
2008 EDITION

TradeInvest Lagos

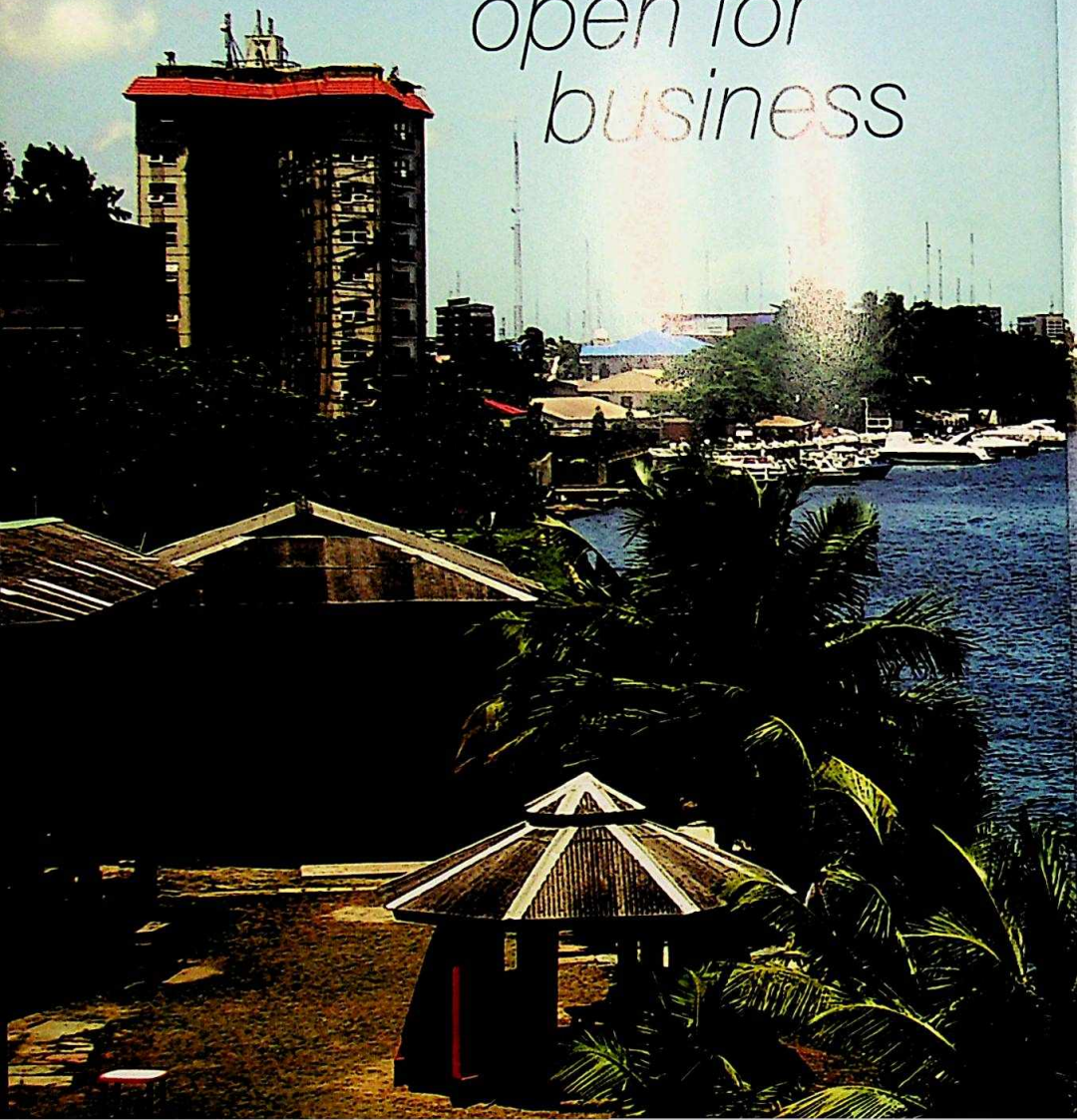


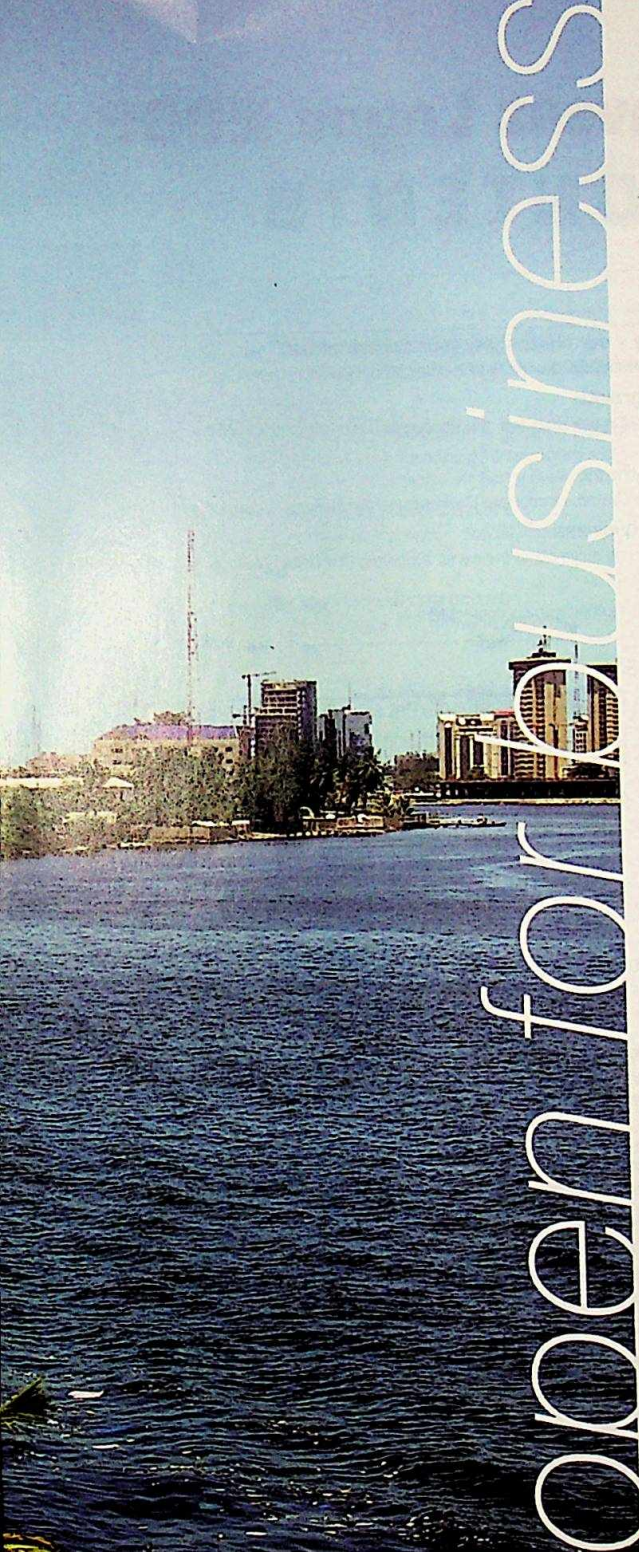
A GUIDE TO BUSINESS
AND INVESTMENT *in*
LAGOS STATE



Lagos

*open for
business*





OPEN FOR BUSINESS

Layo Shutter



TradeInvest Lagos 2008

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TradeInvest Lagos 2008 is published by Africa Investment Publishing Ltd (Nigeria)

Editorial and production Publishers: Caterina Bortolussi and Chris Whales
Editor: John Young **TradeInvestNigeria editor:** Jaco Maritz

Production and research: Raymond Obialo **Production assistant:** Oluchi Onwumeré **Special contributions:** Hakeem Bello: Senior Special Assistant on Media to the Governor, Segun Ayobolu: Special Advisor Information and Strategy to the Governor **Photographs:** Olaoipekun O Lukmon (Personal Photographer to the Governor), Lagos State Government, TradeInvestNigeria (www.tradeinvestnigeria.com) **Page layout:** Orchard Publishing **Printing:** Shumani Print Services

Published by Africa Investment Publishing Ltd (Nigeria)

Company registration number: 685785 **Address:** 4th Floor, Adamawa Plaza, Plot 1099, 1st Avenue, Central Business District, Abuja, Nigeria
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In association with Africa Investment Publishing (Pty) Ltd,
South Africa Company Registration No: 2003/024/127/07
Directors: Clive Daring, Chris Whales, Richard Pembroke

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Welcome to Lagos

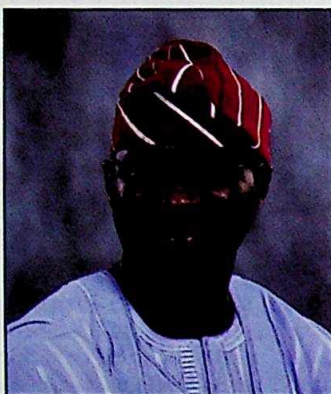
Our challenges – your opportunities

*The Governor of Lagos State, His Excellency Babatunde Raji Fashola (SAN)
outlines the investor-friendly policies of his administration.*

THE GOVERNMENT and people of Lagos State heartily welcome to the market the inaugural issue of *TradeInvest Lagos*, a new annual publication produced in association with *TradeInvestNigeria* (www.tradeinvestnigeria.com) that seeks to showcase the extraordinary developments and commercial opportunities in Lagos State. This publication is being launched at a very critical period in the evolution of our state; a time when firm foundations are being laid to make Lagos mega-city a major global economic player in the nearest future.

The administration of Lagos State is determined to make Lagos the investment destination of choice in Africa and ensure that the global business community is fully aware of the vibrancy and opportunity in our growing economy.

Our goals are ambitious. In striving to develop the human capital of our state and actualise her immense potential, we have embarked on a 10-point agenda to deliver a 'Brighter Rewarding Future' to all our citizens. Our plans are detailed and specific. The goal of the Lagos State Economic Empowerment and Development Strategy is to create in Lagos a model African mega-city



**The Governor of Lagos State,
His Excellency Babatunde Raji
Fashola (SAN).**

that is a hub of financial and economic growth.

The radical modernisation of our infrastructure remains the cardinal priority of our administration. Thus, we have allocated ever-increasing amounts of money to infrastructure development in the knowledge that this will create employment and boost opportunities for prosperity. We know too that we cannot achieve all our goals alone. Part of the reasoning behind our massive investment in infrastructure is to create

a favourable climate for foreign direct investment. We believe that the best way to stimulate prosperous growth is to create a conducive environment for private businesses to thrive.

