building a politically stable society which is necessary if our aspirations and desires as a nation are to be met sooner than later.

Let me seize this opportunity to remind all the community newspapers in this State that they should see themselves as partners in the development of the State. They should never hesitate therefore to bring forward to the State Government ideas and suggestions that can assist in achieving this goal. I must advise them, however, that they can only play this role satisfactorily by looking at the policies and programmes of the Government objectively and analysing them with patriotic fervour so as to be able to identify areas that can possibly be improved upon. I believe that in this way, the community newspapers will also be able to suggest genuine and beneficial alternatives to government policies and programmes.

Oriwu Sun, as a vanguard for public enlightenment should endeavour to eschew parochialism and sectionalism. It should always publish the truth and be guided by it. The Publisher must ensure that the enviable achievement which the newspaper has recorded since it hit the news-stand five years ago is sustained and maintained. This anniversary should therefore be seen only as the beginning of the challenge that lies ahead.

Once again, I heartily congratulate the Publisher of Oriwu Sun and all those who have contributed to the success so far achieved by the newspaper.

Thank you all

**AT THE PUBLIC ENLIGHTENMENT WORKSHOP ON THE TRANSITION TO CIVIL
RULE PROGRAMME ORGANISED FOR LAGOS STATE TOP GOVERNMENT
FUNCTIONARIES AT THE LAGOS CITY HALL ON THURSDAY, 3rd MAY 1990**

I wish to thank the Lagos State Public Enlightenment Committee for organising this Public enlightenment Workshop for top functionaries of the State Government. This is because, the issue of public enlightenment campaign on the current transition to civil rule programme has become so important that all functionaries of Government, both high and low, should be involved in educating the people of this state, especially those at the grassroots, on the various components and features of the programme and where and how they fit in. This Workshop has been designed to plug any information gap that may exist and hinder the smooth implementation of the public enlightenment campaigns by all the participants.

The emergence of Nigeria as a sovereign nation in 1960 raised the hopes, aspirations and expectations of all Nigerians. Unfortunately, the high expectations were soon dashed by the politics of bitterness, ethnicity and unhealthy rivalry which characterised the First Republic. Our experience during the second Republic was a rehearsal of the chaotic and destabilising politicking of the First Republic. As we journey towards the Third Republic, therefore, it behoves all patriotic citizens of this country to join hands with the Government and ensure the success of the on-going transition programmes.

The transition programme has been conceived and designed to usher in the Third Republic in an atmosphere of peace, understanding, healthy rivalry among political groups and harmonious inter-state relationships. The programme aims at ensuring that we do not repeat the pitfalls of the past which threatened the spirit of brotherhood among our people and the indivisibility of our dear country. As one people with a common destiny, we owe future generations of Nigerians a legacy of political stability which is a prerequisite for psychological balance and economic development and prosperity. This is the time to lay the necessary foundation and we in Lagos State must join fellow Nigerians in moulding its framework.

Recently, I deployed all the State Commissioners, Directors-General and some Directors to the twelve local government areas in the state to monitor the on-going registration of members of the two political parties - the SDP and the NRC. The State and the Local Government Public Enlightenment Committee, as well as MAMSER had earlier been on the field mobilising and enlightening the members of the public on the two political parties in relation to their manifestoes and constitutions. Questions were asked by the people at the rallies they addressed. This workshop will serve as a good forum to discuss such questions in conjunction with the observations made so far by the Commissioners and Directors-General in the course of their monitoring of the current registration exercise, with a view to possibly improving on the public enlightenment strategies used so far.

In the pursuit of the public enlightenment programme, the Lagos State Government has printed over 10,000 copies of the manifestoes and constitutions of the parties both in English and Yoruba languages. These are already in circulation. Also salient points in the

two documents have been extracted and are being made into handbills which will soon be ready for free distribution. Yoruba edition of this will also be made available. It is hoped that these documents will be studied and assimilated especially by the operators in order to be well equipped for the public enlightenment campaigns. Recently, a sum of ₦805,000.00 was approved by the State Government for the procurement of necessary equipment and materials to facilitate the implementation of the public enlightenment programme. The acquisition of these equipment and materials will be particularly helpful in prosecuting the programme in the rural areas of the State.

Before I conclude this address, I wish to commend the members of the Public Enlightenment committee, both at the State and Local Government levels, as well as MAMSER for all their efforts in mobilising and educating the people. They must not rest on their oars. As we enter the crucial stage of the transition programme, let us work even harder to record an all-round success. Distinguished Ladies and Gentlemen. It is my pleasure to now declare open this Workshop and I wish you a successful deliberation.

Thank you and God bless.

AT THE OPENING CEREMONY OF THE ORIENTATION WORKSHOP FOR CHAIRMEN AND MEMBERS OF THE LOCAL GOVERNMENT CARETAKER COMMITTEES IN LAGOS STATE AT THE AIRPORT HOTEL, IKEJA ON TUESDAY, 8th MAY 1990 AT 10.00 A.M.

It is a pleasure for me to be here this morning to perform the opening ceremony of a two-day Workshop which has been designed among other things:

- to improve the standard of performance at the policy-making and managerial levels of Local Government Administration so as to contribute to the development and effectiveness of the third-tier of government;
- to facilitate an exchange of ideas on the organisation, working and status of the Local Governments under the present dispensation; and
- to encourage rapport and harmonious working relationship among the top level functionaries of the Local Government Councils in the State.

You will recall that at your swearing-in ceremony as Chairmen and Members of the Caretaker Committees on the 19th of February 1990, I enjoined you to commit yourselves to working tirelessly towards meeting the aspirations of the generality of the people of your Local Government Areas. However, you cannot achieve this objective without familiarising yourselves with the environment within which you are operating as well as the various rules and regulations which guide the conduct of business at the Local Government level. In this respect, the achievement of the objective can only be facilitated by ensuring a good working relationship and rapport within the membership of your Caretaker Committees and also allowing such rapport to permeate the entire staff of the Local Government. All these seem to underscore the significance of the Workshop you are now attending.

I wish to draw attention to the Political Transition Programme of this Administration which is predicated upon the laying of a solid foundation for democracy at the grassroot level. Your task should be seen as that of rendering a helping hand towards the achievement of this objective. We cannot afford to fail. You must, therefore, ensure that you participate fully in the Workshop and learn more about your roles as Chairman and Members of the Caretaker Committees and the contributions expected of you towards the defined national goals.

Distinguished Guests, Ladies and Gentlemen, our experience in the last few days has made it imperative for all the citizens of this country to re-dedicate themselves and double their efforts towards the survival and the preservation of the national entity. The Local Governments, being the closest to the people, have a very unique role to play in ensuring the corporate existence of our country. Let me re-emphasise the importance of public enlightenment campaign strategy and the need to correctly interpret and explain policies and programmes of the present Military Administration to the citizens in your areas of jurisdiction. You should endeavour to carry the people along in whatever you are doing and give regular and factual feedback to the State Administration. On its own part, the State Government will not fail to give the Local Governments the support and co-operation they deserve.

I have gone through the programme for the Orientation Workshop and I am satisfied with the topical issues to be discussed. These include the following:

- (a) Local Government as a Third-Tier Government
- (b) The Conduct of Council Business;
- (c) Civil Service Reforms: Rationale and Application to Local Government;
- (d) Role Relationship between Political Leadership and Top Functionaries in Local Government;
- (e) Value for Money and Accountability in Local Government;
- (f) Transition to Civil Rule Programme; and lastly
- (g) Audit of Local Government Accounts under the Local Government Service Reforms.

Having been in office for more than two months, I believe this will be a very good opportunity for all of you to interact, compare notes and ask questions on grey areas of Local Government Administration from the resource persons who are drawn from both the Administrative Staff College of Nigeria (ASCON) and the State Public Service. I have no doubt in my mind that at the end of the Workshop you would all have acquired useful knowledge which would equip you for the task ahead. Let me remind you again that you are not allowed to participate in the membership and activities of the two political parties during your tenure of office as members of the Caretaker Committees. Government will not hesitate to deal decisively with anyone of you who flouts the Oath to which you were sworn on your assumption of office.

I want to seize this opportunity to express our appreciation for the co-operation of the Administrative Staff College of Nigeria (ASCON) in arranging this Workshop and other Courses being mounted for the Lagos State Public Service. I look forward to greater co-operation between the State Public Service and that notable Institution in the future.

Finally, I congratulate the participants at this Workshop and I hope that the opportunities afforded them thereby will ultimately lead to enhanced performance and responsive governance at the grassroots. While wishing you a successful and fruitful experience, it is my greatest delight to declare this Workshop open.

Thank you all and God bless.

**AT THE LAUNCHING OF THE LAGOS STATE CHAPTER OF THE NIGERIA
ASSOCIATION OF WOMEN JOURNALISTS ON FRIDAY, 11th MAY 1990**

It is my pleasure to be present this morning at the launching of the Lagos State Chapter of the Nigeria Association of Women Journalists. When one recalls that the national body of the Association was launched here in Lagos only last September 12, 1989, it will not be difficult to see the importance attached to the existence of the Association by its members throughout this country.

I am told that the Association has the following aims and objectives:

- (a) To inculcate excellence among female journalists as well as the Journalism profession in general.
- (b) To work towards unity among women organisations world-wide irrespective of geographical, linguistic, ethnic, racial or other boundaries.
- (c) To enhance the dignity of women and promote career and educational prospects of women, especially women journalists.
- (d) To work towards the promotion and consolidation of freedom of expression.
- (e) To be actively involved in the furtherance of an ideal society for all and in preparation of the special society.
- (f) To educate both rural and urban mothers, children and men in order to ensure the social and economic development of our nation.

Without doubt, these are laudable aims and objectives and it is my hope that yours and succeeding generations would achieve them to the glory of your profession and the progress and development of our country.

I have observed, however, that your objectives centre more on the womenfolk rather than on both sexes. Perhaps this is to underscore the adage which says: "educate a woman, you educate a nation". In any case, the consolation is that whatever the womenfolk get or have radiates to the men too. History is replete with women who have been or are Chief Executives of their countries. Many of such women have made indelible marks internationally and as political leaders in their various countries. Here in Nigeria, names like Mrs Wuraola Esan, Adunni Oluwole, Omu Nwagboka, Efunroye Tinubu, Mrs Margaret Ekpo, Mrs Funmilayo Ransome-Kuti, Oyinkan Abayomi, Hajiya Sawaba Gambo and many others will always be remembered for their pioneering efforts in mobilising our women for political and economic ends.

Coming to sphere of journalism, the Fourth Estate of the Realm, we have read with relish the juicy, thought-provoking journalistic writings of pioneers like Theresa Ogunbiyi-Bowyer, A. Ogunbanjo, Yetunde Makanju, Tokunbo Osemobor, Lara Morel, Victoria Omene, Toyin Johnson, Agbeke Ogunsanwo, Ethel Spiff, Doyin Abiola, Labake Adebiyi, Amma Ogan, etc. They made their marks in the profession when in active service. With their writings, they contributed immensely to raising the level of awareness of our women, thereby contributing in their own way to the high pedestal women have achieved in this country today.

I happily, your Association would not have been launched at a better time than now. As the country is going through a period of transition to civil rule, you too have a duty to educate the people in general and women in particular on the new socio-political order that would usher in a popularly elected government at the national level in 1992. In this regard, I enjoin you to acquaint yourselves with the various decrees promulgated on the Transition to Civil Rule Programme so that you could be adequately informed and actively involved in the public enlightenment campaigns already embarked upon by the Public Enlightenment Committees at the State and Local Government levels.

It should be realised that the decision of the military to hand over power to a democratically elected government in 1992 is a challenge to all Nigerians and the challenge lies in our resolve and determination as a people to make the Third Republic a huge success. The road to the attainment of the goal is well laid out in the transition programme. I expect that women will play a prominent role in the next Republic by aspiring even to the highest political office in the land. I have no doubt in my mind that we have women with the necessary guts and talent in this country.

The present Military Administration has set the tone through the various programmes designed to raise the political consciousness of Nigerian women and improve their standard of living. Among these are the Women Education Programme and Better Life for the Rural Dwellers' Programme throughout the country. It is my view that your organisation has a duty to extend its activities to the rural areas by continuing to encourage women to organise themselves effectively so that their interests can be well articulated, channeled and catered for in the scheme of things. As media women, you should work to promote appropriate linkages between the rural and urban women for the mutual benefit of both and the upliftment of the socio-cultural as well as economic life of the rural areas in particular.

I expect that your organisation will also engage in social services which would complement government efforts. To this end, I commend for your consideration, areas such as the establishment of funds for the distressed, crusading against women trafficking in hard drugs and engaging in heinous crimes as well as reducing the level of illiteracy and ignorance prevalent among the women population. Such noble pursuits will further enhance the redoubtable efforts of the First Lady, Mrs Maryam Babangida in instituting programme to improve the lot of womanhood in our country. Indeed, the Nigeria Association of Women Journalists, as an articulate pressure group, can help to sustain the present MAMSER programme of social mobilisation and political education of the womenfolk through an efficient public enlightenment efforts directed at the education of the women on the ideals of equality, liberty, tolerance, political leadership and accountability.

On this occasion of the launching of the Lagos State Chapter of Nigeria Association of Women Journalists, I heartily congratulate all its members and sincerely hope that the body will have a positive impact on the practice and standard of journalism in the country.

I thank you and God bless

**AT THE SWEARING-IN CEREMONY OF THE STATE CHIEF JUDGE HON.
JUSTICE LIGALI AYORINDE ON TUESDAY, 15th MAY 1990**

Barely seven (7) months ago, Seven newly-appointed Judges to the State Judiciary were sworn-in. Today's swearing-in of the Honourable Mr Justice Ligali Ayorinde as the Chief Judge of the High court of Lagos State represents yet another milestone in the continuing effort to accord the State Judiciary its pride of place in the scheme of things.

In recent times, Government has given greater focus to the State judiciary with a view to enhancing its time-honoured dignity and respectability. Apart from the appointment of Seven new judges, it is recalled that Government appointed three retired judges to preside over the Armed Robbery Tribunals. Still in our effort to facilitate the administration of Justice, Government recently completed the construction of a High Court Complex in Ikeja and three other Court Complexes in Badagry, Ikorodu and Epe. The law Enforcement Agency was also reconstituted to co-ordinate and stream-line law enforcement in the State.

