

**THE OCCASION OF THE OPENING OF WORLD BANK
SEMINAR : NATIONAL CONGRESSIONAL
CONFERENCE ON ECONOMIC AND
DEVELOPMENT ISSUES**

THE OCCASION OF THE OPENING OF THE
SEVENTH NATIONAL CONFERENCE
ON THE PROGRESS OF ECONOMIC AND
DEVELOPMENT POLICY

**ADDRESS BY
HIS EXCELLENCY, PRESIDENT OLUSEGUN OBASANJO
ON THE OCCASION OF THE OPENING OF WORLD BANK
SEMINAR : NATIONAL CONGRESSIONAL CONFERENCE ON
ECONOMIC AND DEVELOPMENT ISSUES, ABUJA
THURSDAY, 7TH OCTOBER, 1999**

It is a great event for Nigeria to host the President of the World Bank. I am delighted to welcome President Wolfensohn to our capital city, Abuja, and I wish to express my appreciation for this visit which is his first to Nigeria since he assumed office in 1995. I would also like to take this opportunity to extend my heartfelt congratulations to you, Mr President, on your recent re-appointment to serve a second term in office.

I am particularly happy and grateful to President Wolfensohn for his untiring support for the new democratic dispensation in Nigeria, a support which predates the inauguration of this Administration. I met with Mr Wolfensohn in Washington DC earlier in March when I was President elect. I conveyed to him my vision for Nigeria and he promised that the World Bank would lend its support. I want to publicly acknowledge and express profound gratitude to him for making good his promises.

Since the inauguration of this Administration on May 29, the World Bank Group has manifestly stood by us. The Bank has sent a number of missions to Nigeria in the bid to chart a new course in our conduct of governance and the management of the national economy. Within the past four months :

- (i) the staff of the World Bank have assessed our economic management capability and designed a project for its upliftment ;
- (ii) they have carried out a Country Procurement Assessment Study for Nigeria as well as a Country Financial Accountability Assessment ;
- (iii) they have studied and made suggestions on the financial restructuring and eventual privatization of aspects of NNPC's operations ;
- (iv) they are currently on the field in Nigeria conducting various studies in the area of poverty alleviation, healthcare improvement, educational facilities rehabilitation and rural infrastructure development, to mention just a few.

The staff of the Bank have appraised and undertaken to provide consultancy support for the privatization of Nigeria Airways. In fact, the engagement contract agreement will be signed between Mr. Wolfensohn and Vice-President Atiku Abubakar later today. One is tempted to think that the Bank has been working only for Nigeria in the last four months.

I, therefore, on behalf of all Nigerians wish to thank Mr Wolfensohn most sincerely for all the expressions of his personal commitment to our goal. We thank him for the resources, both financial and human, which the World Bank under his leadership, has dispensed to Nigeria these past weeks. We are challenged to keep pace and to live up to the promise and the vision we shared with you in March when you so kindly received me in Washington.

The World Bank used to be very active in Nigeria. Since Nigeria took her first loan of 28 million US dollars from the World Bank in May, 1958 to finance a railway expansion project, the portfolio of the Bank's investment increased steadily. By 1993, the Bank had committed a total of well over seven billion US dollars to 98 operations in Nigeria. Tragically, as a response to the adverse image of evil governance, the Bank Group in 1994 suspended further investment in Nigeria. I am pleased to note that the Bank is now back and in a very big way, under Mr Wolfensohn's kind leadership. On our part, I hasten to add that we welcome the Bank's initiatives which are in response to our requests for Bank support in education, roads, health, water supply and poverty alleviation in the country.

Mr President, I feel particularly reassured by your speech last week at the World Bank/IMF Annual General Meetings. You rebuked the "cancer of corruption" in governance and advocated the acceptance of the "challenge of inclusion", by which you urged development in human terms to "bring the weakest and the most vulnerable from the margins of society to the centre stage". Our entire Council of Ministers have studiously listened to that inspiring speech. Our Administration shares your conviction and accepts the imperatives of your message which we consider to be of particular relevance to our society. Nigeria's population is currently estimated at about 120 million. Available statistics indicate that 65 per cent of our people are living below the poverty line. The poor are thus in the majority in our country. And we have little choice but to focus our policies and programmes on poverty alleviation.

This Administration is in complete agreement with your concept of Comprehensive Development Framework (CDF) by which our economic and development programmes are linked to the objective of eradicating mass poverty from our society within the shortest time possible. In pursuance of this theme, we have equally decided to pursue policies that attract foreign direct investment into our productive sectors. We will take the government out of economic activities that are better managed by private sector initiatives. In this regard, our Administration has embarked on privatization programme which on completion

will make the private sector the engine of economic growth. Government will henceforth content itself with the provision of an enabling environment for a thriving market-driven economy that is led by private sector investments.

Our Administration is determined to promote food security by encouraging increased investment in agriculture through fiscal incentives that reduce the associated costs and risks both to the borrowers as well as the lenders. We have taken concrete measures to safeguard life and property. We will defeat crime and enhance security by providing the law enforcement agents the capacity to put criminals out of business. On our part we shall be fair and firm. We shall promote and enhance the rule of law and give all residents in Nigeria a sense of dignity and self respect. We are committed to making maximum investment in education with the Universal Basic Education (UBE) programme as its centre point. In addition to up-grading our healthcare delivery system, we are committed to fighting the causes of maternal and infant mortality and improve the life expectancy of our population.

Overall, Mr President, this Administration is committed to the pursuit of sound economic policies which promote structural reforms and growth as well as a macro framework which rapidly downsizes unemployment at home and encourages exports, especially of manufactures, solid minerals and hydrocarbons.

We however need the support and assistance of the World Bank and the IMF in our endeavours. In addition to the usual areas in which they have been supporting us, we need the Bretton Woods Institutions to lend their voices and influence to our efforts at recovering the wealth of this country illegally stashed away in Western countries by some of our own citizens. Secondly, we need the assistance of both institutions in securing debt remission from the Paris Club. Our current level of debt burden is not conducive to nurturing and sustaining our newly hard-won democracy. And yet, it is in our interest, in the interest of Africa, and indeed the interest of the world, that democracy in Nigeria should thrive on a sustainable basis.

Nigeria is prepared and determined to do its own part. Before the end of the year, we will secure a Stand-By Arrangement (SBA) with the International Monetary Fund (IMF). Our quest for an SBA is not just for the purpose of facilitating our bid for debt reduction from the Paris Club. We are convinced of the need to have a transparent, market driven, private-sector led and competitive economy that will eventually be self-sustaining, employment generating with low levels of inflation. Mr President, we shall continue to count on the World Bank and the IMF as we tread along.

In conclusion, I wish to express my pleasure at President Wolfensohn's presence at this National Congressional Conference on Economic and Development Issues in Nigeria. Apart from his presentation on the theme of the conference which I am sure will enrich the quality and depth of discussion by the participants, his presence will equally afford members of the legislature the opportunity to get to know at first hand the collaborative relationship which exists between our country and the World Bank. It is my fervent hope that our distinguished legislators will avail themselves of the presence of President Wolfensohn to lively discuss our economy and other pertinent development issues that are germane to our country's march into the next millennium.

I wish you exciting and fruitful deliberation.