In anticipation of increased economic activity and competition, we have strengthened our laws to enhance more efficient regulation of diverse sectors including vehicular traffic flow, environmental cleanliness, physical planning, building safety, micro-finance institutions and mortgage loan schemes. In some cases, new regulatory authorities have been established. For example, a water authority has been brought into existence to regulate the many waterways of our metropolitan area as we roll out a new

mass transit project, which includes a system of ferries.

We have strengthened the remit of the land transport authority to regulate two additional projects that will address and solve the Lagos traffic problem: the recently launched Bus Rapid Transit scheme and the light rail scheme which is still in the designing and planning stage. New laws on the protection of intellectual property rights are being drafted specifically with investors in mind. We have established the Lagos State Security Trust Fund as a unique initiative that enables the private sector to partner with government in enhancing public safety through improved funding of security agencies.

Lagos is open for business.

We are blessed with many historical, economic and geographical advantages but we face many challenges in trying to achieve our goals. We are an established transport hub, with our international airport and sea ports accounting for large percentages of the travel and trade of the Federal Republic of Nigeria. We are proud that most of the nation's corporations choose to have their headquarters in our city. The location of Lagos State is highly favourable to capitalising on the vast resources of Nigeria and West Africa and to trading in a market of 18-million people.

We have the highest concentration of human beings in the smallest landmass in Africa. Our soil is rich and our waters are bountiful. The spirit and enterprise of our people know no bounds. In creativity and innovation we are people of great renown. The residents of Lagos State comprise people of diverse races, cultures and faiths who live harmoniously in a mutually enriching environment.

Lagos State has led the way in embracing constitutional democracy and the rule of law. We have been a constant and vocal advocate of wholesome democracy and true federalism in Nigeria.

Under the leadership of Asiwaju Bola Ahmed Tinubu, the immediate past Governor, Lagos State enjoyed eight years

of steady progress. This administration is building on that legacy to elevate Lagos to unprecedented heights of stability, security and prosperity. We do not underestimate the challenges we face. Much of our infrastructure is still inadequate and the demands of services in a city with a population approaching 18-million are immense. It is precisely for this reason that we invite investors to see our challenges as their opportunities.

A vital plank in the policy of the Lagos State Government is the Public Private Partnership. Through this initiative, which is already bearing fruits in many areas of public service delivery, the investor is granted very favourable conditions in which to make a return on the investment while the people of Lagos receive a reliable and efficient service.

The involvement of a consortium of Chinese companies in the infrastructural development of the Lekki Free Trade Zone is a case in point. Land use and concessioning rights made good sense for the investors while Lagos State, with the infrastructure in place on a 16 500-hectare site, is now in a position to launch phase two of this most exciting project. All these investors will enjoy attractive incentives such as the right to repatriate capital, tax holidays, licence waivers and access to the Nigerian market.

Lagos State offers the willing investor one of the highest rates of return on investment in the world. Boundless opportunities for profitable investment exist in tolled road construction, water transportation, light rail mass transit schemes, housing estates, waste management and compaction, water supply and distribution, electricity generation and distribution, hospitality, recreation and entertainment among several other exciting possibilities.

This brochure aims to give the potential investor an unparalleled overview of the commercial landscape and opportunities of Lagos State. Investors from all over the world are showing increasing confidence in Lagos State. Lagos is open for business. We look forward to welcoming you.

www.tundefashola.com

Investors can start booking their flights

*Interview with His Excellency Babatunde Raji Fashola (SAN),
the Executive Governor of Lagos State, Nigeria.*

What is your overview of the Lagos State economy and the broader economic outlook in Nigeria in general?

The current leadership is a fresh and more youthful generation who have experienced both sides of the coin in Nigeria's development. We must now focus on broadening economic development in the non-oil economy and maximising the opportunities that this presents. Encouraging enterprise and creating jobs is paramount.

We have been more or less stagnant for almost a quarter of a century. Locally and nationally we can't finish all the work required in a four-year term but we can set irreversible milestones and a foundation for the future.

How are you going to ensure continuity with the work of the last administration?

I was the chief of staff to the immediate past governor. Continuity was the underpinning message in my campaign because all the promises were made from an informed position on what was achievable.



The ports of Lagos account for most of Nigeria's trade and capacity will expand even more when the Lekki Free Trade Zone comes on stream.

What are the main competitive advantages of Lagos State?

The competitive advantages of Lagos State are geographical location and the resource that is our people. When you have a large population it is an asset, but unless properly harnessed, it can be a liability because you have to provide the essential services for the people.

Our location as a coastal state is a major selling point which makes international trade really easy: we have a history of international trade with the Portuguese which goes back to the 18th century. Lagos handles about 60% of trading activities of the ports across the country but is still in need of a new port. That is why we are developing a free trade zone to expand the opportunities our location provides.

Our coastline also offers an enormous advantage in terms of tourism. To move tourism forward we must carry out infrastructural regeneration. It should be possible to leverage our physical attractions to become a major tourist destination for the continent, not just for the country.

Infrastructure, and transportation in particular, is at the heart of Lagos's problems. How are you tackling the challenges of mass transit?

The Lagos State Government has embarked on massive infrastructural development projects in partnership with the Federal Government. One of our challenges now is to develop the waterways and we are setting up three pilot routes. We are showing the way and we believe some international partners will want to join us.



Lagos State aims to become a major tourist destination for the continent.

The government will provide regulations, ensure safety and build top-quality jetties. We are partnering with a Dutch company to build passenger waiting rooms at embarking and disembarking points. From there on, the private sector will run the routes on a concession basis, which will be managed by the New Ferry Transport Agency. Transportation infrastructure is so critical because Lagos is a service and trading economy.

Lagos has been projected to be the third largest mega-city in the world by 2015. It is imperative that government must focus and accelerate the preparations necessary to enable Lagos to manage the challenges that come with being a mega-city. These include transportation, critical services like water, and security. They are the vital cogs that create a good quality of life.

These are not simple projects, however. It requires myriad solutions. We must move to a multi-model transportation system of water and rail. These plans present opportunities for partnerships.

The road projects in Lekki seem to have been a great success. Do you have plans to replicate this project?

The Ikorodu road is a major arterial road built over 30 years ago. Demand has outstripped capacity and therefore we want to introduce a public bus system.

We have taken one lane out of the main carriageway and dedicated it to buses. We have about 75 000 commercial buses in Lagos

but most are of an unacceptable quality. They need to be replaced in a rolling programme.

We currently have 200 new buses deployed and we are getting those commercial bus owners to come and invest. They have put their resources together and they have bought buses of the same quality that we bought. They have taken concessions and they are running with it. We hope this progress will stimulate and encourage additional investors in this sector.

Lagos is a favoured investment destination because the naira is one of the most stable currencies and Lagos is the commercial hub of West Africa. What is your administration doing to encourage private sector participation?

I was a private sector person before I came into government and therefore I understand the mindset of the private sector; they will make an investment if the environment is right and the return on investment is good. Nigeria as an emerging economy will deliver a high return on investment provided the structures and services necessary to support enterprises are in place. In addition, we must provide a secure environment supported by an efficient judicial system.

We are undertaking massive reform of the infrastructure of the magistrate system. Our judicial reforms will increase the jurisdiction of the magistrates' courts, making them more robust and more efficient.

Lagos State has also launched a renewed rapid respond squad in partnership with the private sector to deal with violent crime. The private sector provided 200 brand-new vehicles to support the Lagos State security command. Security of life and property is the foundation upon which all of these programmes will stand. We have also set up a security trust fund to sustain what we have done.

I intend that after me, no governor will have to deal with this kind of problem again. This programme has been successful largely due to the partnership we built with the private sector and this is a signal to the international investors to start booking their flights to Lagos.

Sowing seeds for growth

*Interview with Barrister Opeyemi Bamidele,
the Honourable Commissioner for Information and Strategy, Lagos State.*

Could you explain the philosophy behind the administration of His Excellency, Governor Babatunde Raji Fashola (SAN) and his cabinet?

We are an administration that is based on a strong philosophy deriving from our own conviction. To begin with, no man is responsible to himself alone. Every man or woman is responsible partly to his or her community, partly to his or her immediate family, partly to his or her city or state, partly to his or her nation and partly to himself or herself. It is this guiding philosophy that underlines the steps we are taking when it comes to formulating policies and programmes and also when it comes to implementation.

We have consciously dedicated ourselves from the earliest days in office to creating a new Lagos. This administration is an offshoot of an administration led by the social activist, His Excellency Asiwaju Bola Ahmed Tinubu, who was the governor for eight years from 1999-2007. It was an administration that inherited a nearly failed state, an administration that had to revamp a state that has failed in terms of its infrastructure and social development, in terms of its economy, and in terms of damage done to our psyche as a people as a result of decades of military dictatorship.

We have peace now after three centuries of slave trade and slave exploitation and 100 years of colonialism between 1861 and 1960 when we got our independence, and of course Lagos played a central role in all of these. Since 1960 when we became independent, it has been trial and error. Even with the self-determination and self-governance that



Barrister Opeyemi Bamidele, the Honourable Commissioner for Information and Strategy, Lagos State.

we are supposed to have had, we had almost three decades of military dictatorship representing the darkest hour of our nation's life. It was a time when the rule of law was substituted for rule of force and it was at a time when all Nigerians were meant to exist as humans without rights.

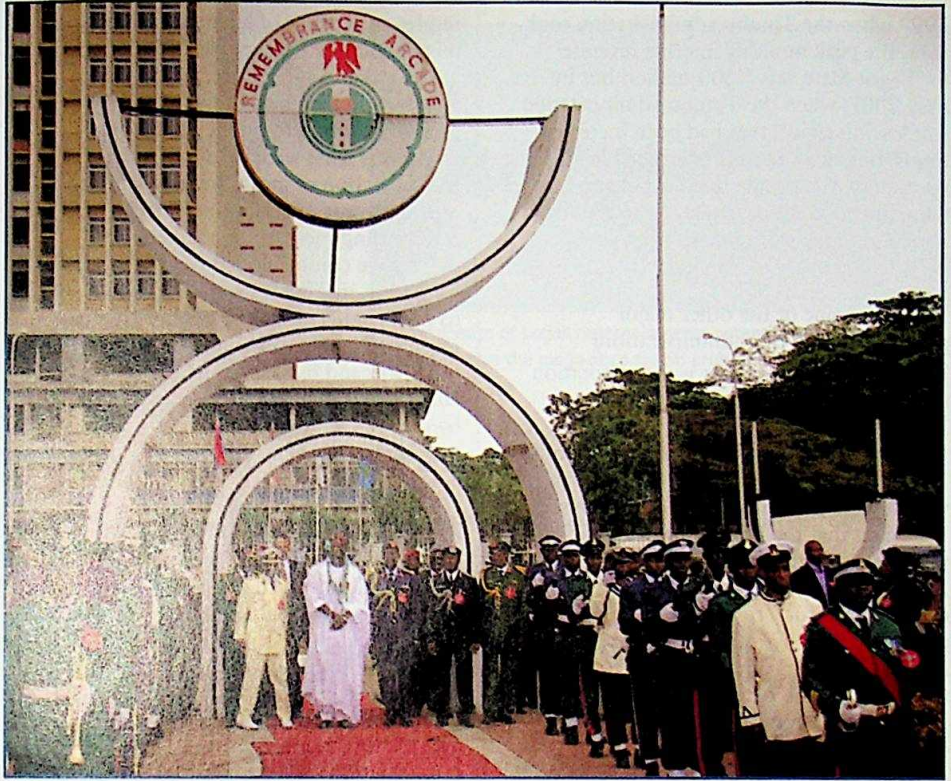
The cumulative effect of all of these was a harvest of social degradation. We are talking about over 60% of our national population being youth; you have an army of very angry youth that became so dejected and lost faith in this system. Many of them have

graduated and are unemployed.