Regrettably however, the measures taken so far to return the judiciary to its primordial nobility has not been complemented by a demonstration of respect for the judiciary by some members of the Bar. A tiny, misguided but vocal group of that otherwise revered body, has continuously made it a duty to run down the judiciary by blackmail, unguarded utterances and sometimes out right attack on the persons of officers of the Judiciary. Such unwholesome and indeed unacceptable posture is condemnable, moreso, as it has the tendency of eroding public confidence in the judiciary as averitable temple of justice. It is our earnest view that the security of the State should, at all times, override the pretensions to patriotic valour on the part of any individuals or groups. It is in this sense that I hereby invite all judges to exercise their powers under the law and in appropriate cases, to restrain unwarranted attempts to mar the credibility of the judiciary.

Happily, the Honourable Justice Ligali Ayorinde has demonstrated his commitment to ensuring that the due process of the law is not wrongly exploited as an instrument of vexation and blackmail. It is equally pleasing that he has shown a keen desire to bring some order into the administration of justice in the State. It is hope that his tenure of office will foster the realisation of the aspirations of the generality of the populace for a strong, independent and dynamic judiciary. He can count on the support of Government and that of all well-meaning on the support of Government and that of all well-meaning people of the State.

Once again, I congratulate the Honourable Justice Ligali Ayorinde on his appointment as the Chief Judge of Lagos State. It is our hope and prayer that your tenure will witness peace and progress within the State Judiciary.

Thank you all and God bless.

**AT THE OPENING OF LAGOS (MARINA) BRANCH OF THE GATEWAY BANK
ON THURSDAY, 17th MAY 1990.**

It gives me delight to be here with you today as a Special Guest of Honour at the formal opening of the Lagos Branch of Gateway Bank Limited. Let me therefore on behalf of the Government and the people of Lagos State, welcome the distinguished personalities from Ogun State who are also here to witness this ceremony. We extend our hearty congratulations to the Government and people of Ogun State on this occasion of the opening of a branch of the Gateway Bank of Nigeria in Lagos.

It is noteworthy that the establishment of the Bank outside Abeokuta right from its inception, is a manifestation of the determined policy underpinning of this venture. This along with the introduction of modern banking facilities, such as computerisation, the NCR (Magnetic Ink Character Recognition Cheque), the Esusu/Thrift Savings Scheme and many others, amply demonstrate the dynamism of the Board and the Management of the Gateway Bank of Nigeria. I commend their initiative and foresight. However, the presence of the bank in Central Lagos should not be the end of the story with regard to opportunities for banking services in Lagos State.

Today, there are about 97 established banking institutions with either their Head Offices or branches in Lagos Island and Ikeja. In spite of the numerical strength of commercial and merchant banks in Nigeria, it is generally held in informed banking circles that the country is well under-banked compared to other countries in the world. According to a recent Central Bank of Nigeria publication, Nigeria has about one bank to 70,000 people while England has about one bank to 4,000 people. The wrong impression being created in some quarters that Nigeria is already over-banked has apparently arisen from the concentration of banks on the Lagos Island to the utter neglect of, for example, the greater Lagos, and the other Local Government areas where there are adequate establishments and activities yearning for banking services. The Central Bank of Nigeria has made strenuous efforts in the past, and I believe it is still pursuing the rural banking programme by which banks are encouraged to establish outlets in the rural areas.

In Lagos State in particular, I am happy to inform you that infrastructural facilities are available for the successful establishment of bank branches in the rural areas. Those who have taken the advice have had no cause to regret. Through our neighbourhood tours and meetings, I have identified the strong need for the establishment of more banks in Badagry, Epe, Ikorodu, to mention only a few of the major towns in the State. In these places you are assured of high grade infrastructure namely: roads, water supply and electricity.

I am therefore, calling on all the banks operating in metropolitan Lagos to open branch offices in our rural areas and so help to activate economic development in these areas. There are good educational institutions and health care facilities for families of bankers who might be deployed to work in such areas. The establishment of the People's Bank to meet the need of petty operators in essentially the trading/services sector has

been an eye opener and many bankers are now able to assess the vast opportunities that exist outside our major cities. The People's Bank, in spite of its relevance and success in the rural areas, is limited in scope and coverage and cannot for example, give out loans for the establishment of a fairly large agricultural outlay or the setting up of a manufacturing outfit.

Distinguished Ladies and Gentlemen, once again, I must say that it is heartening to note the purposeful strides taken by the Ogun State Government in establishing a branch of the Gateway Bank of Nigeria in Lagos. There is no doubt that given its splendid beginning and sustained good management, the Gateway Bank Limited would grow and thrive in the years ahead. I commend the new bank to the people of Lagos State as they stand to benefit immensely from such patronage and the services of the Gateway Bank.

Thank you all and God bless.

**ON THE OCCASION OF THE 4th MEETING OF THE NATIONAL COUNCIL
FOR SCIENCE AND TECHNOLOGY AT DURBAR HOTEL, LAGOS
ON THURSDAY, 17th MAY 1990.**

It gives me great pleasure to welcome you all to Lagos on the occasion of the 4th meeting of the National Council for Science and technology.

The National Council for Science and Technology is a forum for taking stock of experiences gained and the progress made; It is also a forum to exchange and integrate ideas, compare experiences and work out realistic strategies for the development and promotion of science and technology. Furthermore, it provides an opportunity for discussing issues of science and technology in relation to national development. These Council meetings make it possible to evaluate our present situation, exchange ideas and above all, lay the foundation for future action at national and state levels.

Government is fully aware of the vital role played by science and technology in development. Although, science and technology are universal and international in character, their application is restricted because of the reluctance of the technologically-advanced nations to share the fruit of progress in the area. That being the case, the only rational approach would be for us to make special effort to master science and technology in all spheres vital to our progress. Technology results from the scientific synthesis and dissemination of the productive methods adopted by a people in their creative scientific and even artistic efforts.

We should by now be under no illusions about technology transfer. Nobody is ever going to transfer technology to us. Pursuant to its responsibilities, Government has in recent years devoted considerable resources to the development of the scientific and technological capabilities of Nigerian scientists. Government efforts in this area, to mention but a few, include support for individual and group research projects and the provision of travel grants to learned national and international conferences and workshops through the Federal Ministry of Science and Technology as well as appropriate agencies of State Governments. In this direction, the Government has also made provision for the expansion and strengthening of existing infrastructure and other facilities for basic and applied research. There is increased emphasis on research in agriculture, health and industrial sciences. Considerable results have indeed been achieved but it must be recognised that much remains to be done. In a situation where there are competing demands for scarce resources, Government has not been able to provide optimally for science and technology activities. Private sector organisations, as the potential users of scientific and technological research findings are implored to show more interest in the development of science and technology in this country by commissioning and funding relevant research projects in the universities and other research establishments.

During the last two Council meetings or so, a number of issues which focussed on the development, application and popularisation of science and technology have been discussed. One of such issues is the establishment of science and technology co-

ordinating organs in the States. At a meeting of the National Council of States held in 1989, it was approved, among other things, that each State should set up a science and technology co-ordinating organ to carry out such functions as identification of priority areas for application of science and technology in the State, popularisation of science and technology, encouragement of the commercialisation of research results, creation of data bank of human and natural resources and many more. Lagos State has devoted modest resources towards the implementation of the decision of the National Council of States on the issue. However, it is observed that many States seem constrained by the level of availability of both human and material resources.

I shall conclude by expressing a hope that this meeting will come up with recommendations which are strategic to our development efforts. Nigeria has a number of major problems to solve in the area of agriculture, health and industry. The state of the national economy calls for the efficient use of human and material resources. In my humble opinion, what a majority of our people who live in the rural areas need are simple storage and processing facilities, improved rural water systems, more health facilities and other basic necessities of life. I believe that we already have the scientific and technological base from which we can start to solve some of these problems ourselves. It is my earnest wish that the follow-up activities which the Federal and State Governments will take after this meeting will go a long way in making science and technology instrumental in improving the standard of living of our people.

I now have the honour to declare open the 4th Meeting of the National Council for Science and Technology

Thank you and God bless.

**AT THE GRADUATION CEREMONY OF NIGERIAN INSTITUTE OF JOURNALISM
HELD ON FRIDAY, MAY 18, 1990.**

I am delighted to be part of this hilarious occasion and I congratulate the graduands of today. I have no hesitation in accepting to be here because of the healthy, cordial, and beneficial relationship that exists between this Institute and the Lagos State Government. Many of our officials in the State's Ministry of Information and Culture had passed through the portals of this foremost Institute of Journalism in Nigeria and I am happy to note that a couple of them are undergoing various courses here presently. It is my hope that this Institute will keep up its high standard of scholarship which is the sole phenomenon that has endeared it to the State Government.

No doubt, the graduands must have toiled day and night in order to merit the certificate of this prestigious institute. You are today reaping the results of hard work and I rejoice with you. However, I want you to know that book knowledge is not everything. No matter the quality of your certificate, it is your demeanour and the way and manner you apply the knowledge you have acquired here that will make people to respect not only you but also this great institute. I have no doubt in my mind that you will be worthy ambassadors of your alma mata wherever you may be.

Permit me, as you proceed to practise your profession, to remind you that you must contribute your best to bridge the communication gap between the North and the South hemispheres. There is a lot of distortions in the information disseminated about the third world to the developed countries. Media practitioners in these countries always freeze propitious information on the third world and whenever they have to report on the third world especially Africa, it is the stories of woes, horrors and disasters they present to their audience. Your duty here is to make development journalism your guide wherever you find yourselves.

At this juncture, I wish to call your attention to what I regard as the bane of journalism in our country that is, what is popularly referred to as yellow journalism. Of recent, it is being described as junk or garbage journalism.

You do not have to be unnecessarily sensational to the detriment of your professional ethics. Similarly, every individual is entitled to his private life which is not meant for public consumption. Sadly however, it is such private life that the junk journalists sensationalise. Although, no human system is perfect, Nigerian journalists sometimes deliberately publish exaggerated reports, or mis-information or they lack adequate and correct information which can readily lead to false publication. Disseminating news accurately and criticising pungently demand that the press should possess sufficient courage and impartiality to play a role which may please some and displease others. There are those who would like to have certain news suppressed which, in the interest of the public, should be given the widest publicity. There are some actions of the people or of the government which certain papers will not criticise lest they should cause offence and thereby lose circulation. However, democracy demands that the truth should be told always and that charlatans and saints should be called by their proper names.

Ladies and gentlemen, I feel that at this juncture, we should examine what should be the role of the press in our attempt to have a Third Republic, the era that would put a permanent stop to incessant military interventions in the nation's politics. We are all living witnesses to the negative and positive roles played by the press in the collapse of the Second Republic. During the period, most of the media of information were partisan in their activities. The instinct for survival turned many journalists to instruments of moral and economic destruction. Only few media men were sufficiently courageous to tell the truth, not minding whose ox was gored.

Therefore, for the survival of democratic practice in 1992 and beyond, Nigeria needs a new corps of journalists who will make service to the nation their watchword. Journalists of the Third Republic must be bold enough to objectively condemn the government of the day or any individual no matter how highly placed if fanning the ember of national destruction is easily traceable to either of them. This, in my opinion, is the least sacrifice the nation expects of "gentlemen of the press" if the Third Republic is to survive.

I wish to use this occasion to mention that the event of recent time in our country called for caution and restraints on the part of everyone. Journalists inclusive. Students in the institutions of higher learning should not allow themselves to be used by some disgruntled elements in the society to foment trouble. We all owe it a duty to the present administration to support the transition programme. I must emphasise that the Babangida Administration is committed to pursue its lofty programmes towards the realisation of the total disengagement of the military from the Nigerian political scene henceforth from 1992.

Distinguished ladies and Gentlemen, once again, I congratulate and rejoice with all graduands on this auspicious occasion.

Thank you and God bless.

AT THE OPENING OF THE SEMINAR ON THE NEW CONSTITUTION AND TRANSITION TO CIVIL RULE ON TUESDAY, 22nd MAY 1990

I am happy to be here this morning to formally open the Seminar on the New Constitution and Transition to Civil Rule arranged by the State's Ministry of Justice.

I recall with delight that my first public assignment on the assumption of office as Military Governor of Lagos State was to officially open a gathering of legal luminaries. That Seminar on the General Conditions of Contract was also organised by the State Ministry of Justice. On that occasion, I bared my mind on the enviable position of a lawyer in the determination of the political, economic and social direction of the State. I am still of the view that the lawyer occupies a pivotal position in the quest for the realization of the goals of political development and social engineering by his determined manipulation of the judicial process.

The lawyer either negatively or positively affects the dimension of social change. It is with this in mind that government considers it desirable to gather eminent jurists and legal theoreticians to rub minds on the murky aspects of the 1989 Constitution and the Transition to Civil Rule Programme.

Since the Federal Military Government placed the Transition to Civil Rule Programme on the national agenda, a lot of interests have been generated on the broad implications of the enabling Decree and the 1989 Constitution for the achievement of true Federalism. Government, indeed, cherishes objective criticism of its policies, particularly of the scholarly kind, for it is only by that process that crises in the policies of Government can be ironed out. The 1989 Constitution and the Transition to Civil Rule Decree are the twin pillars upon which Government's policy of a return to democratic rule in 1992 rests. It is the modules for their workability that we shall have the privilege of hearing from our learned scholars. Government hopes that at the end of this Seminar, we shall all be better informed about the safeguards, if any, in the Constitution and the Transition to Civil Rule Decree to ensure a cordial relationship between the Military Government at the centre and civilian Governments at the periphery between 1991 to 1992. With regard to our quest for national unity, what provisions are there in the laws to promote this? Is there adequate guarantee in the Constitution to ensure individual freedom, judicial independence and the rule of law? What provisions have been made for the realisation of Nigeria's dream of a World power? These and other questions, it is hoped, will be adequately addressed by this august gathering.

I, however, hasten to assure you that the present Military Administration is unflinching in its desire to return the Government to a democratically elected civilian administration in 1992. The Government has already committed so much money and has put in place many institutional infrastructures with regard to the Programme that it would be absurd and foolhardy to think that the Political Transition Programme is a farce.

The Lagos State Government, on its own part, has enthusiastically given material and logistics support to all institutions created by the Federal Military Government in furtherance of the Transition to Civil Rule Programme. I should, however, want the people of the State to continue to identify with the efforts of the State Government in furthering the course of the Political Programme and report any activities considered to be inimical to the Programme to the Law Enforcement Authorities promptly. It is disheartening to observe that the nation, after 30 years of political independence, and in spite of its prominence in African and indeed world affairs, is yet to put together a political arrangement that will promote stability and ensure the peaceful succession of Governments without chaos. The Political Programme introduced by the present Military Administration may, therefore, turn out to be the greatest contribution ever made to the Political evolution of the country.

The people of this country so much cherish participatory democracy. Government will, therefore, do everything in its power to realise the people's desire for a democratic civilian government by 1992 and to this extent, will not allow any disruption of the Political Programme in any shape or dimension.

Whilst declaring this Seminar open, I wish the participants fruitful deliberations.

Thank you all and God bless.

**AT THE OPENING CEREMONY OF A TWO-DAY WORKSHOP OF THE DOMESTIC
TRADE FAIR EKO EXPO FORUM '90 ON TUESDAY, 22nd MAY 1990**

I am delighted to address this distinguished gathering this morning and to declare open this year's Lagos State Annual Domestic Trade Fair Seminar, Expo Forum. My presence here and that of the Honourable Minister of Trade and Tourism, Mr Senas J. Ukanah, who has just delivered an impressive keynote address, clearly demonstrate the State and the Federal Governments' resolve and commitment to the development and growth of the non-oil export sector in the nation's economy.

Given the Lagos State's pre-eminent position in the scheme of economic activities in the nation, the State Government and the private sector in the State have a key role to play in the development process. As I stated in my Budget Speech earlier in the year, a major area of focus by the State Ministry of Commerce and Industry is the establishment of an efficient organisation and favourable export promotion conditions in the State. Accordingly, this two-day seminar has been arranged to help actualize Government's commitment to the development of the non-oil export sector.

A major objective of Government's economic programme is the development and growth of a strong non-oil export sector to reduce dependency on oil exports, diversify our economy and thereby provide the basis for sustainable real economic growth. In order to achieve these objectives and in consonance with the need to ensure that the private sector becomes the major actor in the productive sector this Administration has formulated and implemented several measures designed to stimulate the growth and development of Nigeria's non-oil export sector. The enactment of the Export Incentives Decree provides the legal framework for the implementation of non-oil export promotion in the country. The provisions of the decree provide additional legal powers to enhance the implementation of the non-oil export promotion scheme. The Honourable Minister of Trade and Tourism in his key note address has adequately provided a framework for this workshop and highlighted Government efforts in the implementation of non-oil export promotion. The papers to be presented at this forum by the distinguished speakers, will focus on the mechanics of implementing the non-oil export incentives and suggest appropriate ways of enhancing effective implementation.

In Lagos State we have received several enquiries from Nigerian and foreign investors who, in response to the declared commitment of the Federal Government to promote the non-oil export sector, are desirous of investing in that sector. However, a major concern of many of these potential investors is that the export sector in Nigeria is not provided the necessary level of support to enable Nigerian manufacturers compete in an increasingly competitive global market. One of their major requests is the prompt release of guidelines for the establishment and operations of export free zones in the country. Another request is that Government should allow bonded warehouse export operations to commence immediately. The immediate operations of bonded warehouses for export is necessary, desirable and possible. Unlike the establishment of export free

zones which entail substantial expenditure of resources and can not be implemented in the short term, bonded warehouse export operations do not entail huge expenditure and can be implemented immediately because existing laws provide for their establishment. The need to stimulate additional investments and create new employment opportunities coupled with recent political and economic development in Europe dictate that we must respond positively and with imagination if the national objective of developing a strong and diversified economy with an export orientated industrial sector, is to be attained.

I wish to reassure the various parties that have indicated their interest in investing in the export sector in Lagos State of the State Government's commitment to support their efforts as appropriate. At this juncture, I wish also to appeal to the Honourable Minister of Trade and Tourism who is also Chairman of the Nigerian Export Promotion Council to use his good offices to ensure the prompt release of the guidelines for the establishment and operation of export free zones in the country and the establishment of bonded warehouse export operations without any further delays.

In conclusion, I wish all the participants a fruitful and rewarding session with the expectation that the proceedings here today will contribute meaningfully to the process of developing a virile non-oil export sector in Nigeria.

Thank you and God bless.

**ON THE OCCASION OF THE OFFICIAL OPENING OF IKEJA BRANCH OF
LION BANK OF NIGERIA LIMITED ON THE 24th MAY, 1990.**

It gives me great pleasure to be here at the commissioning ceremony of the Ikeja Branch of Lion Bank Limited. I salute and congratulate the Military Governor of Plateau State, Lt. Col. Aliyu Kama, the Board of Directors, Management and Staff of the Lion Bank for this great stride.

It is remarkable that between 1987 and 1990 the bank has commissioned branches in Jos, Kano, Lagos and now Ikeja. Only last week at the commissioning ceremony of the Lagos branch of Gateway Bank of Nigeria Limited, I invited the attention of the Board/Management of the Gateway Bank to opportunities for Banking Services delivery in the peripheries of Lagos, outside the heart of the city. I am referring to areas outside metropolitan Lagos, such as Epe, Ikorodu and Badagry Divisions where there are adequate infrastructures for setting up of Banks. This is due to the bustling industrial as well as the commercial life of those Divisions, the potentialities for growth and expansion of the areas are enormous. I am, therefore, appealing to you to consider locating one in any of these areas when next you are thinking of opening another branch of your Bank in Lagos State.

Today, two contemporary goals are imperative for all indigenous banks: the first being the commitment to the quick recovery of the Nigerian economy; and the other, being the commitment to the promotion of local entrepreneurship. The totality of our economic policy admits of pluralities such as local and foreign participation and also public and private participation, to mention a few. Just as much as we respect the old ties and loyalties inbuilt in our economic and financial life, we should not fail to appreciate that in the final analysis our economy should draw its strength from the participation of the indigenes.

Another area which I should touch upon is already being well addressed by the Government of Plateau State, the sponsors of Lion Bank. There is a known fear of many foreign and indigenous investors regarding participation in any concept involving State Governments. In response, there is a deliberate effort on the part of State Governments' apparatus to erase this feeling through the re-alignment of ownership structures. Hitherto the usual controlling position in joint venture agreements is 51% for the State Government. Currently, State Equity participation is being reduced to 30%, leaving the remaining 70% to private investors. This is no doubt a healthy development as it will attract private investors to participate in ventures such as banking and allied industries.

Having left the Board and Management free to take business decisions, State-sponsored banks should have no excuse in the attainment of its objectives. They should within approved guidelines return competitive financial results. I must however say that whilst in pursuit of profit as other banks are doing, ventures in which a government of this country has an interest should join hands with the Central Bank of Nigeria in reshaping the economy of the country. They should through high standards of Banking practices distinguish themselves as promoters of the economy in which they have a stake.

The growth of the banking industry has offered tremendous hope to many young Nigerians. Through employment in banks, they are reasonably compensated. Many families are thereby beneficiaries of the growth of the industry.

Ladies and Gentlemen, once again, let me welcome the establishment of Ikeja Branch of the Lion Bank. I wish the business communities in Ikeja Local Government area and its suburbs a prosperous business association with Lion Bank of Nigeria Limited. I therefore have the honour to declare open the Ikeja Branch of Lion Bank of Nigeria Limited to the Glory of God and the benefit of mankind.

Thank you all and God bless.

**TEXT OF THE BROADCAST TO THE PEOPLE OF LAGOS ON THE
OCCASION OF WARD ELECTIONS AND CONGRESSES
ON FRIDAY, 25th MAY, 1990**

Fellow Citizens of Lagos State.

As you are already aware, on Saturday 26th May, 1990, the two grassroots political parties, the National Republican Convention and the Social Democratic Party will hold election Congresses in all the Wards in the State for the purpose of electing members of the Executive Committees to run the affairs of the political parties at Ward Level. Similarly, the delegates who will represent the wards at both Local Government and State election Congresses will also be elected.

This exercise, which is the first in the series of elections to be held in the next few weeks is of crucial importance, as it will demonstrate our level of preparedness for a stable, democratic and virile Third Republic. It is, therefore, the responsibility of each and everyone of us to ensure a hitch-free election.

I wish to remind you that activities at the various centres will begin at 9.00 a.m. throughout the State whilst the actual election will start at 12 noon. The period between 9.00 a.m. and 12 noon will be devoted to the accreditation of duly registered party members at Ward Level and to ascertaining the presence of one fifth of party members registered in the ward at the congress venue. During this three-hour period also, the party offices to be contested as well as the names of Candidates who have been validly nominated will be announced. It should be emphasized that validly nominated candidates are those who are not disqualified under the applicable laws and whose nomination papers have been found to be in order. After these preliminaries, the actual election will start at 12 noon precisely, by Open Ballot System.

It is generally agreed that the Open Ballot System will be of special benefit to illiterate party members who are thus able to elect candidates of their choice without having to be guided by other persons. There is no doubt that it is the wish and desire of the generality of the people of the State that the exercise should go on unhindered in any way. Government on its part, is equally poised to ensure that the election is successful.

To this end, I will urge all electors to resist any attempt to manipulate their votes to serve the selfish interests of those who parade themselves as the "kingmakers". It bears re-stating on this occasion that the two political parties — National Republican Convention (NRC) and Social Democratic Party (SDP) do not belong to anybody and have no relationship with the banned political Parties and Associations. I urge you all to exercise your freedom of choice and not to be unduly influenced through unopposed nominations of candidates.

I therefore seize this opportunity to appeal to you, the good people of Lagos State to ensure a successful election this time around. I expect all citizens of this State to play their party honourably and creditably. In this regard, I wish to appeal to you all to be orderly

before, during and after the election. Let me assure you that adequate security arrangements have been made for this election. While law abiding citizens would be adequately protected, trouble-makers, as well as mischievous and unruly elements who may attempt to cause chaos or disrupt the smooth conduct of the election will, by their own action, unleash on themselves the full wrath of the law.

Fellow citizens of Lagos State, it need not be said that we all have a stake in the smooth conduct of the election. As a warning to all contestants, there should be no form of campaign for votes or support on the day of election, be it at the congress venues or in the vicinity of the venues. Let me also remind you that this administration is committed to fully implementing the Transition Programme and handing over to a Civilian Administration in 1992. The Government will therefore, not condone any acts of sabotage or attempts to torment trouble and disrupt the Programme.

I wish you all a successful election congress.

Thank you all and God bless.

AT THE OPENING CEREMONY OF THE LAGOS STATE TRADE FAIR, EKO EXPO '90 AT THE TRADE FAIR COMPLEX BADAGRY EXPRESS WAY, LAGOS ON FRIDAY, 25th MAY 1990

It is my honour and privilege to welcome you all to this memorable occasion of the opening of the Lagos State Trade Fair, EKO EXPO '90. I am particularly happy that we have been most honoured and exalted by the presence of the Chief of Air Staff, Air Vice-Marshall Nuraini Yussuf, who is our Special Guest of Honour on this occasion. Your presence testifies to the high regard which you have for the Lagos State Government. We thank you most sincerely for this.

I also wish to welcome our other distinguished guests from the public and private sectors, the Obas and Chiefs and particularly the exhibitors who have come to participate in the EKO EXPO '90. It is my conviction, judging from the preparations made for this fair, that you will be handsomely rewarded through new business contacts, placement of orders and overall increase in domestic trade.

The Lagos State Government has over the years staged annual Trade Fairs as part of a deliberate policy of promoting and encouraging the development and growth of commerce and industry in the State. This year's Fair is the 8th in the series. The spontaneous response and enthusiasm by companies for participation in all these fairs have attested to the beneficial effects of the fairs not only to individual participants but also to the State and the national economy. Thus, we have been encouraged to improve upon the coverage and the scope of the fairs from year to year.

The focus of attention in the Eko Expo '90 is the economic growth potentials of the 1990s. Therefore its theme is "Growth in the '90s; Exploring Prospects for Economic Development". As I explained in my address at the Eko Expo '90 luncheon held at Eko Le Meridien Hotel exactly ten days ago, our choice of this Fair's theme is informed by the current national economic conditions. As we may recall, our economy has been subjected to fundamental structural changes during the past four years in order to achieve higher living standards. During this period, we have made concerted efforts to convert our economy into a prosperous and progressive one through the joint efforts of the private sector and the Government. The spirit of self reliance has been rekindled and Nigerians have now started to produce some of those goods which were hitherto imported. As you go round the stands, you will see on display the products of the ingenuity of Nigerian manufacturers in small, medium and large scale enterprises in response to the challenges of the Structural Adjustment Programme.

You will be surprised to see how much we have achieved in the development of new products and technologies. Perhaps you would have seen more of the latest developments in technology development if our research institutes had responded to our call: As part of our efforts to promote and create awareness for newly developed technologies, the State's Ministry of Commerce and Industry has always extended invitation to our Research and Development Institutions to participate in the Lagos State Trade Fairs at subsidised rates. Unfortunately, most of the institutions have not taken advantage of these favourable

offers for participation. It should be emphasised that until these institutions make their research findings known to the ultimate consumers, they cannot expect patronage. Therefore, there is need now to take stock of these gains from the structural changes and map out a new development strategy for the 1990s.

An appropriate area of emphasis for immediate future development has been identified as the non-oil export sector during the 2-day Eko Expo Forum organised as part of the side events to this Fair. The theme of that seminar is "Government's Export Incentives and Stimulation of Non-Oil Exports". At the end of the Forum, it was unanimously agreed that we could earn a lot more foreign exchange through an aggressive export drive. In this regard, the Federal Government had addressed the issues of export drive and export incentives very vigorously with the active support of State Governments.