It is not just a moral issue, it is a sociological issue and that is the background against which this administration took over the running of the state in 1999. For eight years this administration was doing its best to resuscitate our values, to bring back our lost glory as a state.

The current governor was a part of that administration. He was the chief of staff for four-and-a-half years. So in early 2007 it was time for the governorship and state legislative elections, and our slogan and request was for Lagosians to vote for continuity. We did not believe in the third-term agenda, an initiative of some of those who tried to perpetuate themselves in office; we felt that our constitution provides for a maximum of two terms in office. Lagos was one state that stood by the people of this country in defence of our constitution, which is the basis of the rule of law, the very foundation of democracy.

At the same time we wanted continuity in terms of consistency of policy and programmes. We have had our focus on a



As part of the Federal Republic of Nigeria, Lagos State has lived through troubled political times and is reaping the dividends of peace and democracy. Independence Day is always proudly celebrated at the Remembrance Arcade.

number of things: to be able to protect and guard the legacies of the past administration, legacies in terms of social transformation and infrastructural development; resuscitating the hope of our people; trying to give the most desperate a new beginning; and the determination to create a new Lagos.

The other area of focus has been to take Lagos to a new level. Part of the challenge of the previous administration was to rescue the state from total collapse. Today it is a different thing altogether. We are faced with a new challenge of creating a new Lagos that can meet the expectations of our status as a mega-city: a mega-city that will be taken seriously by the rest of the international community; a mega-city where there will be a conducive investment environment; where there will be

security of lives and property and where there will be all kinds of modern-day infrastructure. In short, a functional mega-city. In pursuit of this philosophy we have embarked on many projects.

Part of the legacy of the past administration that we are sustaining is the strong philosophy of survival that emboldens us to look beyond what is coming from the centre. So we have a federal entity that is so strong and so powerful at the expense of the federating units: the states and the third tier of government which is local government.

The consequences of this are that you can see states and local government councils that hardly survive. So we learnt to look inwards and increase our own capacity to generate income locally within the state. As of May

1999 when the Tinubu administration took over, the peak monthly internal revenue for Lagos State was N600-million but by May 2007, when the Tinubu administration was leaving office, that had been increased to N7-billion as a result of leadership continuity. Within the first year of the Fashola administration we have taken it to the next level and today we are generating about N10-billion every month internally.

What are some of the other major achievements of this administration?

The greatest achievement is the restoration of faith in the public sector. Governor Babatunde Fashola (SAN) is seen by Lagosians as a man of his word, the promise keeper. There were collapsed bridges that we felt were life-threatening. He promised Lagosians that the bridges would be up again within six months; he delivered. Ikorodu Bridge is one such example. We have pulled down some structures we felt were built in violation of physical planning laws and regulations. He promised various things in the area of health delivery and today we have been able to commission different projects especially in our general hospitals and in the Lagos State University teaching hospital.

The decision of the governor to commemorate every 100 days in office and

render an account of his stewardship is part of our philosophy – to get back to the people.

In food and agriculture, we have been able to help members of the public pay greater attention to public health; one example is what we have done in the area of transportation of meat. We have launched our meat vans, special vehicles to be used for transporting meat to the markets.

We have commissioned work on additional fish farms, making it possible for more people to own land. The state executive council recently approved an additional 400 plots for fish farms and fish estates where people could come, build their own house and have their own large commercial fish ponds and, with government assistance, ensure that they are able to run them.

We have strengthened the Lagos State Traffic Management Authority by recruiting more people to manage the traffic situation. We are sending them on training courses within and outside the country to acquire up-to-date skills. We are acquiring more equipment for them to be able to do their work perfectly.

In science and technology, we have been able to provide employment and employment opportunities for a lot of people. In the last nine years we have employed over 7 000 graduates. The past administration started



As the transport hub for Nigeria and West Africa, Lagos is well positioned to attract foreign direct investment.

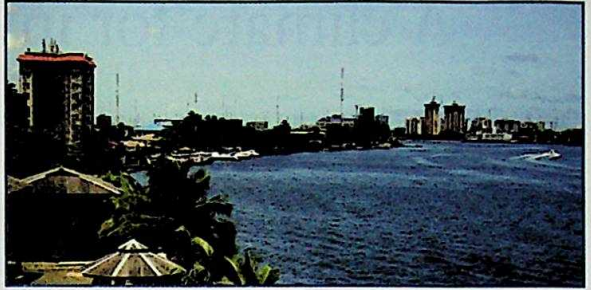
in 2000 with the employment of 5 000 university graduates. They were called the Millennium Graduates. They were given special training in information technology and they then became the trainers. They were dispatched to various agencies of the government to train everyone from the top echelon of the public service to the lowest grade on the use of information technology. Most of our operations in the various ministries and agencies are now computerised.

We have been able to rehabilitate many schools. We have spent well over N2-billion in a year on renovations and creating more classrooms. We have given lots of scholarships, both here at home and for specialised post-graduate education in Europe and America.

What about the investment framework that has to be created to facilitate foreign and local investment into Lagos State?

Lagos continues to serve as the commercial nerve centre of the country and the West African sub-region. Lagos State is where you have most of the sea ports and the international airport. Part of the implication of this for us is that investment will continue to flow into the state. We came to the conclusion that we needed to pay more attention to our local situation: issues of security of lives and property; issues of honour in the system by using the law-enforcement agencies to combat white-collar crime and scams that will chase investors away. And we also chose to adopt a sociological approach to crime-fighting.

We then came to the conclusion that there is a need for a combination of all the steps to be taken locally so that when investors come here they will see us as decent people doing everything we can to address the issue of attitudinal change on the part of the people. What is the thinking of an average cab driver in Lagos? How welcoming is he going to be to an investor, tourist or visitor coming into the state?



The waterways of Lagos represent great potential for tourism. They could also solve the mega-city's traffic problems with the introduction of a ferry system.

And most fundamentally, and more than any other government in this country, including the federal government, Lagos State has begun to address decisively the issue of intellectual property protection. It is not enough to say that inventors and investors should come and invest in our economy – to what extent can they feel safe that their trade secret is protected? To what extent is their patent right, copyright and trademark protected?

We are enforcing all laws that are connected with intellectual property and it is a matter of time before more and more investors will come. In another two years, this Lagos that you see today will be very different.

What is the policy vision of the Lagos State administration going forward?

The next three years will be a period of harvest based on the seeds of hard work, visionary investments and the passion that we have spent the last year sowing. The trees that we have grown for the last year, both physically and philosophically, will blossom. By the end of the four-year term of Governor Babatunde Fashola (SAN), Lagosians will have cause to celebrate us as a government and as a political tendency. Lagosians will become much more passionate and greater believers in democracy as the best form of government. They will have been further convinced that government can work where we want it to work. That is the kind of vision that we have for Lagos State.

A climate for investment

Interview with Mr Rotimi Oyekan, Honourable Commissioner for Finance, Lagos State.

Please give an overview of Lagos State and its potential.

Over 17-million people live on 377 000 hectares of land in Lagos State. Lagos has the highest migration rate in Nigeria and it is the only state that has a sustainable, independent income profile. Lagos is the most urbanised area in the whole of West Africa, so there are obviously investment opportunities in the renewal of infrastructure and in building up tourism and all that flows from that – entertainment, hotels, casinos, etc.

However, first we have to improve the infrastructure to increase productivity and then, given the greater number of people with disposable incomes, create ancillary opportunities for business. A priority is to create a well-organised transport system so an average wage earner can plan his expenses and improve productivity.

What is the current GDP of Lagos State?

The index tied to the national GDP estimates that ours is roughly 60% of the national figure but we have never had a system where financing the state is tied to that GDP, either in terms of revenue allocation or in terms of financing opportunities for the state. This administration is the first government in Nigeria requesting equity in generation and use of income.

The debt portfolio of Nigeria is tied to the GDP potential. If Lagos State contributes 60% to the national GDP, the percentage of what Lagos should be able to access should be commensurate. This has never been the case in the past.

In terms of revenue allocation, where about 65% of VAT income comes from here, we are



Mr Rotimi Oyekan, the Honourable Commissioner for Finance, Lagos State.

getting less than 7% of the overall VAT allocation. Our strategy is geared towards resolving these challenges.

What are the major challenges you are facing for approving and implementing fiscal responsibility bills and procurement bills?

We don't have problems with either; we are in the final stages of our procurement bill because it has direct relevance to us. If we are accessing more debt, it means we have to be more transparent in how we spend and we have to be more equitable.

To that end, we already have a draft bill. It will soon go to the House of Assembly. Plans are in place for putting the fiscal responsibility bill in place.

And when it comes to internally generated revenue (IGR)?

We Lagosians feel that we have a unique opportunity of making our state the first that will be independent of the federation. Our IGR profile has been rising. When we came into power, we had an IGR profile of N7-billion a month, and now we are going to N11-billion a month and we have a target to get to an average of N25-billion. We aim to sustain that profile.

What about the position of the state when it comes to improving public procurement and fiscal behaviour?

The public procurement act is set to be passed by the Lagos State House of Assembly soon. Every procurement is subject to a high level of transparency and a general level of scrutiny which conforms to world-class standards. In the next six months we will start to

implement it, and we have standardised our tender practices in preparation for that.

What have you done to facilitate private sector involvement?