On our part, the Lagos State Export Promotion Committee was inaugurated in March this year. The inauguration of the Committee is a significant step in the promotion of non-oil export products in the State and for the Government to achieve the laudable objective of diversifying the export base of the national economy, the co-operation of the banks and the Customs Department and the exporters is important. I seize this opportunity to call on all exporters to take advantage of the generous export incentives offered by the Federal Government. I also want to assure you that the Lagos State Government shall continue to adopt policy measures designed to improve the climate for investment and ensure continuous increase in commercial and industrial undertakings in the State so as to sustain the State's traditional position as the centre of commercial and industrial activity in the nation.

Once again, I must congratulate the various exhibitors who are participating in this Fair. They have once again shown their faith in Lagos State and its abundant potentials. Government welcomes your commitment and shall continue to support you in your various endeavours in the state.

Finally, it is my sincere hope that the objectives of this Fair would be achieved and that our efforts in this regard would be crowned with remarkable success. I thank you all for your contributions to the success of today and I wish you all a very good and pleasant time at the Fair.

It is now my pleasure to invite the Chief of Air Staff, Air Vice-Marshal Nuraini Yussuf, to declare open Eko Expo '90.

Thank you and God bless.

**AT THE OPENING CEREMONY OF THE 4TH ANNUAL FINANCE FAIR '90
ON TUESDAY 29TH MAY, 1990 AT THE FEDERAL PALACE HOTEL,
VICTORIA ISLAND, LAGOS**

It is my great pleasure to be here at the opening ceremony of "FINANCE FAIR '90". I want to congratulate the organisers of this Fair namely, The Nigerian Stock Exchange, the Specialised Industry Fair Limited, and Treasury Technical Limited, for a successful collaboration in promoting and staging this Fair — the fourth in the series. The objective was, and still remains, the information and education of users of funds on financing instruments and limitless opportunities existing for development.

A Finance Fair has as it wares such commodities as varieties of savings schemes, short, medium and long-term cash deposit schemes, stocks, debentures and equity participation modes, amongst many others. Although, it is not a Fair for selling tangible goods, it should demonstrate the relevance of modern business machines and equipment in the management of the portfolios generated by the banking/money market instruments being promoted. It should be appreciated that the advent and acceptance of computers in particular, has reduced the drudgery in the record of transactions. Furthermore, information is quickly built up, transmitted and used the growing dynamism of the money market makes it imperative that information be circulated promptly and widely.

It should not be understood that the development of financial instruments is only in support of industrialisation. Instruments should as much be developed to foster production of food and cash crops, fishing, livestock as well as increased housing, tourism and municipal infrastructure. Indeed, the financing modes should be developed to address the various structures in our path to national development. Such dislocations are being globally addressed in the various facets of the Structural Adjustment Programme, the programmes of the Directorate for Food, Road and Rural Infrastructure and the National Directorate of Employment Schemes. Consequently, this administration has opted for the reduction of public sector participation, the growth of local entrepreneurship and small-scale operators, internalisation of the sourcing of raw materials, to mention a few of the concrete outcome of policy articulation and implementation of contemporary importance.

The clientele are, without question, investors in the various sectors of the economy, i.e. farmers, manufacturers and merchants. What they require is information, facilitation of transactions and speedy attention. Investors are in competition with themselves locally, and with their counterparts, internationally. So long as the banking and finance sectors are not responsive to the yearnings of investors, we would remain disadvantaged. Without the users of funds, the returns expected from the owners of funds such as oil companies, insurance companies and the pension fund, to mention a few, would not be attained. To sum it up, without the efficient participation of investors and financiers, the much needed accelerated national development to which this administration is committed, would only be achieved, if at all, at snail's speed.

It now remains for me to invite you all to take advantage of this Fair to familiarise yourselves with the money and capital market opportunities. The fair provides additional

opportunities and avenue for education. It also creates awareness on where to go for assistance to finance specific projects. The combination of all these benefits, I am sure, would enhance the development of the much needed money and capital market operations.

On this note, distinguished Guests, Ladies and Gentlemen, it is my pleasure to declare the "Finance Fair '90" open in furtherance of effective business transactions and overall development of the economy.

Thank you and God bless.

**AT THE INAUGURATION OF THE ADVISORY AND TECHNICAL
COMMITTEES ON THE ENVIRONMENT ON TUESDAY, 5th JUNE 1990.**

I am most delighted to perform, this morning, the inauguration of the Advisory Committee and Technical Sub-Committee on the Environment.

You will recall that the present administration in Lagos State has demonstrated its will to tackle environmental problems by expeditiously setting up the appropriate institutional framework for environmental management in the State through the promulgation of the Environmental Pollution Control Edict No. 13 of 1989. The inauguration of the Advisory Committee and Sub-Committee (Technical) today which is the world Environment Day, marks another significant landmark in our determined efforts to grapple with the problems of environmental degradation in this State.

The Advisory Committee will, therefore, perform three main functions and they are:

- (a) To advise on the formulation of policies on environmental sanitation, pollution, and environmental conservation matters.
- (b) To advise on evolving environmental sanitation and pollution programmes that will be suitable for the State and lastly,
- (c) To advise on guidelines for the implementation and execution of policies and programmes on environmental matters in the State.

The Technical Sub-Committee will assist the Advisory Committee and will be required to:

- (a) Study and deliberate on basic matters relating to environmental pollution control and protection whenever necessary and when requested by the Advisory Committee.
- (b) Identify all environmental issues requiring the State Government's attention and make necessary recommendation to the Advisory Committee on same.
- (c) Examine and recommend the recycling of waste products as a management method for industries and State Government agencies where necessary.
- (d) Establish and recommend the basic standard requirements for solid, liquid, gaseous and toxic waste management in the State as far as they do not conflict but complement those of the Federal Government.
- (e) Establish and recommend acceptable safe methods of collection and disposal of hazardous and toxic waste in the State.

To accomplish the tasks, however, I believe the Advisory Committee and the Technical Sub-Committee must be aware of the dimensions of the environmental problems facing the State today, so that they will be able to play their part in strengthening and supporting Government's efforts, to improve and protect the quality of the environment for the benefit of the citizens. In this respect, the Advisory Committee and the Technical Sub-Committee both have vital and significant roles to play by constituting themselves into strong advisory bodies for the improvement of the conditions of the environment throughout the State.

The year 1988 marked a turning point in the National attitude towards environmental matters with the incidence of the Koko toxic waste dump. The nation has thus been aroused into greater consciousness of the need to protect the environment. Lagos State, though the smallest in size, is the most urbanised State in the country. It has an estimated population of about 8 million and accommodates about 70% of the total number of industries in the country. These include, Iron and Steel, Textiles, Oil depots, Chemical and Motor Assembly Plants, Pharmaceuticals and allied industries. Cement Industries are also located close to the State boundary. About 95% of these industries discharge their untreated waste into water courses, lagoons, streams, rivers, public drains, air and on land. Such discharges have, in turn, polluted our streams, rivers, lagoons, underground water, air and the land causing environmental degradation.

From these indications, the need to protect the environment and our resources for the future generation cannot be over emphasised. In pursuance of this noble objective, this administration promulgated an edict on the 22nd August, 1989 known as Lagos State Environmental Pollution Control Edict.

The edict, among other things, empower the State's Ministry of the Environment and Physical Planning the following:

- (a) To enter and inspect any premises engaged in or carrying on manufacturing operation or business and collect samples to ascertain environmental Pollution and make further investigations where necessary.
- (b) To apply adequate enforcement measures to combat environmental pollution.
- (c) To establish effluent discharge standard for industries which have higher levels than those set by the Federal Government and to issue necessary permits.
- (d) To establish air quality standard for appropriate stacks/filters/reactors for industries that emit gaseous wastes.
- (e) To control noise pollution and gaseous pollution from generators in both residential and industrial areas.

- (f) To assess building plans of new industrial layouts, in order to ensure that there is adequate provision of waste management facilities.
- (g) To ensure strict compliance with the relevant provisions of the factories Decree No. 16 of 1987 as regards the use of protective clothing for all industrial workers when on duty.
- (h) To control the siting of industries in residential/commercial areas of the State.
- (i) To control the siting and management of waste dump sites; and lastly,
- (j) To undertake any other activities likely to assist in the performance of its functions under this edict.

In realisation of this goal, the State Government awarded a contract for the construction of a modern waste water laboratory in December, 1989 at a total cost of about ₦3.0 million. The laboratory is to be completed within forty weeks of the award of the contract and will be stocked with modern equipment to analyse and quantify the levels of pollution from industrial discharges, such as gaseous emissions, effluent discharge, noise emission and soil test.

I wish to seize this opportunity to call on the members of both the Advisory committee and the Technical Sub-Committee to brace up for the tasks ahead. These will include finding lasting solutions to the numerous environmental problems of the State, setting up acceptable standards, identifying responsibility, working out mode of monitoring of our environment, mobilising the people to support all efforts of various bodies in keeping the environment safe, and advising government on setting priorities and yearly programmes through the Ministry of the Environment and Physical Planning. Your tenure of office will be four years in the first instance. I am sure that you are all men of proven integrity and substance in your various specialisations. You will no doubt use your wealth of experience to ensure that the environment in Lagos State becomes cleaner than ever before.

Ladies and Gentlemen, I now have the pleasure to inaugurate the two committees and I wish all the members a successful tenure of office.

Thank you all and God bless.

**AT THE SWEARING-IN OF A MEMBER OF ROBBERY AND FIREARMS TRIBUNAL
8th JUNE 1990**

We have just witnessed the swearing-in of Chief Superintendent of Police Mr Rector Mabogunje as a member of the Robbery and Firearms Tribunal. Well, I have to congratulate you on this your appointment as a member of the Tribunal.

You will all recall that not long ago I swore-in some retired judges to man our Armed Robbery Tribunals. I am pleased today to swear-in Mr Rector Mabogunje as a member of that Tribunal. Your appointment is based entirely on your personal merit and your sense of justice.

When I swore-in these retired judges as Chairmen of the Tribunals, I then expressed displeasure at the unacceptable wave of armed robbery and banditry that was then witnessed at that time. I must say here that, I am happy that from reports reaching me, the crime in this State has reduced greatly.

I attributed the reduction of these crimes to the forthrightness with which the Robbery Tribunals have pursued their assignments, and again to the able way the security agents have done their job and at the same time to the continued cooperation of the citizens of Lagos State.

This is how things should be and I would like to use this opportunity again to appeal to them to continue to cooperate with the security agents so that they can finally stamp out this wave of crime.

On this note, I wish the newly appointed Tribunal Member, Mr Mabogunje God's guidance on this your new assignment.

Thank you all.

AT THE OFFICIAL HANDING-OVER CEREMONY OF THE KETU BUS AND TAXI TERMINAL ON TUESDAY, 12th JUNE 1990

Before I start this address, I would first and foremost like to assure you that we will make use of this Motor Park for effective use of the people of Lagos State. Also we have got in contact with Julius Berger (Nig.) Ltd. to construct a Pedestrian Crossing opposite this Park and another one just very close to the market or along the Mile 12 Ketu Road.

One of the greatest achievements of the Federal Military Government since its inception in 1985 is the dynamic revolution it has brought about in mass transportation of people and goods. Two years ago, Mr President during his Budget Speech expressed his concern about the worsening state of the transportation system in Nigeria and went further to announce the establishment of a National Mass Transit Programme Unit, charged with the main responsibility of resolving transportation problems, in the Nation's Urban Centres. In the interval since 1988, Lagos State Government has benefited from the Federal-assisted transportation projects, which include the following:

- a. The construction and Rehabilitation of Bus Terminals including the provision of all necessary facilities.
- b. The construction of Bus Parks, Bus Lay-bys and Taxi Parks with Commuter Shelter.
- c. Installation of Traffic signals at seven Major Junctions within the Lagos Metropolis.
- d. The erection of steel median barriers to curb the habit of pedestrians of dashing across express ways and thereby reducing accidents on our roads; and lastly.
- e. The allocation of Mass Transit buses to the Lagos State Government.

In addition, the transport unions and public transport operators in Lagos State benefited from the 30 million Dollars (US\$30m) foreign exchange allocation to the transport industry. The Lagos State Taxi Drivers Association has just taken delivery of 50 taxi cars out of the 200 cabs that the Federal Military Government allocated one million Dollars for their purchase. Already these taxis and the 128 buses allocated to the Lagos State Transport Corporation are making an impact on transportation in the Lagos area. I will therefore like to seize this opportunity to express the gratitude of the Government and the people of Lagos State for the complementary efforts of the Federal Urban Mass Transit Programme to achieve an efficient and effective Mass Transit System in Lagos State especially in the Lagos Metropolis.

It is relevant to also note the efforts of the State Government in achieving an efficient Mass Transit system in the State. Prior to the current radical change in the nation's transport industry, the total number of vehicles newly registered for commercial operation fell from 16,479 in 1980 to 5,206 in 1987. The drop in the number of commercial vehicles prompted the State Government to take a policy decision to adopt an integrated transportation system, co-ordinating the bus, rail and ferry services. Already an order has been placed for 20 buses and six (6) Nos. 75 passenger ferry boats. Plans are at an

advanced stage to procure additional buses, dredge six new ferry routes, construct four Ferry Jetties and refurbish about 100 buses within the current budget. Other related projects embarked upon by the State Government include: ✓

- a. The construction and rehabilitation of roads in the State in order to have a good road network and thereby enhance traffic flow.
- b. Provision of Pedestrian Bridges at strategic locations on our express roads in order to reduce accidents; and
- c. Provision and maintenance of Traffic lights all over the State.

I am extremely happy that the Federal Urban Mass Transit Programme has achieved its objectives in the Urban Mass Transit Programme in Lagos State, especially in the area of road way facilities which include bus stops and traffic lights. Today's handing over ceremony of Ketu Terminal would not have been possible but for the industry, integrity, loyalty and determination of the Sole Administrator, the Management and the entire staff of the Federal Urban Mass Transit Programme. I thank you for all your invaluable services to Lagos State and congratulate you on this achievement. The existing rapport and co-operation between the Lagos State Government and the Federal Urban Mass Transit Programme is commendable. It is recalled for instance that when in the first quarter of 1989, the Federal Urban Mass Transit Programme started its Road Complementary Facilities Projects in the State, the State Government lent its full support to the Programme. In order to ensure that these projects were constructed to specifications, the State provided the essential technical personnel and also assisted the efforts of the Federal Urban Mass Transit Programme in the provision of some necessary equipment. I will also like to state that on its part, the Lagos State Government will ensure that such co-operation is sustained and that this project and other similar projects funded by the Urban Mass Transit Programme within the State are well maintained.

Let me also seize this opportunity to request for the release of some of your refurbished Ferry Boats within Lagos State waters, the construction of an international bus terminal at Mile 2 and funding of additional projects in the State. The use of the Nigeria Railway Corporation Corridor between Iddo and Agege is highly desirable for the development of a rapid rail transit that will carry about 30,000 passengers per hour. ✓

Distinguished guests, ladies and gentlemen, I now have the honour and pleasure to take over the Ketu Bus and Taxi Terminal on behalf of the Lagos State Government and the people of the State. It is my hope that this bus terminal will benefit all road users in Lagos State and the inhabitants of Ketu in particular.

Thank you all and God bless.

**AT THE 1989 LAGOS STATE AWARDS AND PRESENTATION CEREMONY HELD
AT THE BANQUET HALL, LAGOS CITY COUNCIL ON 15th JUNE 1990.**

I welcome you all to the 1989 Lagos State Awards Ceremony. This is an annual stock-taking event in a social atmosphere. It affords the State Government the unique opportunity to give recognition to the exemplary and invaluable contributions of some public officers, agencies and citizens to the development of the State during the preceding year. It is also customary on the Awards' Day to pay tribute to retired public officers who have left a distinguished record of service in the State.

On this occasion, therefore, we intend to formally send-off three distinguished personalities who had served the Lagos State Government as members of the State Executive Council. I am referring to Mr Ahmadu Sheidu, the former State Commissioner of Police now Assistant Inspector-General in-charge of Zone Two in Abeokuta, Group Captain J. A. Akawo, former Commander, Air Force Base, Ikeja, who has been transferred to the Air Force Headquarters and Commander E. I. Okpo, former Commander, N. N. S. Olokun. On behalf of the Government and people of Lagos State, I extend our sincere gratitude to the three distinguished gentlemen for the invaluable service they rendered to the State and wish them God's guidance in their new undertakings. While we may miss their services in Lagos State, especially at this crucial stage of the Transition Programme, we are nonetheless happy that they are still serving the nation in other capacities.

Next, I should, on behalf of myself, the Government and people of Lagos State formally welcome the new members of the State Executive Council, namely, Mr Sani Daura Ahmed, the new State Commissioner of Police, Wing Commander E. E. Aebeh, Commander, Air Force Base, Ikeja and Commander S. O. Afolayan, Commander, NNS Olokun. I wish them a successful tenure of their new assignments.

Looking at the year 1989 in retrospect, it is recalled that it was full of activities, especially with the commencement of the implementation of the Political Transition Programme. The foundation laid then has progressed, with the two grassroots Political Parties now in place. The successful completion of the registration exercise of members of the two Political Parties and the conclusion of the Ward Congresses, attest to the fact that the Political Programme of the nation is now well on course. Much as well as we may have every cause to celebrate this modest achievement, we must continuously ensure that the process of political evolution of this great country is accelerated, so as to usher in the appropriate climate for rapid economic and indeed technological development of the nation.

The annual awards ceremony is essentially an occasion for reviewing our activities in the previous year. As I had opportunity to state in presenting the 1990 Budget earlier in the year, let me reiterate that the State finances in the year 1989 were not as buoyant as popular opinion would have us believe. In reality, a wide gap existed between the ever-increasing needs and expectations for service delivery and the resources available to Government at any given time. I must however place on record the commendable level

of support and understanding which the people of this State demonstrated throughout the period. Of particular note is the positive response of well-meaning citizens to our revenue drive. This manifested in an increase of 29% or N236 million over the revenue accrued in 1988. I hasten to add that the overall revenue earnings in 1989 still fell short of the target by 3%. I must therefore crave further support by asking all citizens to be more alive to their civic responsibilities.

I am happy to note that, in spite of the problems of escalating costs and unanticipated increase in the wage bill during 1989, our efforts at meeting the needs of the people recorded impressive achievements on many projects and programmes, especially those designed to enhance the living standards of the people. In such key areas as road rehabilitation and construction, rural development, deflooding of metropolitan Lagos and provision of social services including education and health, we were able, within the limits of our resources, to respond positively and decisively to the demands of the people, thus recording a fairly reasonable level of project achievement.

It is appropriate at this stage to focus attention on the major activities of Government in 1989, so as to afford us a consummate appraisal of performance and to learn from it the essential lessons for better performance in subsequent years. The 1989 Budget performance has already been analysed in my Budget Address given on the 8th January 1990. Suffice it to say that the 1989 Budget, whose overall actual size was N1,160.7 million was painstakingly and deftly managed to attain and sustain the envisaged level of project and service delivery. In the process, 1989 witnessed an effusion of activities in all sectors, including the political and socio-economic spheres. We should now briefly recall some of the sectoral activities to enable us have an overview of the major landmarks of 1989.

Our agricultural and rural development programmes broke new grounds in 1989. The Schools Agricultural Programme, designed to impart to our youths the rudiments of agricultural production, was introduced and by its success, it has sold itself throughout the country where it is now being adopted by many States. The Agricultural Training Institute at Araga near Epe was also commissioned within the year under review, with the main objective of establishing a training base for agricultural development in the State. The World Bank-Assisted Agricultural Development Programme (ADP) attained full formation during 1989 and progressed steadily towards becoming loan-effective. Our rural development effort achieved, among others:

- (a) The completion of the 26km Gbaji-Aseri road in the Badagry Local Government which is of particular significance as an international border route.
- (b) Commencement of the coastal road from Eleko to Okunfolu in the Ibeju-Lekki Local Government Area.
- (c) Commissioning of 12 rural electrification projects.
- (d) Completion of 250 Federal-sponsored hand-pump operated rural water schemes.
- (e) The training of 400 personnel in the construction of the new prototype 2-bedroom rural housing units using locally sourced materials.

Still within the economic sector, 1989 recorded the setting up of the State Investment Holding Company and the Industrial Development Finance Company. The two companies, it is envisaged, would have a positive impact on the financial investment activities of the State Government as well as lend fillip to commercial and industrial activities in the small and medium scale sectors. Furthermore, the first phase of the Maiyegun Artery Road and Car Park Complex was completed and commissioned in 1989 in realisation of Government's promotional and support programme for tourism development mainly by private entrepreneurs.

Roadworks in 1989 focussed on rehabilitation in Metropolitan Lagos and other major towns while new construction was undertaken in the semi-urban and rural areas to link up the major communities. The planned road programme was so much expanded in the course of the year in response to pressing needs and demands, that there was virtually no area of the State that was not touched. Construction of pedestrian bridges was commenced in strategic locations within the metropolis and the one located at Alaka was opened for use in 1989. Mass Transportation continued to command national attention in the course of 1989. Among the achievements here was the allocation of 80 buses to the State under the National Mass Transit Programme. It is particularly noteworthy that for the first time ever, an integrated mass transportation system involving rail, road and water transport was introduced in 1989. Given the natural features of the State, this is undoubtedly the fore-runner of the mass transportation system of the future in Lagos State.

In 1989, as in preceding years, Education consumed the lion-share of our financial resources. The major developments on the Education scene included the establishment of the Teaching Service Commission, the Primary Schools Management Board and the resuscitation of Boards of Governors in Secondary Schools. Other achievements in 1989 were the commencement of the delivery of the ₦130 million worth of technical equipment for our technical colleges, installation of Science Laboratory fixtures, fittings and equipment in 42 schools; the completion of the second phase of our classroom replacement programme, consisting 119 blocks and 224 blocks for primary and secondary schools respectively. We also commenced a programme for the improvement of infrastructural facilities, including internal road networks, faculty buildings, workshops and supply of equipment in our tertiary institutions.

In the Health Sector, 1989 witnessed the introduction of some key policy measures which were designed to revitalise the existing system and improve the standard of health-care delivery. Perhaps the most significant of these measures was the Drugs and Medical Consumables Revolving Fund which would facilitate the purchase and distribution of drugs and consumables to hospital units. We also embarked on a programme of rehabilitation and renovation of hospital buildings in 1989.

Implementation of the World Bank-Assisted Water Supply Expansion Programme advanced appreciably in 1989 as evidenced by the commencement of the laying of trunk-mains within the metropolis. Other aspects of the Lagos Water Supply project such as

construction works at the Adiyar Waterworks site, made satisfactory progress. Environmental programmes, including the channelisation and deflooding projects, pollution control measures and urban renewal schemes received considerable attention in 1989 in terms of resource allocation and determined efforts to ameliorate the existing situations.

I cannot end this review without touching on the General Administration Sector which provides the framework and milieu within which Government business operates. In this context, it would be appreciated that continuation of the implementation of the 1988 Civil Service Reforms constituted one of the paramount activities of Government in 1989. I am happy to note that the Reforms in the Civil Service and as applicable to the Local Government Service have been implemented in all its major respects by the end of 1989. The structural framework of the Reforms have been fully installed. The fundamental changes in procedures have also been instituted and the State Civil Service is now firmly in the process of assimilation of the enduring norms and attitudinal reparation envisioned by the Reforms. Even with the fundamental changes going on with the implementation of the 1988 Civil Service Reforms, important achievements were recorded under General Administration. Physical facilities such as extension of Office Accommodation within the State Secretariat Complex, continuation of the construction of the Staff Development Centre at Magodo and construction of more Magistrates and High Courts were undertaken in 1989.

From this synoptic review of our activities in 1989, it is evident that the year was packed, exciting and challenging. It had been very rewarding as well. However, the remarkable level of achievements was possible only with the contributions of all the people of the State, severally and jointly as communities, interest groups, professional groups and workers either in the private or public Sectors.

As was the case for the 1988 edition, the scope of the Awards for 1989 has been widened to include special commendation Awards for Organisations and private individuals who have distinguished themselves in their various fields of endeavour. To this end, some public-spirited individuals in the State stand out for due recognition. They include Chief S. A. B. Oteju, a remarkable philanthropist who demonstrated this attribute through the interest-free loan he gave to the People's Bank; Chief Molade Okoya-Thomas, who, through his tremendous social and economic activities is already a household name in Lagos State. He has distinguished himself by his exemplary contribution to sports in Lagos State in particular and in the nation in general. Worthy of note for posthumous honour, is the Late Pa. S. K. Domingo, a former State Chief Protocol Officer-extraordinary, who contributed immensely to the progress made by the State Government in the early years of its inception.

Distinguished Guests, Ladies and Gentlemen, let me say that I have great pleasure in formally acknowledging the various contributions of all recipients of the 1989 Awards. As I heartily congratulate them on their achievements, it should be said that the greatest tribute to their past achievements and contributions will be their continued striving to meet the challenges and demands ahead. On its part, the State Government joins the entire

people of the State in wishing all the distinguished Award winners more years of fruitful and fulfilling service to the State and our country.

May I also at this juncture express my sincere appreciation to all members of the State Executive Council, Directors-General, heads of Extra-Ministerial Departments and all officers of the State Public Service for their loyalty, dedication, hardwork and perseverance, without which we could not have achieved much. However, I must charge them to brace-up to greater achievement, in the true spirit of 'Operation Excellence' in Public Service. I use this occasion to acknowledge and commend the role being played by all the Chairmen of the Local Government Caretaker Committees in the implementation of the Political Transition Programme at the grassroots level. We are also appreciative of the role of the Lagos State MAMSER in the Political Transition period. In particular, I should express our appreciation to the State Committee of the Better Life Programme for the impact it has made on the lives of our rural dwellers, as vividly demonstrated during the 2nd Better Life Fair held earlier in the year. Above all, our grateful thanks must devolve on the Almighty Creator for His infinite mercies. Our prayer is that He may continue to shower His bounteous blessings on everyone during this year.

Members of the Armed Forces Ruling Council, Members of the National Council of Ministers, My Lord, the Chief Judge of Lagos State, Members of the Lagos State Executive Council, the Secretary to the State Military Government, former Governors of Lagos State, Members of the Diplomatic Corps, Chairmen of Local Government Caretaker Committees, Kabiyesi, the Oba of Lagos, Your Royal Highnesses, Obas and Chiefs, My Lords (Spiritual and Temporal), the Chairman and Members of the Organising Committee of the 1989 Lagos State Awards Ceremony, Distinguished Guests, Ladies and Gentlemen, I thank you all for gracing this occasion.

Thank you all and God bless

**AT THE PRESENTATION OF SECONDARY SCHOOL FURNITURE TO THE
LAGOS STATE GOVERNMENT ON FRIDAY, 29th JUNE 1990,
AT BIRREL AVENUE HIGH SCHOOL, YABA.**

I am delighted to be here this afternoon on the occasion of the presentation of Secondary School furniture to the Lagos State Government by the Board of Trustees, of the State Education Endowment Fund. This presentation is indeed symbolic and very objective and I will like to congratulate the Board of Trustees for this initiative.

You will recall that when the Education Endowment Fund was launched in 1984, its main objective was to involve all sectors of the society in the State in the funding of education which gulps the largest share of the State's annual budget. I am happy to note that one of the initial aims of the founding fathers of the fund, that is, the contribution of the members of the society to qualitative education is being achieved today through this laudable achievement. As you are all aware, the State Government cannot bear the burden of educating our children alone without recourse to public spirited philanthropists and corporate bodies. I therefore wish to use this opportunity to appeal to all Lagosians to contribute generously to the Education Endowment Fund. Once more, I wish to assure you that every naira and kobo realised from this fund would be fully accounted for and judiciously spent by the Board.

I am sure that today's event will erase doubts about the use of the fund in the minds of the initial donors. These donors will now realise that the money they contributed has been wisely invested and is also being judiciously managed.

Let me also implore our students to use these desks and benches with care. Unfortunately, our society has earned the reputation of total disregard for maintenance culture. I appeal to you all to strive and change this reputation. These desks and benches should not be stood on or used as missiles in physical combats. The school authorities throughout the State should ensure the judicious maintenance in order to enable them to last the number of years earmarked for their use.