I have initiated and championed the public private partnership (PPP) process. The idea is to create a PPP office that conforms to the highest level of practice. We had a workshop and seminar in November 2007 in which we had first-class participants from different parts of the world. A submission from that workshop was sent to the Governor and he approved it. This will lead to sectoral reforms and the establishment of a legal framework for the utilisation of private capital in delivering social goods.

To fund these projects, do you have something else in mind to attract investments?

We are working on the investment climate with the World Bank, using a wide variety of indices to measure how much an environment can contribute to attracting capital. Things like the taxation environment, business registration, justice, security – we are improving in all these areas to ensure that the general environment for doing business lives up to the highest level of expectation internationally. Other areas we are working on include the granting of land rights and transfer – all to encourage a large flow of foreign direct investment (FDI).

Nigeria has previously had a negative image and people are sceptical. They need to see commitment from the state and world-class standards. When they see all the criteria in place they will know that we are serious and will be willing to visit and invest.

Every country develops itself. There is no country in the world that has developed by allowing other people to come and develop it for them. We are conscious of that. We are saying that you can come here if you respect us and if you have value to give. We will not be subject to standards that we believe are unfair, and be involved in deals that are not equitable or based on prejudices.

Give us some examples of private parties that are actually operating in Lagos State?

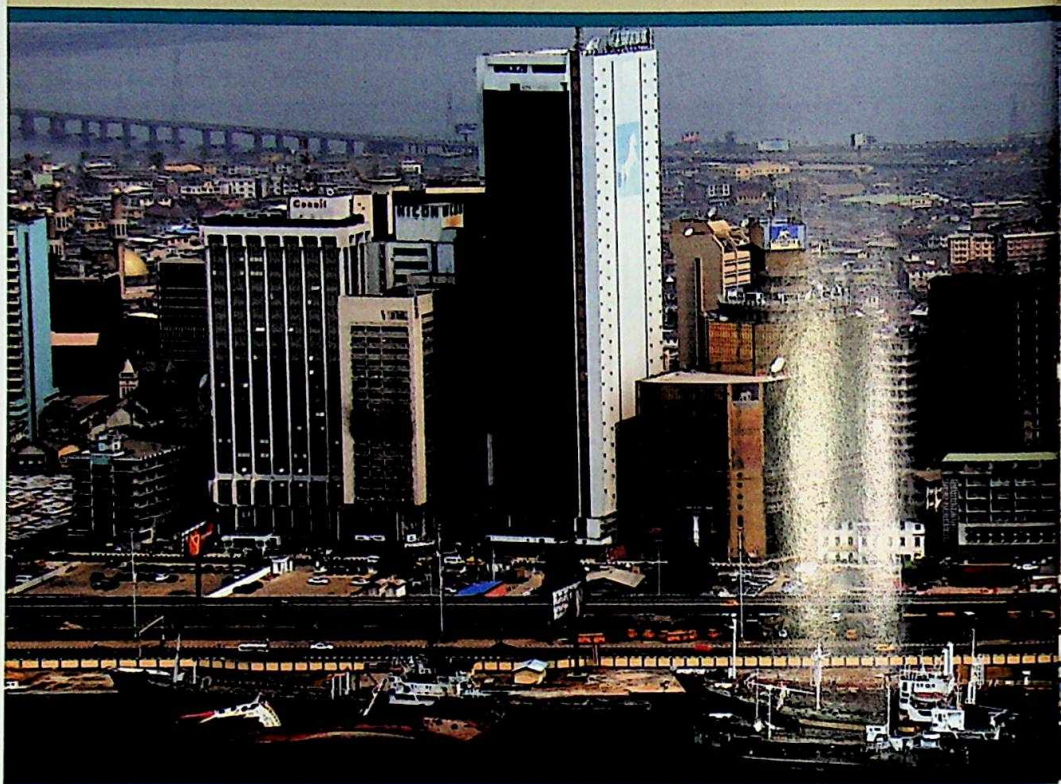
There is an American company that is working in some parts of the Lekki Free Trade Zone, there is a Chinese party that is assisting us with infrastructure funding, a South African entity was recently granted the licence to run a casino business, and there are many other interesting people who are coming to take advantage of our transparency and our drive to make Lagos a better place.

What is the vision you have for this government?

The Governor has outlined our vision very articulately. At the very least we aim for the development, redevelopment, financing and sustenance of a new, modern, urban city in sub-Saharan Africa. This is the minimum this administration intends to achieve. There are so many projects and so many initiatives.



Lagos State accounts for 65% of Nigeria's Value Added Tax and is the economic and transport hub of the region.



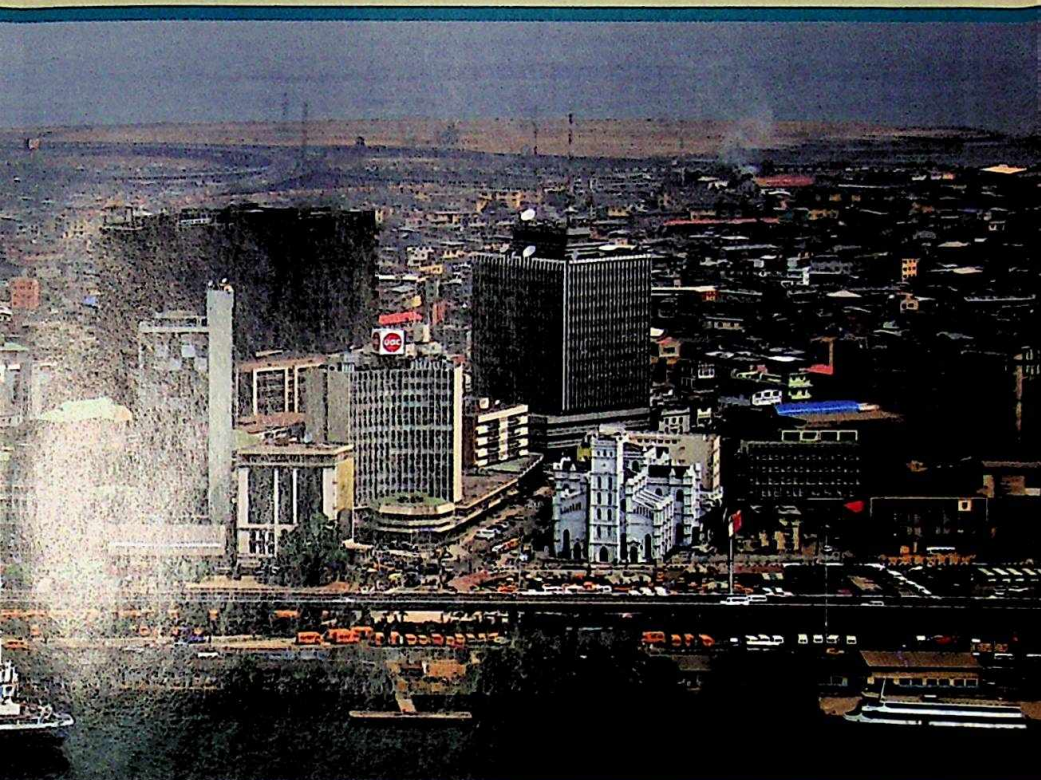
Lagos is the fastest growing megacity in the world, expanding at 5% per annum, according to the United Nations Habitat Report, 2006

Lagos is the sixth largest city in the world and is projected to become the third biggest urban conurbation on the planet by the year 2015. With a population density second only to Mumbai in India, Lagos faces enormous challenges but nearly a decade of political stability has allowed three democratically

elected state administrations to start to rebuild and rejuvenate the economic power-house of Nigeria and West Africa.

The city-state of Lagos is the most populous state of the Federal Republic of Nigeria and is the leading non-oil sector contributor to the federation's Gross Domestic Product (GDP). In 2006, Lagos contributed 30% of the nation's GDP, consumed more than 60% of its energy, paid 65% of its Value Added Tax (VAT), and accounted for 90% of Nigeria's foreign trade and 70% of all industrial investments. With three lighter terminals and two ports, Lagos

Lagos is ready for Business



Lagos is the economic hub of West Africa. It accounts for 50% of the ports revenue of the Federal Republic of Nigeria and plays host to most national corporate headquarters in the country.

generates 50% of Nigeria's port revenue and the Murtala Muhammed Airport is the major hub for aviation within West Africa, and between the region and Europe.

State government expenditure has been heavily focused on rehabilitating infrastructure and building new roads, bridges and water plants. Waste management has also been upgraded while an ambitious plan to completely re-engineer the public transport system is being pursued. The first phase of this project, the Bus Rapid Transport (BRT) system of dedicated bus lanes, has already been rolled

out and the second stage, which envisages a system of ferries to exploit the many waterways of the state, will come on stream later this year. A light rail system is in the design stage.

Improved government financial controls and other steps intended to create a favourable climate for investment have seen confidence grow in Lagos as a destination for investors. An agreement for the largest direct funding of a sub-national government was recently concluded between the Lagos State Government and the World Bank. Multilateral donor partnerships include US\$150-million



Lagos offers visitors a warm welcome.

(for public transport), US\$100-million (for water expansion) and US\$200-million for a slum upgrading project. A major bank sponsored the fourth Lagos Economic Summit held in April 2008 to the amount of N30-million.

Investment opportunities abound in Lagos. Key areas are: transport (buses, ferries, terminals); roads, bridges and car parks; waste management (evacuation, storage, recycling and reuse); water provision; power supply; property development (40 000 units per annum are required) and tourism.

The two key drivers in the state's bid to attract foreign direct investment are public private partnerships (whereby investors

LEKKI FREE TRADE ZONE

The Lekki Free Trade Zone (FTZ) comprises 16 500 hectares to the east of the city of Lagos. It is bounded by water on all sides with the Lekki Lagoon surrounding the peninsula and the Atlantic Ocean forming the southern boundary. It was launched as an FTZ in 2004 as a vehicle to fully utilise the investment and tourism potential of the state.

The Lekki FTZ is a multi-use facility with zones for industry, manufacturing, residential and tourism. The development is being built over three phases with the first, the development of infrastructure, almost complete. This was done through a partnership between the Lagos State Government and a consortium of Chinese companies.

Investors can retain 100% foreign ownership and capital, profit and dividends can be repatriated. Tax holidays, licence waivers and various other concessions and advantages apply to investors in the Lekki FTZ.

Lagos demographics

Population	Approximately 18-million
Population density	Approximately 5 000 per square kilometre
Population growth rate	6-8%
Projected population	24.5-million in 2015 (UN Habitat)



Fish Farm Estates have proved a success in providing food security and tackling unemployment.

receive concessions to partner the state in development initiatives) and the Lekki Free Trade Zone (FTZ), at 16 500 hectares the largest such zone in West Africa. The Lekki FTZ is designed to become a city on its own with large-scale developments in industry, retail, commerce, residential property, and hospitality and leisure.