Before I end this address, let me once again assure the Chairman as well as the members of the Education Endowment Fund that we are ready to co-operate with you and at the same time, we will be happy to look into all your suggestions as to the improvement of our Education standard here in this State.

- Once again, let me congratulate the Board of Trustees, Education Endowment Fund and remind them also of the duties of their assignment and wish them continued success in their effort for the upliftment of education in the State.

Once again, on behalf of the Government and the people of Lagos State, I wish to thank you very much for your devotion to a call of uplifting the education in this state.

Thank you and God bless.

AT THE FORMAL OPENING OF THE CORPORATE FINANCE BRANCH OF WEMA BANK APAPA ON FRIDAY, 29th JUNE 1990.

May I on behalf of the Government and the people of Lagos State congratulate the current Chairman of O'dua Investment Company, Colonel Adedeji Oresanya for this epoch making event. The Governors of Ondo and Ogun States should share in this joy for being part of it. The Chairman, the Board and Management of Wema Bank of Nigeria should feel elated for this emphasis in commercial banking.

The rapid, if not phenomenal development of the banking industry in Nigeria, must have been strongly encouraged by the Structural Adjustment Programme. As a primary objective, this nation has initiated a shift, albeit gradual, from public sector dominance of the economy to private sector leadership. It should, therefore, not come as a surprise seeing new enterprises demanding greater quantum of funds. Realising that new indigenous enterprises require expert counselling and guidance for survival, the emphasis on Corporate Finance is definitely well placed. Afterall, such support was available to companies which dominated the pre and post independence era of Nigeria's economic life. They were then sustained by Bank's being sympathetic to their aspirations. Today, Nigeria sponsored Banks should equally be seen as sympathetic to the plight of Nigerian enterprises.

Corporate Finance is the meat of modern Banking. Currently, Merchant Banks in Nigeria have recorded astonishing financial results which would make casual observers associate them with excellence, whilst commercial banks are seen as failures. I believe that with the creation of special Corporate Finance Branches the results of commercial Banking would improve. This could be through the hot chase of Merchant Banks and also through breaking of unknown grounds. Having decided to emphasise Corporate Banking, Wema Bank must apply the salesmanship qualities of successful merchant banks amongst which are vision, the drive for solutions, industry, aggressiveness and doggedness. The Corporate or Merchant Bankers must be versatile and must be seen to have close knowledge of the issues of finance, investments, Commerce and Industry. The days of the arrogant, armchair banking staff are gone. The Banker must have a great mind and should be innovative in all respects.

However, in doing so, it is advisable that commercial banks should not move away from its traditional role of catering for small time savers, traders and manufacturers. For example, Commercial Banks should meticulously adhere to the sectoral lending portfolio stipulated by the Central Bank of Nigeria. Commercial Banks should seek to spread their branches to rural areas to complement programmes for the enlightenment of the rural communities supporting efforts at producing food, employment, roads, Housing, water and electricity. They should encourage Co-operative societies, and communal projects and programmes. Commercial Banks must identify themselves with the aspiration of their environment otherwise they could be seen as irrelevant.

Distinguished Ladies and Gentlemen, permit me to take advantage of this opportunity to raise the issue of industrial harmony within the nation's banking industry. There is no doubt that the banking industry is by far the most sought after of all industries in the

economy as far as employment is concerned. This is so, largely because of the relatively attractive remuneration package available to employees in the industry. Thus, any one lucky enough to be a staff of any bank in Nigeria today should regard himself as one of the privileged few. Despite this, however, one observes a greater agitation for higher pay by employees in the banking industry than in any other industry. This does not augur well for an industry that should be the first to appreciate the great importance industrial harmony has for the success of Government's efforts towards the revamping of the nation's economy. While no one would query the need for workers to seek their legitimate entitlements, this should be done within the framework of loyalty and patriotism as well as commitment to greater economic self reliance. Some self examination is, therefore, urgently required.

Finally, let me once more congratulate the prime movers of today's giant stride and wish the WEMA Bank of Nigeria greater success in the future.

The Chairman and members of Board of WEMA Bank, the Management and Staff, distinguished guests, ladies and gentlemen, I have the pleasure of declaring open this branch of WEMA Bank of Nigeria Limited for Corporate Finance Business.

Thank you all and God bless.

**AT THE FUND RAISING DINNER ORGANISED BY THE BOARD OF TRUSTEES
OF LAGOS STATE EDUCATION ENDOWMENT FUND,
ON FRIDAY, 6th JULY 1990**

I am delighted to be here on the occasion of the Fund Raising Dinner organised by the Board of Trustees of the Lagos State Endowment Fund Committee. I wish to congratulate the chairman and members of the Board for organising this dinner as part of its fund raising drive.

When this Board was inaugurated in November 1989, it was pointed out that under the Enabling Edict, the Board is expected among other things to manage the existing fund and also to raise more fund, so that the initial target will be met within a short time. I am happy to observe that the Board of Trustees has quickly swung into action and from the faces at the dinner here tonight, I am sure that the Education Endowment Fund will meet the target.

A couple of years ago, most of the achievements recorded in the area of educational development in Lagos State were within quantitative aspect including access to education and the neighbourhood schools programme while the qualitative aspect suffered neglect. It was in order to arrest this unhappy situation and lay more emphasis on qualitative education that the Military Administration under the then Military Governor of Lagos State, Group Captain, now Air Commodore Gbolahan Mudarisu launched the Education Endowment Fund in 1984.

The setting up of the Board of Trustees of the Education Endowment Fund under the distinguished chairperson and members assured me that the quality input so ardently required in our educational system will be provided. In this connection, it is a shrewd instinct to acknowledge the thoughtful first stock-taking by the Board of Trustees whence a week ago it purchased some furniture items and distributed them to JSS 1 classes in some secondary schools in the State. I see this contribution, however, as a token of the urgent requirements and needs in the education system of the State today.

The laudable Classroom Replacement Programme designed to provide safe and befitting classrooms for our children has over the past six years taken a large chunk of the resources of the State.

During this period, the price of building materials has risen by as much as 60% and this makes the cost of the programme rather astronomical. In the midst of the replacement programme, the technical workshop construction programme, an integral part of the 6-3-3-4 system of education has become more urgent than ever before and Government is accordingly addressing the issue.

Once the parents demand for boarding spaces in schools, Government has gone to a lot of expenses in providing these boarding spaces. As at date, we have been able to provide boarding facilities at the five rural based model Colleges, at Kankon in Badagry Local Government, Meiran in Ikeja Local Government, Igbonla in Epe Local Government, Igbokuta in Ikorodu Local Government and Badore in Eti-Osa Local Government Areas in the state. Similarly, the disused boarding facilities at Ansar-Ud-Deen College, Isolo; St.

Gregorys' College, Obalende; Government College, Ketu and Eva Adelaja Secondary School, Bariga; have all been resuscitated.

I am pleased to announce that between 40% and 50% of the children primarily selected for the Suleja Academy after vigorous test and examination covering the entire country are from schools in Lagos State. There is no doubt that these are very strong foundation for academic excellence. I am sure that we are all justifiably proud to be part of this epoch making process towards educational advancement in the State.

As a further demonstration of Government's commitment to this laudable programme and in order to serve as an incentive to you well meaning citizens of this State, I am pledging this night, an annual sum of ₦1 million on behalf of the State Government to Lagos State Education Endowment Fund.

On this note, I want to call on everybody here tonight to rally round and give maximum support to the Government of Lagos State and the noble objective being achieved through the Education Endowment Fund. Lagos State is known for looking after everybody who lives within its territorial boundary irrespective of race, tribe or religion.

A clear testimony of this is that the non-indigenous population in our school system for out numbered the indigenes in the schools. Yet, we are about the only state in the country which still runs the tuition-free education system.

We therefore count on the able support of you all in fulfilling our laudable educational objectives.

Thank you all and God bless.

**AT THE OCCASION OF THE LAUNCHING OF THE APPEAL FUND
FOR CENTRE FOR WOMEN DEVELOPMENT AT ABUJA AND LAGOS
ON THURSDAY, 12th JULY 1990**

It is a pleasure to witness another landmark in the history of the Better Life Programme in Lagos State. Today's ceremony marks a milestone in the march of the Better Life Programme both at the National and State levels since its inception in 1987. The programme has continued to permeate the rank and file of all women in both rural and urban areas. After its inception in 1987, the Programme recorded its first major achievement by creating the necessary awareness in women all over the country, after which rural women were mobilised and informed of the concept. The programme continues to record huge successes in all the States particularly among the rural dwellers. It has acted as a unifying force to women of various groups and has mobilised a lot of support from members of the public, Government Agencies and private establishments in its various programmes. It is to be expected, therefore, that the establishment of a multi-purpose centre for women development in Abuja and in all other States of the Federation would serve as a befitting climax to the programme's enviable achievements. The proposed construction of the Centre for Women Development is deserving of every encouragement and support from the public service and the private sector. It will serve as a monument towards harnessing the contributions of women to society and to developmental efforts.

Women, no doubt, are directly involved in the development of the human society and particularly in the economic life of the country. In the area of human development the adage is "train a woman and you train a whole nation". With effective training and education, either in the form of enlightenment or skills development, the woman's awareness to her potentials would be sharpened. It is, therefore, gratifying to note that the Centre would among other things emphasise the training of women in formal and non-formal education and skills development. In short, it is certain that the training programmes to be developed would enable our women make positive contributions to the social and economic development of the country. I wish to salute all our women in this State for their interest and concrete contributions to development in all areas of the economy. The State Government on its part will continue to provide financial and material support in any area that may be required.

The Centre for Women Development for which an appeal fund is being launched today is a befitting attribute to the unparalleled achievements of the Better Life for Rural Dwellers Programme in our country. The State Government is committed to the execution of the project and will no doubt support every effort to be made by the State Chapter towards the early completion of the project. Government is poised to take a bold step as always towards ensuring that this project receives the financial support of the State Government. To this effect, the Lagos State Government hereby donates the sum of ₦1m as an initial donation to this laudable and noble objective. I wish to appeal to all bodies, organisations, companies, philanthropists, business executives and all present here today to contribute generously towards this important and laudable project to be constructed as a lasting monument to the Better Life Programme. Your widow's mite would

no doubt, serve the desired purpose of raising an edifice that would stand the test of time and ensure practical support services for our women and children in later generations.

The Chairperson of the State Better Life, Distinguished Representative of the Chairman, the Chief Launcher, Members of the State Executive Council, Members of the State Better Life Committee, Ladies and Gentlemen, I wish to thank you all for your kind contributions at this launching ceremony.

Thank you all and God bless.

**AT THE CLOSING CEREMONY OF THE NATIONAL CONFERENCE ON THE
DEVELOPMENT OF TOURISM IN NIGERIA AT SHERATON HOTEL IKEJA,
ON THURSDAY, 12th JULY 1990**

It is my pleasure to preside over the closing ceremony of this conference. I am aware that you have been engaged in a three-day brain stormy exercise deliberating on the various problems inhibiting our Tourism Industry in Nigeria and also examining such strategies that could be adopted to combat such problems. Information has also reached me that the Conference was not only well attended, but was supported by various International Organisation, such as the United Nations Development Programmes, International Labour Organisation, World Tourism Organisation, Economic Community for Africa and Economic Community of West Africa States. By and large, the Conference has been a huge success and I congratulate most heartily its organisers.

Tourism is a socio-economic phenomenon whose ramifications are dimensional. Perhaps, one may say its economic advantages are the basis for the encouragement of its development in all nations. We, in Lagos State, have tried to contribute our little bit and I believe you would have had the privilege to see physically this little bit we have been able to do.

I must say, like any pioneering agent, that it has not been easy for us to foster our aspirations in tourism development as we would have liked to do as a result of administration problems. It is, however, now heartening to note that the Federal Government has not only accorded tourism the desired and deserved recognition, it has also transformed it into the preferred sector of the economy.

The Federal Government's position and indeed, the objectives of the President's speech have brought home immense amount of national commitment to tourism development which are great challenges to us all. We should neither, therefore, no longer be complacent nor should we be satisfied with mere statements without action. The entire world will from now focus attention on us, the foreign investors will subject our decisions to various tests; our seriousness shall be mirrored through our outlook and doing what we have to do to enhance a meaningful development of the nation's tourism industry.

Ladies and Gentlemen, the entire nation is faced with a big task, a task which will be both capital and labour intensive; a task that requires self discipline, security consciousness and indeed total commitment. Nigeria is blessed with a lot of tourism products and they stand in various forms spatially distributed throughout the country. Such products range from sea, to sand and sun, fauna and flora; culture, physical and political outlook. Indeed, I am convinced that by this diversification, tourism could be used as the tool for promoting national unity, peace and national understanding. I urge therefore, individual states working closely in conjunction with the Federal Government to evolve more effectively, research in our role of helping to improve and develop the nation's tangible tourism products. We do not want to be users - this objective should be our ultimate aspiration and goal.

As I proceed in this my closing remarks, our ability to innovate comes to focus. One must be bold to say that but for the Structural Adjustment Programme, an average Nigerian would have remained a slave to his ability and thinking. Innovation is the life-blood of success of any venture and I believe, we require greater effort in this direction if one must succeed in tourism. For this, one will count on the harnessing of not only the intellectual and professional strength of the nation but also the impact such international organisation which have wished us well can make to support us in sustaining such intellectual and professional strength. We are also faced with the quality of services within the hospitality sector, meaningful and operational plans and programmes and above all developments that will cover all categories of tourists both domestic and international.

Distinguished gathering, the ball is now in your court. The Government has accepted your proposals, the President has given the green light. I sincerely hope you will make the best use of this rare support to the advantage of the entire nation. For us in Lagos State, we shall continue our tourism programmes within the framework of Government objectives. For the entire nation, I wish 1991 is declared as the year of tourism emancipation in Nigeria whereby identified various tourism projects will take off at different levels in all the States of the country. By so doing, a concrete foundation would have been put in place on which a solid building can now be set up.