Location and resources

Lagos is in the south-west of Nigeria, bounded in the north and east by Ogun State, in the west by the Republic of Benin, and

PUBLIC PRIVATE PARTNERSHIPS

At the centre of the Lagos State Government's drive to attract foreign direct investment is the concept of public private partnerships (PPPs). This is a contract between the public agency and a private sector entity that allows for greater private participation in the delivery of infrastructure projects.

An example in Lagos State is the proposed light rail system: a private company would agree to build the system in return for being able to run it for a number of years in order to recoup its investment and make a profit. A special office has been created in the Ministry of Finance to deal with PPPs.

in the south by the Atlantic Ocean on the Bight of Benin. The coastline is about 200 kilometres long.

The state covers an area of 3 600 square kilometres. The metropolitan area comprises a group of islands connected to the mainland by several bridges and surrounded by creeks and lagoons. Steps have recently been taken to protect the ports and beaches of Lagos against ocean surges.

As a port city, Lagos offers easy access to the rich natural resources of Nigeria, including natural gas and oil. Within the



Lagos needs 10 000 housing units a year and partnerships with private investors are needed to supply a variety of housing units like the flats shown here. Long bridges carry millions of commuters every day but a ferry system is planned to alleviate the daily gridlock.

state, crude oil and bitumen can be found at Epe, silica sands at Badagry and Eti-Osa, clay at Ikeja and Ikorodu, and woods such as teak, opepe and abora are prevalent. Maize and ginger are cultivated throughout the state while kola nut, cocoa and cassava can be found at Ikorodu. Recent initiatives have seen the development of Fish Farm Estates to exploit the state's water resources and to combat poverty.

History and people

Originally part of Yorubaland, Lagos was settled by people of Benin and Awori Eko ancestry. Lagos is still referred to as Eko by the indigenous people of the state. Portugal established a port in the 15th century, from which slaves, ivory and pepper were exported. Regional conflict meant that prisoners of war were sometimes sold as slaves. It is estimated that more than half-a-million people were sold into slavery and shipped west from Lagos, especially to Brazil, St Helena and Cuba.

Britain took over the port from the Portuguese and, when they outlawed slavery in 1807, started exporting food crops. From the middle of the 19th century, freed Yoruba slaves started returning to Lagos. Those who came from Brazil were mostly Catholic and skilled in masonry, carpentry and tailoring.



Lagos State is putting a large number of resources into providing primary healthcare for all its citizens, and upgrading the secondary and tertiary levels.

Lagos State facts and figures

Established	27 May 1967
Land area	3 600 square kilometres
Climate	Tropical, humid. Distinct dry and wet seasons. Rainy season from May to October
Annual mean temperature	23-26 degrees Celsius (minimum) and 28-32 degrees (maximum)
Time zone	Noon is 11h00 GMT
Weights and measures	Metric
Monetary units	Nigerian naira equal to 100 kobo; 100 naira equal to 0.85 US dollar
Telephone area code	234
Arable land	38%

Expatriates from Sierra Leone, known as Saros, were mainly Protestant and well educated. Britain formally annexed Lagos as a colony in 1861. In 1960, Nigeria gained independence and was declared a republic in 1963. In 1967, a civil war broke out that lasted two-and-a-half years. This was followed by successive military dictatorships until elections were held in 1999.

The current population of Lagos State is estimated at close to 18-million. While the indigenous people are Aworis, the admixture of other pioneer settlers are collectively called Lagosians or Ekos. The state is essentially Yoruba speaking but it is also a cultural melting pot which attracts both Nigerians and foreigners. The Agia Cenotaph commemorates the first Christian preaching in Nigeria. The main religions are Christianity and Islam.

Governance

In 1967, a civil war broke out that lasted two-and-a-half years. After a period of 13 years of sustained military rule, democracy was restored in 1979 but collapsed again in 1983. This was followed by successive military dictatorships until elections were



The National Theatre.

held in 1999, with Olusegun Obasanjo taking office as Nigerian President. Although many observers felt that these elections, and the 2007 poll that brought Umaru Musa Yar'Adua to power, were flawed, Nigeria and Lagos have enjoyed relative stability since then. In Lagos, the Action Congress Party, led by Asiwaju Bola Ahmed Tinubu, served two terms. The same party, this time led by Senior Advocate Babatunde Fashola, won the election in 2007. The head of the state government carries the title of Governor.

Nigeria has three levels of governance: federal, state and local. There are 20 local governments and 37 local council development government areas in Lagos State. The city of Lagos served as state and federal capital until 1991 when the federal entity relocated to Abuja and Ikeja became the capital of Lagos State.

Society

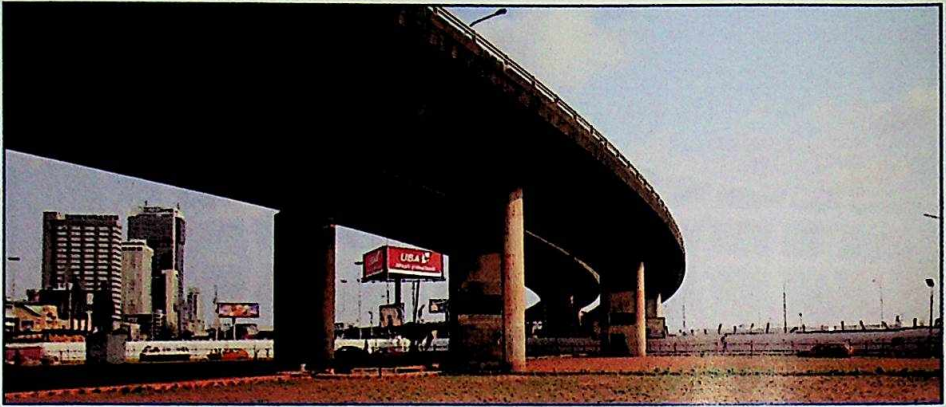
Years of political turmoil resulted in social services being neglected and Lagos has much to do to improve the quality of life of its citizens. To counter low literacy levels, the state's education budget was doubled in 2008 and primary and secondary schooling is free.

Children under the age of 12 and adults over 60 receive free healthcare and a wide range of far-reaching campaigns to combat malaria, tuberculosis and HIV/Aids have been successfully rolled out.

The state's first newspaper was published in 1880 and the city of Lagos is now served by eight newspapers with the largest of them enjoying a circulation of 400 000. There is a lively market of weekly news and lifestyle magazines and there are nine television channels and many radio stations.

The Lagos economy

- Largest stock exchange in West Africa
- 2 000 industrial concerns
- 10 000 commercial ventures
- Home to most corporation headquarters
- Telecoms and media hub
- 9 000 metric tons of waste generated daily
- 224 vehicles per kilometre
- daily water demand gap: 2.5-billion litres
- power deficit 3 000MW



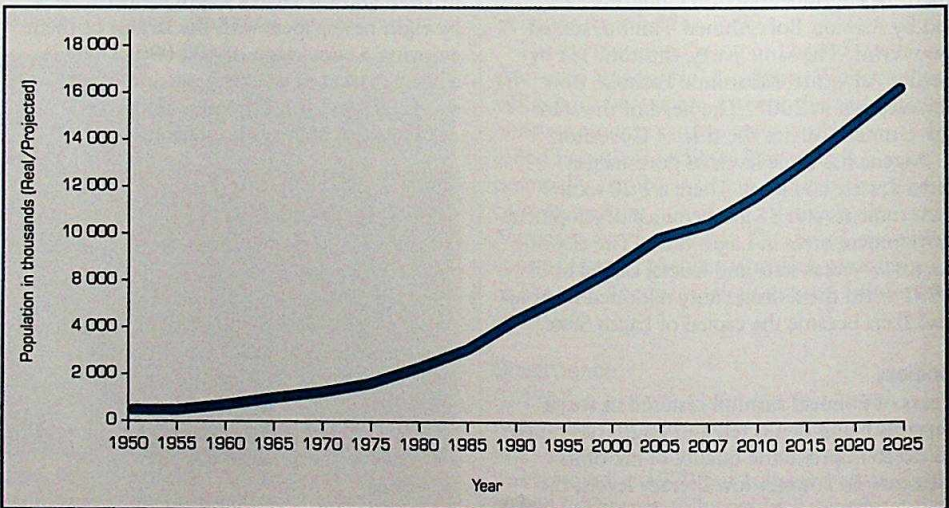
The single biggest item on the budget of Lagos State is infrastructure.

Masquerades are popular at festival time with the Eyo in February the best known. There is a strong tradition of travelling theatre (Alarinjo) in Yoruba culture, amateur drama is strong in Lagos city and the Lagos State Government runs a Cultural Standing Troupe. The Pec Repertoire Theatre, a professional company started by famous writer John Pepper Clark, performs regularly. Fela Anikulapo-Kuti won international acclaim with his Afro-beat music and Wole Soyinka is a Nobel Literature Prize

winner. The most popular sport is football. The National Stadium, built in 1976, can accommodate 80 000 while the new Teslim Balogun Stadium has 50 000 seats.

Reforms

Many of the obstacles that retarded economic growth in Nigeria have steadily been removed. More efficient government and a strong stand taken against corruption at federal and state level have served to increase investor confidence. An extensive



Population of Lagos metropolitan area.

Source: Department of Economic and Social Affairs of the United Nations Secretariat.

overhaul of the justice system in Lagos State has seen investment in court infrastructure, a number of laws passed to strengthen the system of justice (with particular emphasis on contracts and arbitration) and the establishment of a Security Trust Fund to better equip security agencies which are perceived to be under-funded by the federal authority.

In the economic field, the Internal Revenue Service of Lagos State is now adequately funded and empowered to employ consultants to investigate and audit, electronic tax certificates have stemmed forgeries and enforcement activities have been stepped up. Computerisation of the records of the ministry responsible for lands has improved efficiency and reduced the potential for corruption. Internally generated revenue increased from N7.9-billion per month in 2007 to N10.5-billion per month in the first quarter of 2008.

Economy

The 'Great Leap Budget' of N403.401-billion approved by the Lagos State Government in January 2008 adopts a radically growth-oriented approach in which capital expenditure exceeds recurrent expenditure by a ratio of 61:39. Massive amounts of money are to be spent on infrastructure with the most important being: water development; roads and drainage; power; transportation; and information and communications technology.

The key sources of funding are as follows: taxes; federal monies; bonds; land use charges; sales tax; development assistance; lotteries; and joint ventures and concessions arising from public private partnerships.

The Lagos State Government is actively encouraging private investors to invest in the state. Opportunities for rewarding investment exist in every sector of the economy.

Infrastructure investment

Lagos State has serious deficiencies in the supply of power and clean water. Investors are needed to build and run power plants and water-supply plants.

A totally new system of public transportation is set to transform Lagos. Whereas more than 90% of the city's millions of commuters now use private taxis and cars, the new scheme will see the Bus Rapid Transit system rolled out across the state and the introduction of water transport and a rail network. To sustain the BRT, assembly plants for bus manufacture and maintenance are required. Twelve ferries to carry an estimated 15-million passengers per year are needed to service the North Hopper Line alone. Four major routes are planned. Thirty-six kilometres of rail network must be built and serviced and the light rail scheme will require 35 kilometres of rail served by 14 terminals. Every aspect of this scheme spells opportunity for investors, with each of the terminals (for bus, ferry and rail) potentially becoming the site of other activity in the form of shopping malls or markets.

Waste management investment

The 9 000 metric tons of waste generated daily presents formidable challenges to the state's administrators but could equally provide lucrative opportunities for investors. Compactor trucks and wheeler bins are needed in large numbers. Seventeen new transfer loading stations and several new dumpsites are planned while a new central sewage treatment plant has to be designed and constructed. There are opportunities for the management of electronic and medical waste while recycling presents many possibilities. The plastic recycling plant at Ojo already produces four tons per day and the conversion of waste to compost at Ikorodu is very successful.

Lagos in Nigeria

- contributes 30% of GDP
- consumes 60% of energy
- pays 65% of VAT
- contributes 60% of value added manufacturing
- 50% ports revenue
- 82% of international airline departures

Marine aquaculture blooms in Lagos

Lagos State is determined to reap harvests from the abundant water bodies that surround it. A new legal framework, expanded training for farmers and fishermen, together with increasing yields make this an attractive sector for investors.

In line with the Lagos State Government's commitment to transparency, report-backs to the electorate take place every 100 days. On the occasion of the government's first year in office, the Commissioner for Agriculture and Cooperatives, Chief Enok Kolapomoye Ajiboso, gave an overview of the state of agriculture in Lagos. An edited extract of his speech, delivered in Alausa in March 2008, appears below.

Agriculture and Food Security is one of the 10-Point Development Agenda items of this administration, with an emphasis on marine and artisanal fisheries as well as aquaculture.



Chief Enok K Ajiboso, Honourable Commissioner for Agriculture and Cooperatives, Lagos State.

Of all the states in the federation, Lagos State has the highest population density of 5 032 persons per square kilometre and many competing needs for land, coupled with an infinite demand for food. This administration intends to use hitherto idle water bodies and also promote the best possible utilisation of its limited land resources through the Farm Estate initiatives. These will need services and infrastructure.

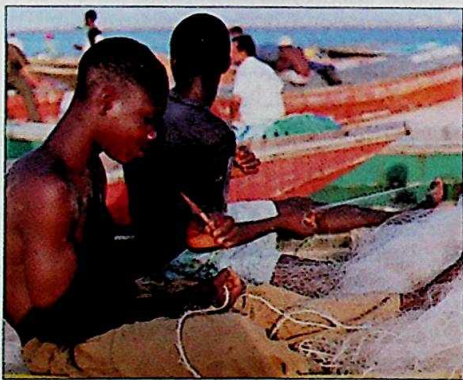
In the first year in office, the Ministry of Agriculture and Cooperatives executed programmes and projects as highlighted below.

Fisheries development/marine agriculture

Lagos State, with about 22% of its surface area as water, has plenty of potential for fisheries and other related activities. To date, the use of water bodies has been limited to transportation and capture fisheries. Artisanal fishing is now being threatened by declining fish stock due to over-fishing, pollution, dredging and marine weeds such as water hyacinth. The potential of our water bodies is yet to be fully tapped for productive purposes.

The Lagos State Marine Agriculture Development Programme (LASMADep) was created to control state water resources. The components of LASMADep are:

- a. **Marine Aquaculture Project**
A relatively new form of commercial fish production known as Cage and Pen culture



Lagos State is determined to take advantage of the water that surrounds it to help bring prosperity to its people.

has been introduced, using the open water bodies as an alternative to capture fisheries. The Cage and Pen system allows for the breeding of fish in open water using technologies that are suitable and adaptable to local conditions. The project was established on a pilot basis in six fishing communities.

The fish yield from Cage and Pen culture is expected to be higher than that of a normal fish pond since the natural movement of the water ensures the regular replacement of the water. Jobs have also been created through the fabrication of the cages, feed formulation and sale, fingerling production, marketing of outputs, processing and storage.

b. Marine Weeds Control and Utilisation Project

The major weed that has hindered economic activities is water hyacinth. This project will promote its use in livestock feed production thereby preventing its spread as well as reducing the cost of livestock feed.

c. Marine Agriculture Development Fund

The Development Fund was created because of difficulties experienced by fishermen in accessing credit. The state will deposit 50% of the needed funds while the participating bank will match such funds and then lend to beneficiaries. Discussion had been initiated with some financial institutions with a view to putting in place a N100-million Development Fund. It is expected that the interest rate on the loan will not be higher than 8%.

d. Marine agriculture extension and capacity-building services

In order to retain the youth in the fisheries sub-sector, there is a need to extend modern practices to fishing communities to ensure a sustainable increase in their productivity. The Ministry has started training fisheries personnel to improve skills development and the re-training of fishermen.

e. Enhancement of legal framework for marine agriculture

With an increased use of water for a variety of purposes, the control and use of water bodies is likely to lead to some conflicts. The Ministry had initiated action for the control and allocation of space on water for the new marine aquaculture to minimise conflict.

Fish Farm Estates

The Fish Farm Estate initiative was conceived to promote fresh fish production through public-private sector collaboration. The 250-plot, 34-hectare Fish Farm Estate established in Ikorodu by the last administration was completed and fully subscribed with about half of the production ponds stocked. Catfish production from the Estate in 2007 alone was estimated at 5 748 tons, which was about 60% of its potential.

Another estate on 60 hectares has been surveyed and laid out at Araga. The 400-plot estate will be the largest of its kind in West Africa when fully developed. The goal is to achieve self-sufficiency in fish production for local consumption and ultimately for export.

Procurement of tractors and implements

Twenty-one tractors, each with a plough, a harrow and a tipping trailer, were ordered in September 2007, the largest procurement of tractors since 1996. The tractors have been used to resuscitate the moribund Tractor Hiring Unit which will enable it to provide farm mechanisation to farmers.

Redevelopment of Agricultural Training Institute

To help fight poverty through employment and uplift youth through practical training, the Agricultural Training Institute at Araga is to undergo redevelopment and rehabilitation. The scope of training at the Institute has been broadened to include agricultural research, conferences and seminars.

During the first phase, two new student hostels that will accommodate 70 students, two blocks of classrooms that will accommodate 100 students, a library, a new administrative block and a cafeteria have been constructed. Other dilapidated hostels at the Institute will be reconstructed and converted into executive chalets to house participants of executive training programmes at the Institute.

Work at the Institute will be completed before the end of 2008.

Establishment of Plant Nursery

In order to sustain the Green Lagos

Campaign, the sum of N11-million was approved for the establishment of a Plant Nursery at Temu, Epe. The Nursery is ready to supply seedlings and cuttings of grasses, flowers, shrubs and ornamentals for the Green Lagos and other government projects that require greening, as well as to the public.

National Fadama II Development Project

Lagos State is one of 12 states selected to participate in the World Bank-assisted Second National Fadama Development Project (Fadama II). The reports on the project conducted nationwide confirmed the state as one of the best in Fadama II implementation. The Beneficiary Assessment Report also confirmed a 60% increase in the income of the beneficiaries. A total sum of N591.2-million has been disbursed since 2004. Since the inception of the administration, a total sum of N130.2-million has been disbursed for capacity-building and other sub-projects.

Fadama III preparation

Given the success of the Fadama II Project, the scope of Fadama III has been expanded to cover all the states of the federation. Similarly, in Lagos State, the Fadama III Project will be implemented in all local government areas

and will become effective from August 2008 to December 2013.

The emphasis of Fadama III will be on target beneficiaries, namely:

- rural and urban poor
- disadvantaged or vulnerable
- service providers

Over 60 000 farm families will benefit directly from the project implementation while about 430 000 households are expected to benefit indirectly.

Pig Farm Estates

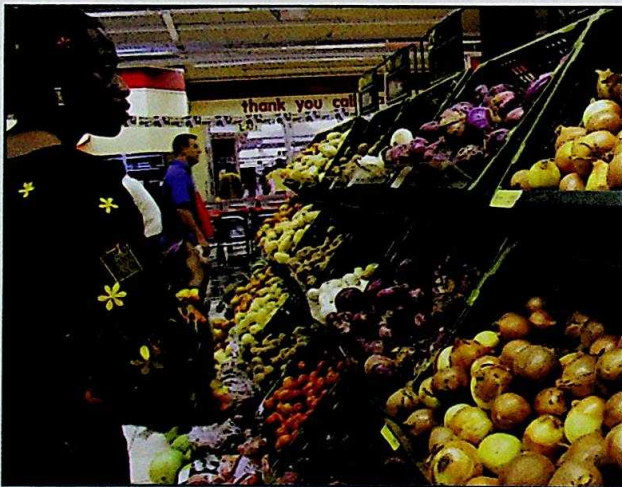
In addition to the 100 000-capacity Oke-Aro Piggery Estate, the Gberigbe Piggery Estate established in Ikorodu by the last administration received better patronage to further strengthen the cooperation between the public and private sectors. The 250-unit estate has 68 private investors on site with 10 using the standardised facility. Water and roads provision has reached an advanced stage. Investors are invited to take advantage of this initiative.

Other livestock activities

The state was able to curtail the spread of the deadly Avian Influenza through the introduction of effective and adequate

precautionary measures such as workshops, seminars, production and distribution of posters and handbills, television and radio jingles, as well as advertorials. All affected farms have been depopulated and affected farmers compensated.

Efforts are now being made to resuscitate the farms through appropriate linkages with financial institutions, particularly the Nigerian Agricultural Cooperative and Rural Development Bank (NACRDB). The bank's proposal for accelerated fund advancement to farmers is currently being reviewed for approval.



The rich natural resources of Nigeria find their way on to the export market and the shelves of stores in Lagos.



Fish Farm Estates are proving successful, with the 400-plot initiative at Araga, Epe, set to become the largest of its kind in West Africa.