Finally, I wish to thank you most sincerely for choosing to come to Lagos State for this maiden National Conference on Tourism which will go down in the annals of tourism history of the country as the breaking of the new ground in the Nation's socio-economic development. It will be remembered, it happened here in Lagos and it was here, the first National Policy on Trade and Tourism was launched.

I thank you all and God bless.

AT THE OFFICIAL COMMISSIONING OF THE FIRST PHASE OF THE DAY CARE CENTRE, SECRETARIAT, IKEJA ON 13th JULY 1990

I am delighted to be here this morning on the occasion of the formal commissioning of phase I of the Day Care Centre project, attached to the Secretariat Complex. History is being made today as we witness the climax of a dream conceived several years ago in the form of the provision within the Secretariat Complex of facilities for the care of children of public servants in Lagos State.

Perhaps it may be necessary to point out some significant aspects of the growth and development of our children who constitute a vulnerable group. They require always our special attention and focus so as to ensure a structured and meaningful development. In this respect, parents are expected to create and sustain some special interest in the affairs of their children and wards and supervise every department of their lives and also ensure that they grow up to be useful and law-abiding citizens of the society.

The need for this strict supervision of the lives of our children has informed the establishment of the Day Care Centre at the Secretariat, for civil servants primarily to provide assistance to nursing mothers while at work, it is conceived as a welfare project with the aim of assuming responsibility for the care of babies and children of officials of the public service during working hours. It is one of the many support services that Government is providing for the welfare and happiness of its workers. Other facilities conceived as welfare programmes are the provision of canteens and transportation.

I am happy to observe that the State Government is alive to its responsibilities and is also willing to do more. For example, the State Government has just announced the promotion of very many Civil Servants in the State who deserve the elevation due to hardwork, dedication and honesty. Government, however, expects its workers to rededicate themselves and work harder particularly during this trying period so that we can put the difficult times behind us sooner than expected.

Let me reiterate that the concept of establishing child care services such as day care centres and creches is to ease the burden of child care on the career woman. Our women daily face the challenges of coping with their model roles as wives, mothers, home makers and career woman. Also, considering their noteworthy contributions in all sectors of the economy, it is only proper that Government should establish programmes and projects that would aim at assisting them to realise their potentialities to the fullest. Suffice it to say that this Administration is fully geared towards promoting the welfare of the women in Lagos State. The establishment of the Department of Women and Development attests to this Administration's interest in improving the status of women in the civic, political, social and economic spheres.

In order to ensure the effective management of this day care centre, an Inter-Ministerial Management Committee comprising representatives of some Ministries and Departments is being inaugurated today. Membership of the Committee includes repre-

representatives of the General Services Department, the Ministries of Works and Transport, Finance, Health, Education, and the Ministry of Youth, Sports and Social Development. The Management Committee would be headed by the Director-General, Department of Women and Development. The Management Committee is expected, among other things, to:

- i. Oversee the general welfare of children admitted into the centre;
- ii. Ensure the physical development of the centre and provision of a high standard of delivery of services offered at the centre;
- iii. Ensure effective utilization of resources;
- iv. Establish programmes that would enhance the growth and development of children admitted into the centre; and
- v. Co-ordinate activities of the various Government Agencies handling the development of the centre.

The main objective in setting up this Committee is to provide an opportunity for civil servants to make concrete contribution in matters that affect their welfare. You will be expected to generate ideas that will assist in sustaining the high standard of services at the centre. I enjoin you to take up the task at hand with a sense of responsibility, dedication and unwavering interest for the well being of the children to be admitted into the centre.

Finally, it is my hope that female civil servants will make good use of the facilities at this day care centre. I hereby confirm that the second phase of the centre would commence almost immediately and on completion at least 200 children would be admitted into the centre. The entire project would cost N3.5 million to execute.

Distinguished guests, ladies and gentlemen, I now have the honour and privilege to commission the first phase of the Day Care Centre.

Thank you and God bless.

AT THE OPENING CEREMONY OF THE QUALITY-ENHANCING SEMINAR FOR ALL LAGOS STATE PRIMARY SCHOOLS' HEAD-TEACHERS HELD AT IGBOBI COLLEGE, ON MONDAY 16th JULY 1990.

I am here this morning to perform the opening ceremony of the 2-day Quality-Enhancing Seminars for the State Primary School Headmasters in all the Local Government areas of the State. When the State Primary Schools Management Board was inaugurated in May last year, it was urged to achieve among others, the following aims:-

- a. To ascertain the needs of all primary schools in the State and provide suggestions aimed at meeting these needs with a view to improving the quality of education in the schools.
- b. To work tirelessly in order to bring about an overall improvement in the quality of primary education in the State.

It is pertinent to mention that the 2-day Seminar now being opened is relevant and will assist in the realisation of the goals set before the Board. The Primary School Headmasters who are participants at the Seminar cannot afford to aim less because a similar course organised for their counterparts in the Secondary Schools early in 1989, yielded noticeable results in the realm of innovative management of schools from reports reaching my office. I, therefore, urge you to strive and achieve excellence in the administration of your schools as this is the only way open to you to show appreciation for the huge financial and human resources which the State Government has put at your disposal through these facilities.

As you are all aware, Lagos State is one of the few States in the country where teachers' salaries are paid promptly. In 1989 alone, the salaries of teachers and non-teachers in the primary schools gulped N105.29 million. This sum exceeded the statutory contribution of the Lagos State Government to primary schools teachers' salary by over N10 million because of the payment of SAP-Relief Package. Similarly, between January and June this year, N64.3 million had been paid as salaries to primary school teachers from contributions of both the State Local Governments without waiting for the Federal contributions as stipulated by Decree 31 of 1988.

Apart from the teachers' salary, the State Government has expended over-N25 million between 1989 and now to build six new prototype blocks of classrooms and complete fifteen abandoned prototype blocks of classrooms and seventeen abandoned UPE school buildings. In addition, 1,600 new teachers were added to the primary school work force.

In the current promotion exercise, over 9,000 primary school teachers and non-teachers have been elevated to higher grades with some of the participants here benefitting directly. You can only justify your enhanced status by ensuring excellence in the State Primary Education.

In addition to the State and Local Government efforts, the Primary Schools Management Board has provided the necessary instructional materials, consumables and monthly running costs for the schools. With funds coming from Federal Government sources, it is obvious that the Federal Military Government has continued to endorse fully the free and universal primary education for all Nigerian children.

Consequently, there should be no payment of any levy under whatever guise. Any headmaster caught engaging in illicit collection of money from parents and their wards in any of our primary schools will be shown the way out of the State Teaching Service.

I urge you to be dedicated and hardworking and also strive for excellence in order to help the nation to realise its laudable aim for improved primary education and the eradication of illiteracy throughout the country.

Finally, I wish to recall that you all have just helped in one of the crucial stages of the Transition Programme. I am referring to the just concluded elections into the congresses of the two grassroots, political parties. It is heartening that you have done this without blemish, and I thank you all for that. I also wish to use this opportunity to enjoy you to keep up this enviable performance.

I now have the honour and privilege to declare this Seminar open. I wish you all a successful and rewarding experience.

Thank you and God bless.

AT THE COMMISSIONING OF THE IKEJA PLAZA ON TUESDAY, 17TH JULY 1990.

We are all here this morning to witness yet another stride in the efforts of the Lagos State Government to provide befitting Shopping Centres for the people of the State. The Ikeja Plaza which is being commissioned today is the first of its kind to be developed by the Lagos State Market Development Board since the establishment of the Board.

The entire project is divided into two phases. The first phase comprises 92 shopping and office units with necessary infrastructure and facilities such as toilets, fire fighting equipment, security posts, two lifts for movement of persons and goods, high-powered electric generating set and water reservoir.

This phase of the project awarded to Messrs Cappa and D'Alberto at a contract sum of ₦4.7 million in March 1986 was embarked upon by the Lagos State Market Development Board in the same year. However, with the inflationary trend in recent years, the completion of the phase at a sum of ₦10.2 million was only possible with the high standard of management and supervision given to it.

The project itself was funded through a loan arrangement of ₦2.5 million by the State Government, equity contributions of ₦1.5 million and ₦2 million by the Ikeja Local Government and the Lagos State Market Development Board respectively, and a sum of ₦4.2 million loan obtained from Eko International Bank (Nigeria) Limited.

I wish to congratulate the Management and Staff of the Market Development Board and the Ikeja Local Government for successful implementation of this project. I also wish to seize this opportunity to appraise the people of this State of the plan of the State Government to restructure the Board and divest it or some of its assets such as the retail markets. These would henceforth be developed and managed by the Local Government while the Board would concentrate on the development and management of ultra modern shopping centres and plazas such as the one we are commissioning today. Also, Government is reviewing the recommendations of the Committee that was set up to work out the modalities for the transfer of the retail markets to Local Government. The Government White Paper on the subject would be issued in the course.

Permit me also to congratulate the successful allottees of the Ikeja Plaza and to enjoin them to keep to the conditions of the allocations. They should, for example, maintain a high standard of cleanliness in and around the premises. There is no doubt that the

demand for shopping and office units in the Plaza has been very high. Therefore it has not been possible to meet the demand of all applicants. However the development of phase II of the project, when affected, will accommodate more applicants.

It remains for me to thank Messrs Cappa and D'Alberto, the Consultants and sub-contractors who worked hard to make this project the beautiful edifice it is. I sincerely hope that other contractors working on other projects being executed by the State Government will always strive to achieve the high standard of project implementation that is clearly evident in Ikeja Plaza.

Distinguished Ladies and Gentlemen, I now have greatest pleasure to declare open the Ikeja Plaza to the glory of God and for the benefit of the citizens of this State in particular and Nigeria in general.

Thank you and God bless.

**AT THE LAUNCHING OF THE LAGOS STATE COMMERCIALISED
AGRICULTURAL MACHINERY HIRING SERVICES AT THE DAIRY FARM AGEGE
ON WEDNESDAY, 18th JULY 1990**

I am delighted to be here this morning on the occasion of the launching of the Lagos State Commercialised Agricultural Machinery Hiring Services. You will recall that in my Budget Speech to the people of this State on 8th January 1990, I gave the hint that a decision had been taken to commercialise some activities of the Lagos State Government. Among the pioneer Ministries for the commercialisation exercise is the Ministry of Agriculture and Co-operatives whose Veterinary and de-infestation services had been commercialised. As a result of our successful outing and in keeping with modern ideas, the Lagos State Government, through its Ministry of Agriculture and Co-operatives has now evolved the Commercialised Agricultural Machinery Hiring Services which has been designed to boost farming practice in the State. We are here, therefore, to launch the commercialisation of yet another important activity in the Ministry of Agriculture and Co-operatives. It is my sincere hope that the programme will meet the demands and requirements of the medium and large scale farmers in the State and also assist in upgrading the rather dominant subsistence farming status of our farmers.

At the inception of Lagos State in 1967, it was realised that the traditional method of cultivation of farm lands could no longer cope with the volume of agricultural production. In order to alleviate this problem, the first two Tractor Hiring units were established in Epe and Ikeja in 1970. Two more Tractor Hiring Units were set up in Ikorodu and Badagry in the following year and the fifth Tractor Hiring Unit came into being in Eti-Osa in 1986. The five units have been providing land preparation services to all categories of farmers at highly subsidised rates.

With the introduction of various agricultural programmes such as the Agricultural Estate Development Scheme, the Graduate Farmers Scheme, and the Schools' Agricultural Programme, the volume of demand for farm mechanisation services has increased to the point that the Tractor Hiring Units could no longer cope. In 1985, the Agricultural Input Credit Scheme was introduced under which 100 packages of tractors and 6 allied implements were purchased by the State Government and sold to farmers on credit. Beneficiaries of this Scheme were expected to pay back over a period of three years with a six-month moratorium, as the Scheme was expected to complement the services rendered by the Tractor Hiring Unit.

However, the ever increasing demand for farm mechanisation services and the astronomical increase in the cost of procuring farm machineries have informed the idea to introduce the Commercialised Agricultural Machinery Hiring Services being launched today.

The Programme has two-fold objectives:

- (a) To ensure efficient utilization of farm machinery at minimum cost to Government thereby operating at economic level; and

(b) To increase the volume of land cultivation in the State and consequently increase food production.

Medium and large scale farmers with holdings of five hectares and above, will form the clientele group to be targeted under the Programme whose Secretariat will be based at the Dairy Farm Yard, Agege. I commend the Programme to the medium and large scale farmers who stand to benefit thereby in such areas as land preparation, cereal planting, chemical spraying and harvesting.

The Programme has been carefully conceived and a special team of experts will be put in place for its implementation. The core components of the Programme include, tractors, ploughs, disc harrows, planters, fertilizers, broom sprayers and tipping trailers. Others are harvesters, and mobile workshops. Relevant spare parts valued at ₦11,537,600 have been stocked to provide support for the Programme.

Ladies and Gentlemen, it is necessary to point out that all Nigerians must join forces in boosting agricultural production through increased cultivation of available land. We believe that with your support and co-operation, and the proper mobilisation of available resources, the realisation of the goal of self sufficiency in food production could be achieved without much difficulty.

I want to seize this opportunity to apprise you of our other agricultural programmes which will be taking off shortly. As part of the national call for increased food production in the items in which each geographical zone of the country has comparative advantage, we in Lagos State have designed a programme for Accelerated Fish and Vegetable Production in view of the abundance of lagoons, creeks and low-lands in the State. Preparations for the launching of the two programmes have reached advanced stages and we will be calling on you very soon to witness the take-off of the first phase of the programmes.

Distinguished Ladies and Gentlemen, as you would have observed, our agricultural programmes are designed to cater for various levels of production and are targeted at various segments of the Lagos State Community. You will recall that in December 1989, I declared open an Agricultural Training Institute at Araga in Epe to train young school leavers who are eager to take to farming as life careers. The response and encouragement received so far from members of the public have made us to decide to increase the intakes of the Institute from 50 to 100 in the 1991 session.

The Accelerated Fish and Vegetable Production Programme will focus on both the young and old and will operate at all levels of production. While Community participation will be the main focus, individuals, Co-operative societies and Agricultural Establishments will be encouraged through the supply of inputs and technical advice by our extension services staff. The Local Government will also be mobilised to establish model fish and vegetable farms.