Provision of Agricultural Land Services

The Agricultural Inputs Supply Authority was able to procure and sell about 10 000 metric tons of various types of fertilisers, while more than 250 metric tons of improved maize seeds and over 5 500 litres of various agrochemicals were procured and distributed at subsidised rates in the state. Over 934 outboard engines, 1 131 bundles of fishing nets, hooks and other fishing accessories were also distributed to fishermen to improve capture fisheries activities.

The Agricultural Land Holding Authority provided agricultural land to potential farmers who had hitherto been faced with the problem of non-availability of land for agricultural purposes. The Authority is now promoting the Estate initiative along commodity lines. Piggery Estates were initiated at Gberigbe, in Ikorodu.

Special and other programmes

The Ministry, in collaboration with federal and multilateral partners, implemented other special programmes to improve the food security status of the state during the period under review. Some of these programmes include the State Programme on Food Security (SPFS), the Root and Tuber Expansion Programme (RTEP), the Coconut Rehabilitation Programme, the Special Rice Programme and the Commercial Agriculture Development Project.

INVESTMENT OPPORTUNITIES IN AGRICULTURE

Water hyacinth recycling and reuse

Area: Lagos State

Summary: Water hyacinth is currently used as animal fodder but other potential uses can be explored (fertiliser, for example) as Lagos State seeks to exploit its water bodies for aquaculture.

Supply to fish farms

Area: Lagos State

Summary: Ancillary fishing sector – the establishment of fish farms will create opportunities down the line for fabrication of the cages, feed formulation and sale, fingerling production, marketing of outputs, processing and storage.

Fish Farm Estate

Area: Araga

Summary: A 400-plot Fish Farm Estate has been created at Araga. It will be the largest of its kind in West Africa when fully developed.

Agricultural equipment

Area: Lagos State

Summary: The Lagos State Government recently invested in 21 tractors. The Tractor Hiring Unit will need many more and investors might find this a productive field.

Rehabilitation of buildings

Area: Araga

Summary: The Agricultural Training Institute at Araga is set to undertake phase two of its upgrading and rehabilitation. A student hostel is to be converted into accommodation for visiting trainees.

Pig Farm Estates

Area: Ikorodu

Summary: The 250-unit estate has 68 private investors on site with 10 using the standardised facility. Water and roads provision has reached an advanced stage. Investors are invited to take advantage of this initiative.

Contact:

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West Africa's economic hub set to go global

As the economic hub of a populous and vibrant state – and the entire West African region – Lagos is ideally situated as the first port of call for foreign investors.

MANY CORPORATIONS AND national conglomerates have their headquarters in Lagos, the airport is Nigerian's largest and busiest and two sea ports connect the state to regional and world trade. There are 2 000 industrial complexes in the state (65% of the Nigerian total), 10 000 commercial ventures (70% of the national figure) and the state serves as the nation's telecommunications hub. There are 22 industrial estates in various parts of the state, several business districts and a number of lively markets.

Lagos is home to the Nigeria Stock Exchange and is the base for 200 of the 250 listed firms. Lagos contributes more than 30% of Nigeria's GDP and 65% of the national VAT. The city state hosts two premier trade fairs: the domestic Eko Expo and the Lagos International Trade Fair, the largest business market in the ECOWAS region.



Lagos is home to the Nigeria Stock Exchange and is the base for 200 listed firms. The headquarters of First Inland Bank reflect a positive vision for the future.

With massive investment being undertaken in building and improving the state's infrastructure, many commercial and industrial projects are already underway and many more will come on stream at an accelerating rate. Issues such as the protection of intellectual property rights, clarification of land rights for investors and a strengthened, independent judiciary are all high priorities for the Lagos State Government.

A combined effort between the Lagos State Government, banks and local commercial enterprises has seen the establishment of the Security Trust Fund which exists to supplement the allocation made to the police in the state by the federal government. New vehicles and equipment have served to boost morale and efficiency. Lagos State is determined to do everything it can to create a favourable investment climate.

The Lagos State Government is committed to the process of public private partnerships (PPPs) in which a government service or private business venture is funded and operated through a partnership of government and one or more private sector companies. Several projects have already been initiated under this scheme, particularly in the field of solid waste management. The intention is to create a special PPP office which will operate as a one-stop shop.

A major initiative to attract foreign investors is underway on the Lekki Peninsula southeast of the city of Lagos. The Lekki Free Trade Zone (FTZ) is a newly

INVESTMENT OPPORTUNITIES IN COMMERCE AND INDUSTRY

Light industrial and manufacturing

Area: Lekki Free Trade Zone

Summary: The Lekki FTZ has been introduced to attract FDI in light industries such as textiles, household equipment, electronics and food and beverages. With a big and growing market and a favourable investment climate, many good opportunities exist.

Petrochemicals plants and oil refineries

Area: Lekki Free Trade Zone

Summary: Lagos State is well situated close to the vast oil fields of the region and investors are sought in these fields. A planned deep sea port will facilitate operations.

Housing

Area: Lekki Free Trade Zone

Summary: One of the goals of the Lagos State Government is to encourage the population to live away from the city of Lagos. To this end, developers of residential accommodation will receive special benefits and concessions for building in the Lekki Free Trade Zone, which is intended to be a model city.

Raw materials

Area: Lekki Free Trade Zone

Summary: Lagos State is rich in raw materials. Examples of industrial opportunities in the beneficiation of some of the raw materials include: ceramics and tiles (from clay); crude oil and bitumen; jute bags, oil, perfume, cosmetics and soap (from coconut palm); boat building, furniture, paper and pulp (from teak and other woods); starch, alcohol and flour (from cassava); surgical gloves (from rubber); flour, beverages and jams (from plantains); soft drinks and stimulants (from kolanut); body creams, lotions and animal feeds (from cocoa); varnishes, jellies, animal feeds and food condiments (from cashew); and yeast, wine and jute tags (from raffia-palm trees).

Underdeveloped land

Areas: Eti-Osa, Badagry, Ikorodu, Epe, Ikeja

Summary: There are large parcels of land in each of these areas that could be used for industrial and commercial development.

Contact:

Lekki Worldwide Investments Limited,
Mr TAB Disu: Managing Director,
boladisu@hotmail.com, lwil.lftz@gmail.com
TradelInvestNigeria, infonigeria@gan.co.za

created city designed to stimulate foreign direct investment. The first phase, consisting largely of infrastructure development, has been conducted in partnership with China. The focus thus far has been on power generation, sewage systems, road construction and water supply. Future phases will include business centres, financial services, residential accommodation and tourism development.

Light industry will be encouraged and petrochemical plants and oil refineries will be built around the planned deep sea port. In addition, an international airport is anticipated to cater for the business and tourism sectors.

A development company is specifically tasked with ensuring that preferential policies and incentives for investors in the zone are maximised. No duties apply to goods entering the zone, companies can be 100% foreign-owned and investors are entitled to move their capital and profit as they see fit.

Goods produced for the domestic market will be liable for some duty payment but any exported goods will not attract taxation.

Programmes designed to train and educate in all sectors of society, together with job creation strategies, are creating a larger corps of skilled and employed people. This will in turn create new markets. In a state with a population of nearly 18-million (which is growing at a rate of 6-8%) the potential for businesses of all sorts is enormous.

Global home appliance company LG Electronics is one of the many companies to see the potential in this growing market. It recently opened a N600-million plant in Apapa where it will produce products for the Lagos State market and beyond. As the Special Advisor to the Governor on Commerce, Mrs Olusola Oworu, has said, Lagos is 'ready for business'. The intention is to make Lagos 'the Dubai of West Africa'.

Commerce and Industry

Interview with Mrs Olusola Oworu, Special Advisor to the Lagos State Governor on Commerce.

Could you give an overview of the Lekki Free Trade Zone (FTZ) and the progress that has been made?

Construction of the Lekki FTZ is in progress. It is not just an FTZ but a new model city. Apart from the industrial component, we will have urban development, which includes residential accommodation, business centres, a financial hub and tourism activities. Initially we will be looking at light industries such as textiles, electronics, household equipment, and foods and beverages, but around the ports we will accommodate heavy industries like petrochemicals and oil refineries.

We have 5km of coastline and we intend to make the best of it by having a deep sea port to accommodate huge vessels coming in from all over the world. The idea is to make the port the shipping hub of West Africa. We are also proposing to have an international airport not too far from the zone as 70% of the people that use the Murtala Mohammed International Airport come from Ikoyi and Victoria Island. The airport will also service the logistical needs of corporate businesses.

Who is responsible for the development of the Lekki FTZ?

The first 3 000 hectares are being developed with the Chinese. They are assisting us with certain infrastructure such as a power plant, sewage systems, a water treatment plant, as well as the construction of roads. They will help us with the first phase, and then the rest of the zone will be opened to other developers. The idea is to fast-track the development of the zone; we cannot leave it to one developer because of the amount of funding that is required. The Chinese are the first set of developers we have in the



Mrs Olusola Oworu,
Special Advisor to
the Lagos State
Governor on
Commerce.

zone to jumpstart things. A lot of bush clearing has been done and we already have a 350-hectare launch area to be commissioned within the next three months.

What incentives and policies do you have to attract investors to the Zone?

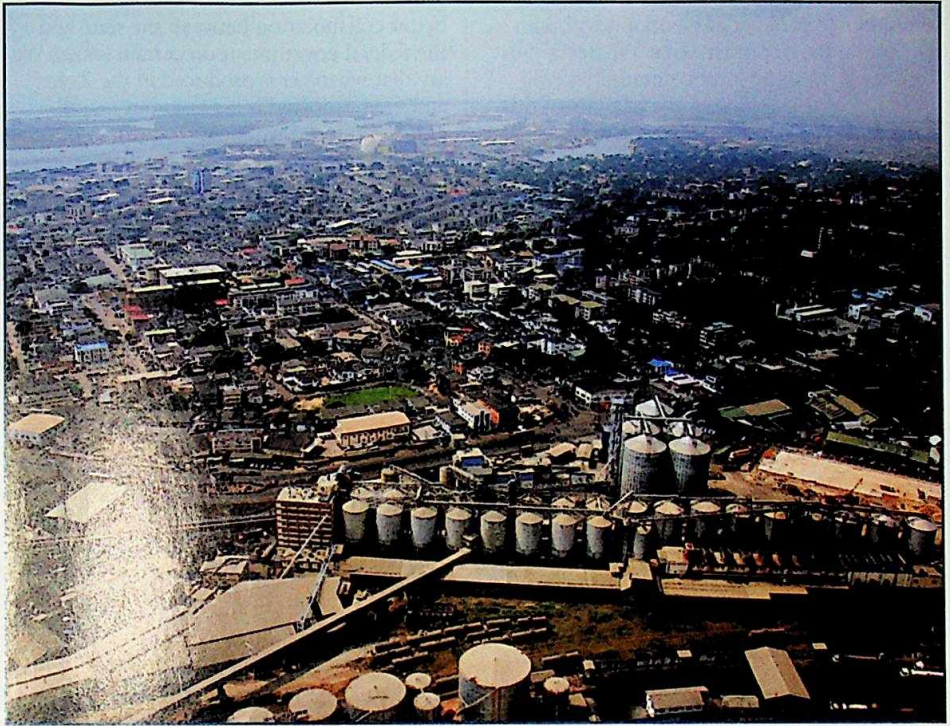
The idea is that anything coming into the Zone is duty free and that investors do not have to pay taxes. Companies can be 100% foreign owned, foreign exchange

controls will not apply and investors will be able to easily move their capital and profits overseas. Furthermore, in terms of meeting the requirements and policies for setting up business in the Zone, there is going to be a one-stop-shop within the Zone to fast-track any necessary procedures.