I wish to point out that the agricultural machinery services have been designed to cater for the various levels of production. For the small-holder farmers, the Tractor Hiring Units at Agege, Badagry, Epe, Eti-Osa and Ikorodu have been strengthened to cater exclusively for their interests. One of the advantages of the Scheme is that the local farmers no longer have to compete with the large holder farmers once this programme is launched.

It is now my singular honour and privilege to formally launch the Commercialised Agricultural Machinery Hiring Services Scheme of the State Government, to the glory of God and the Service of the people.

Thank you and God bless.

AT THE 10th GRADUATION CEREMONY OF THE LAGOS STATE COLLEGE OF EDUCATION, IJANIKIN HELD ON THURSDAY, 19th JULY 1990.

First and foremost, I will like to say that as from the next recruitment of teachers into our institutions in Lagos State, your graduates will be on the priority list. Also, to let you know that every effort had been made to remove the problems of the issuance of certificates to your graduands, it is my hope that the Registrar of the University of Lagos will sign those certificates now on his table.

It is my pleasure to be here on this auspicious occasion of the 10th Graduation Ceremony of the Lagos State College of Education, Oto-Ijanikin. I congratulate the Chairperson and Members of the Governing Council of the College and also rejoice with all graduands, their parents, guardians and friends as I have no doubt that the occasion would serve as a source of inspiration to students still on the course as well as to those still aspiring to secure admission into the College.

Education in general and Teacher Education in particular is a major pre-occupation of Governments throughout the world. In my address at the 9th Graduation Ceremony of this College last year, I highlighted the premium placed on education by the State Government emphasising Government's determination to provide educational facilities such as laboratories, workshops, furniture, equipment and other physical infrastructures for this College. I am pleased, therefore, to point out that between the 9th and today's 10th Graduation Ceremonies, Government has commissioned the Colleges' School of Education and the School of Natural and Applied Sciences Complexes which were built at a cost of N11.1 million. Work is also progressing on the N13 million Technical Workshop Complex, comprising the Electrical/Electronics, Woodwork, Mechanical and Building Engineering Workshops, while plans are being finalised for the early take-off of the School of Vocational and Technical Education which would complement the Workshops. Technical Equipment worth N1.5 million have already been delivered for use in the Workshops. However, the next phase of the development of the College Master-plan will include the College Library and the School of Arts and Social Science Complexes.

Of much concern to Government also is the question of the quality of education. As you are no doubt aware, Government has decided that the National Certificate of Education (N.C.E.) shall be the lowest professional certificate to be possessed by teachers throughout the country. In order to give effect to this decision, the State Government would soon establish an N.C.E. Primary Course whose modalities will be worked out shortly.

I am sure that the staff of this College are already enjoying the U.S.S. Salary Scale approved for them early this year. The award is intended as a motivation for the generality of the staff of this College, but it is also a testimony to the fact that the State Government is poised to accord the teaching profession its rightful place among other professions. The beneficiaries of the enhanced salary will no doubt reciprocate Government's good gesture by improving on their performance. I also urge the lecturers who do not have teaching

qualification to obtain such qualification speedily as this would soon offer special advantage for all aspiring teachers, including those who intend to teach at Polytechnics and Universities. In this connection, I commend the house-cleaning exercises undertaken by the Governing Council of this College, in its efforts to ensure proper value and productivity for the huge salary bills being paid by Government annually. I also support the College authorities if they will not compromise on the issues of excellence, integrity and hardwork, as it is only by maintaining a high standard of academics and discipline that we can succeed in building a College of Education that will be the pride of all.

Once more, I congratulate the graduands and I hasten to remind them that they are leaving the College at a very momentous period in the political and economic life of the nation. The Political Transition Programme requires your full support and I hope that you will make your own positive contributions to the Programme as you step into the larger society. On the economic field, the country is passing through an inevitable fiscal re-orientation which has opened a wide vista of opportunities. I am optimistic that as educationists, you will not fail to learn the essential lessons of the fiscal measures, not only as an academic exercise, but also as a guide to support you through life.

I seize this opportunity to reiterate the fact that indiscipline, in any form, will not be tolerated in the State Government institutions. Specifically, the incidence of secret cults in our tertiary institutions must be wiped out and this calls for vigilance and condemnation by all well-meaning Nigerians. All hands must be put on deck to stamp out this dangerous and unhealthy development amongst our student body. Parents and guardians are implored to put their wards in check since any student caught associated with such practices will be severely dealt with. I am pleased to note, however that serious reports on these cult practices have not yet been received from any of our state-owned higher Institutions, giving the indication that the situation remains under control.

Distinguished Ladies and Gentlemen, once again, I am happy to be part of this memorable occasion and I have no doubt in my mind that this College will continue to record positive growth and development.

Thank you and God bless.

**AT THE RECENT GOVERNMENT ACTION ON MAROKO
ON MONDAY, 23rd JULY 1990**

In the last two weeks, the Lagos State Government's order on the demolition of shanties and illegal structures in Maroko has evoked varying comments from a cross section of the Lagos State community, especially the print media. While it will be conceded that majority of Nigerians particularly those outside Lagos may not know much about Maroko's problems, it is regrettable that some of those who are familiar with the problems continue to hide the facts from the generality of our people as they prefer to interpret the Government's rescue operation of Maroko mischievously. Government therefore has the responsibility to adequately and correctly brief the people of this State on the circumstances surrounding its recent action.

You are all aware that the recent heavy downpour resulted in many areas being flooded to the extent that properties were destroyed in some parts of Lagos Metropolis. However, there was no area where the threat to lives and property was as great as in Maroko. Hence the truth has to be told.

For records, the issue of which family was the genuine owner of Maroko became a tussle between the Oniru and the Elegushi Chieftaincy families of Lagos as far back as 1965. This resulted in Suit No. IK/263/65 filed in the then High Court of Justice, Western State of Nigeria between Chief Yesufu Abiodun, the Oniru of Lagos (for himself and Oniru Chieftaincy Family) AND Lamina Lasisi and 8 others. During the pendency of the suit, the Elegushi Chieftaincy Family one of the defendants in the suit was selling a large portion of the land which was the subject matter of the suit. However, at the conclusion of the suit, the Court found and declared Oniru Chieftaincy Family the lawful owners of the land. Following from this, all transactions between the purchasers and Elegushi Family were a nullity. To mention in passing, majority of the claims so far received emanated from those who bought land from Elegushi Chieftaincy Family.

However, in 1972 when it became obvious that the Oniru Chieftaincy Family was embarking on the sale of the vast low-lying ditch of terrain, Government considered that the eventual sale of this land in its natural state would court disaster for unsuspecting citizens. Government had no option than to arrest the ugly situation through acquisition of the entire area. The acquisition notice was duly published both in the Daily Papers and the Official State Gazette as provided under the Public Lands Acquisition Laws.

The City Property Development Limited then brought an action against the Government on the acquisition of the land and the Company eventually lost when the Supreme Court ruled in favour of the State Government on 30th January 1976. At this juncture it is pertinent to state that Chief Abiodun Oniru at the time of this suit was a Director and Chairman of the Board of Directors of the Company and he gave evidence for the company to the effect that the land in question was given to the company and further stated that there was a written agreement between the Oniru Family and the Company. Chief Oniru further stated in evidence that the following people, that is to say Nofiu Giwa, Yesufu Yinusa,

Amodu Fashanu, Buramo Fashanu, Chief Abiodun Oniru and one of his sons signed on behalf of the Oniru Family. Moreover the State Government had incontrovertible evidence that while the case was going on, the Oniru Chieftaincy Family, in contravention of the Court's injunction restraining the two parties to maintain *status quo ante*, continued, to sell the land and actively encouraged development on the land without due planning approval.

It must be recalled that following the acquisition of Maroko as published in the Lagos State Official Gazette No. 20 in Volume 5 of 18th August 1972 as well as No. 23, Volume 5 of 26th October 1972, all those who had rights and interests in the acquired land submitted claims and were adequately compensated.

In view of the foregoing and in consonance with the provisions of Section 20 of the Decree No. 33 of 1976 - Public Lands Acquisition (Miscellaneous Provisions) Decree, the land in question became vested in the Government and thus no one can lay claim to be a genuine landlord or tenant.

It is however on record that after the Oniru Chieftaincy Family had lost in the courts, the family pleaded with Government to leave some portion of the land for their family use. Government considered this request mainly to prove that the acquisition was not motivated in bad faith as alleged in court and a portion of the land was conceded, duly de-requisitioned and published in the Official State Gazette in 1977. I should mention that this concession was granted on the understanding that the land area involved would be raised to a safe height above the sea level by sand-filling and that the family should resettle those who would be displaced therefrom. Sadly, however, these conditions were never fulfilled.

The hurried disposition of the land in this area resulted in the haphazard development of a settlement which breeds squalor, filth, inaccessibility, water-logged and insanitary living environment. Many attempts to drain the area have met with total failure as a result of flow back of water from the Lagoon and perennial sea incursion from the Atlantic Ocean. Therefore there could be no effective drainage system as the lagoon in the Northern axis is much higher than the terrain.

It is common knowledge that one requires at least a heavily reinforced raft foundation to build on a loose sandy soil. Unfortunately none of the buildings in this enclave had raft foundation. The result was to build dilapidated shanties and zinc covered structures. Worse still is the fact that many of those structures occupied the incessant flood plain to the extent that the plight of the inhabitants is compounded whenever there is any heavy rainfall which will make the water level rise higher. The only solution, therefore, is in raising the level to a reasonable height above the existing level.

Fellow citizens of Lagos State, could we pause for a while to imagine the magnitude of the danger to which our fellow citizens, particularly children, were exposed in this type of situation. The Ogunpa disaster of 1981 should have shown us all that rainfall and flooding are hardly predictable in volume and so also their devastating effect on human lives and properties.

Efforts by government to rid Maroko of its perennial problems had often been thwarted by political interest and in-ordinate ambition of certain people. Absentee landlords who had been very vocal on Maroko problems were in fact the people who had been exploiting the unfortunate tenants in Maroko. Sadly, the efforts of these people in concert with political vampires had only contributed to the sufferings of the people and Maroko continuously remained a shame to the nation.

We cannot always afford to be crying over spilled milk. We cannot afford to make ourselves a subject of sorrow and pity for others to be sending us condolence messages for a situation we could have averted. This Administration cannot afford to be negligent in this or any other matter. The Administration is poised to continue to prevent unnecessary and avoidable dangers and calamities to our people. It is all these that informed our decision to rid Maroko in that existing form.

In its Urban Renewal Programme, the State Government with the United Nations assistance, examined the housing and living environment of every community in the State and has identified 42 blighted areas, including Maroko. Thus, government has come to the conclusion that whilst certain areas only need to be upgraded as in Olaleye Village, Iponri and Oworonshoki, etc; some others will have to be totally re-developed in the overall interest of the inhabitants of the area. Such areas include Maroko, Ilado, Alaguntan etc.

In the case of Maroko, while Government recognised that some villages had long been existing in this enclave ever before the acquisition of 1972, it is equally true that the State Government had paid a total sum of ₦6.8 million as compensation to the Oniru Chieftaincy Family for both the land and structures thereon.

It is a general principle of law that he who comes to equity must come with clean hands. It is common knowledge that before any structure is erected in Lagos State, it must have a planning approval. No single structure in Maroko had a planning approval. Thus, those who erected such structures contravened the Town and Country Planning Laws and Regulations of the State. Also, no one can lay any claim of ownership to land without appropriate title documents that should have been properly engrossed, executed, stamped and registered. No single person affected here has shown any such evidence. The unsavoury situation should therefore be objectively appraised.

Under the Planning Regulations, any structure erected without planning approval will have to be demolished without compensation. As I said earlier, no one can lay claim to any land without the appropriate title document. None of the affected people here was seised of any of the above mentioned documents. Apart from these, many of them are now occupying State land without grants from the State Government. The conclusion which one could draw therefore is that they are all illegal occupiers and Government can neither encourage nor condone these illegalities. Let me emphasise that this Government will not set a bad precedent. It should be noted by all citizens that ours is to preserve the law and not to encourage people to break the law. Every intending developer should make use of the services provided by the Land Information Section in the Lands and Housing Department. "Ignorance of the Law is no excuse".

The foregoing notwithstanding, Government is taking steps to ameliorate the sufferings of the affected people and ease their plight in favour of a permanent solution. A Committee has therefore been set up for that purpose under the Chairmanship of Lt. Col. Tunde Braimoh. As you are aware, the Committee has commenced work although its progress has been slowed down by the spate of lawlessness characterised by illegal occupation of the housing units reserved for emergency purposes at Ilesan and Ikota. For instance, it is known that people outside the affected area have taken advantage of the situation and are now occupying some of the aforementioned housing units. I wish to use this opportunity to warn these illegal occupiers of the housing units to vacate them immediately. Those who fail to comply will be ejected.

I should however make it clear at this juncture, that the Government of Lagos State is aware of its responsibility to ensure decent life for every citizen of the State. In particular, Government has the responsibility to protect the people at the bottom level of the society, to save them from exploitation and also allow them un-hindered access to good things of life. It has therefore mapped out the following lines of action to be taken on Maroko over time:

- a. Maroko and other adjoining land will be reclaimed through sand-fillings to make it a properly drained land. This, no doubt, will involve a huge expenditure.
- b. The sand-filled land will be put to the following uses, amongst others:
 - (1) The Eastern sector of the scheme shall be used to permanently resettle those villagers that have been identified as at 1972 and whose names are contained in the list with the State Government.
 - (2) A Technical Committee comprising all relevant professions is being put in place to work out the planning and development of the demolished Maroko.

It should be noted that government intends to mix these development without any form of segregation as every citizen deserves a share of the facilities provided by government. I want to make it clear to all and sundry that the government will not be a party to exploitation. The use of Maroko as enumerated, will be pursued with the same zeal and vigour as witnessed in the demolition exercise at Maroko, all for the benefit and in the interest of the entire citizenry.

Before I end this broadcast, I want to enjoin us all to be law-abiding, show understanding and co-operate with Government in its urban renewal efforts and in its determination to forestall avoidable disaster in any part of the State.

Thank you all and God bless.

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