What are the main advantages of the Lekki FTZ when compared to other free zones in Nigeria like Onne, Calabar, Kano, etc?

The key advantages are its accessibility, its location and the market. Lagos State remains the commercial hub of Nigeria with about 65% of the commercial activities. The state has the largest population in Nigeria with about 18-million people, so there is a ready market. Apart from the market we have in Nigeria itself, we also have good access to the whole of West Africa.

To make the Lekki FTZ more accessible, the Lagos State Government, in conjunction with the federal government, is looking at expanding the Badagry expressway that leads to the Seme, the main border crossing between Benin and Nigeria. We are also looking at other road networks to improve accessibility.



Lagos is home to more than 2 000 industrial enterprises on 22 industrial estates and business districts.

What do you have in mind in terms of tourism?

There are going to be hotels constructed in the Zone and resorts will take advantage of the natural features such as the lagoon. We are also thinking about having restaurants and other facilities where various events can be hosted. We have a lovely beach and have to make the most of it. We really need to look inwards and appreciate what nature has given us.

How did the Chinese get involved with the Zone?

As you know, when the Chinese opened up their economy in the late 1970s and early 1980s, they established a number of free zones or economic zones to improve economic activity in their country. These zones helped to encourage investments

into the country and improve the level of employment. My predecessors went round and talked to various people, looked at what was available and they were happy with what they saw in China. Four Chinese firms then came together to form a consortium and they are here now.

The Lagos State Government is providing the land and this is our equity contribution. The Chinese consortium is bringing in funds for the basic infrastructure for the first phase which will cover power, water, sewage and some roads, and then the land will be leased to prospective investors; also some funds will be raised by private investors in due course. Proceeds from the land will be used for further development of the Zone.

The agreement we have with the Chinese is that there has to be some form of skill transfer to local Nigerians. For every Chinese, there

should be four Nigerians working with him to acquire the necessary skills. Whatever jobs can be given to the local communities will be given to them. One of the benefits of this project is employment creation and we will start working with the local communities to garner their support for the FTZ.

Are you planning on developing communities in the FTZ?

Apart from the commercial activities, we are planning to build a self-sustained model city so that people can move out of congested central Lagos. There is so much land on the Lekki axis that has not been developed and people do not realise how big Lagos State is. Once there are self-sustaining cities in different parts of the state, people will move to those areas and decongest central Lagos.

What have you learned from other FTZs in Nigeria and internationally?

I have visited a couple of other zones like Tinapa, Calabar FTZ and the Snake Island Zone, but they are smaller zones compared to what we plan to do here. The key problems I found in all the Nigerian zones concern power supply and the handling of imports and custom procedures. Customs is a federal government agency and there has to be

better collaboration between the state and the federal government on certain issues. We say that whatever is produced in the Zone and then exported is tax free, but not all goods produced will be for export. A certain amount of duty will have to be paid on goods intended for the domestic market.

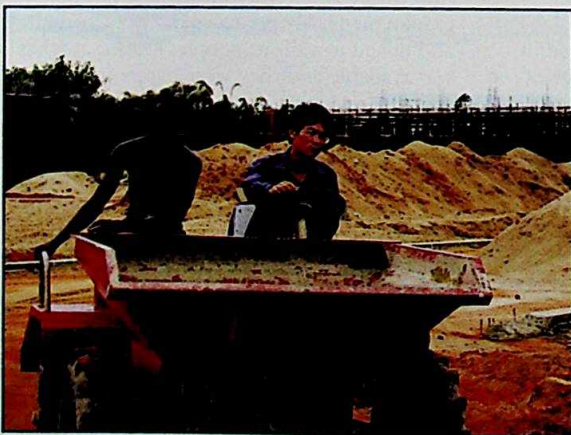
The processing of imported raw materials, even when they are custom-duty exempt, should be streamlined between the state, the Nigeria Export Processing Zones Authority (NEPZA) and the federal agencies in charge of customs and immigration because investors will want to have access to their raw materials within 48 hours. Before full activity picks up in the Zone, all these little grey areas will be ironed out so that investors will not have any constraints.

Internationally, I have been to the Jebel Ali Free Trade Zone in Dubai and was impressed. It is well laid out and you can see the transformation that has happened in Dubai over the last 20 years. We are trying to replicate that and do things according to international standards and hope to make Lagos the Dubai of West Africa. To achieve this requires good leadership and focus, but luckily we have a governor who is very energetic and passionate about Lagos State. He is focused, hard-working and backed by an excellent team.

I hope to visit China and other free zones around the world soon. The idea is to encourage our partners and prospective investors to come and see what we have here in terms of our natural and human resources. There is a lot of propaganda out there that does not paint the correct picture of what is happening on the ground. We want to tell the world that we are ready to put Lekki on the world map.

Have you received any interest from investors?

We have a lot of people visiting us all the time. We have 30 potential investors waiting and ready to invest in the Zone and that is



The Chinese consortium partnering the Lagos State Government in the development of the Lekki Free Trade Zone is committed to transferring skills to local workers.



The retail market in Lagos is growing strongly, as the growth in the development of shopping malls shows.

why we carved out that launch area to kick-start the Zone because the infrastructural requirement is large and will be developed in phases. We have a lot of interested parties involved in oil and gas, real estate and manufacturing. Investors are also looking at tourism potential in terms of building hotels and recreational facilities.

Nigeria's erratic power supply presents a major issue for manufacturing industries. How do you plan on coping with electricity problems in the FTZ?

We are looking at putting our own independent power plant in the Zone. We have had a few proposals that we are considering, one or two from the Chinese and a couple from other investors. For the first 350-hectare launch area we are putting in a temporary arrangement which will be 10 000 KVA generators, but we are going to have our own independent power plant.

What message do you have for investors in Nigeria, Africa and internationally with respect to the Lekki FTZ?

I am very passionate about the Lekki FTZ and want to let investors know that this is the place to be. This is a developing country and the opportunities are limitless. We have identified our needs, especially in the area of infrastructure, and are ready for business; we are not looking for handouts from investors. Investors are welcome to come to the Lekki FTZ and the returns are very attractive.

To address the issue of security, the Lagos State Government, in conjunction with banks and other companies, has set up the Security Trust Fund that provides police in the state with an additional allowance besides what they get from the federal government. Vehicles, communication gadgets and bullet-proof vests have also been procured for the police in order to motivate them and make them more efficient.

Lekki Free Trade Zone offers unparalleled opportunities

The Lagos State Government is mobilising all its resources to create an economic free trade zone to serve as a magnet for international investment.

LEKKI FREE TRADE ZONE IS located on the Lekki Peninsula southeast of the city of Lagos on the Lekki Lagoon. It is a new city under development and is one of the fastest developing urban areas with an annual economic growth rate of 16.8%. Close to the vast market that is the megalopolis of Lagos, a planned deep sea port will provide exporters with even better access to regional and international markets.

At the core of the development strategy adopted for the FTZ is a public private partnership. A highly successful collaboration with a consortium of Chinese companies has already seen the installation of major infrastructure as part of phase one. This infrastructure includes a specially dedicated power plant to ensure that the zone is well served for energy and is independent of the national grid. Similarly, water and sewage treatment plants are under construction to cater to the rapidly developing city.

There is abundant land available for industrial projects. The first phase comprised the development of 3 000 hectares and a 350-hectare launch area was planned for commissioning in May 2008. The sea port is planned to maximise the area's prime position with the type of industries set to develop around the port being heavy industries such as petrochemicals and oil refineries.

The zone will be sealed by fencing walls and dedicated police stations will provide good security, while the 80km-long Lekki-Epe expressway will soon link the zone to central Lagos. Manufacturers in all sectors are encouraged to take advantage of the advantageous position of Lekki FTZ – and



The Lekki Free Trade Zone is destined to be the driver in taking the economy of Lagos State to a higher level. Favourable investment conditions have already attracted a great deal of international interest.

the very beneficial trading conditions for producers and exporters associated with a free trade zone. There are openings and access to a plentiful supply of raw materials for investors in fields such as agri-processing, clothing and textiles, food and beverages, forestry, mining and pharmaceuticals.

Opportunities in almost every imaginable sphere abound as the vision for Lekki FTZ envisages the creation of everything needed in a modern city: industry (light and heavy), commerce, retail, housing and tourism. The beaches adjoining Lekki's lagoon and oceanfront are the site of considerable activity already, with a golf course under construction and plans in place for various hotels, beach resorts and private villas. Fitness and spa centres and conference facilities are also planned, with a five-acre mixed development (one, two and three-bedroom apartments) designed to house employees of the various hospitality ventures.

Economic reform has been underway in Nigeria since 1999 and has served to markedly improve the investment

environment and encourage the private sector as the driving force for economic growth. Good results have been achieved in the privatisation of heavily subsidised government-owned enterprises in the fields of energy, telecoms and transportation. An anti-corruption policy is being pursued with commitment and vigour by the Nigerian federal government in order to achieve higher efficiency rates and better service. These reforms have resulted in transparency and openness in Nigeria's economic development and have removed the bureaucratic obstacles that hindered the development of the economic private sector.

Nigeria's high level of openness, the abolition of restrictions on foreign ownership of business and free repatriation of foreign investment capital and profits, huge consumer market potential, rich energy resources and abundant human resources have made the country one of the destinations with the highest profit yield and investment returns in the world. As the 'economic capital' of Nigeria, Lagos is the economic, financial and trade hub of the country and West Africa. The Lekki Free Trade Zone is the culmination of the more liberal investment policies of the federal and Lagos State governments.

As the sole executive administration of the zone, Lekki Free Trade Zone Development Company will consist of representatives from various relevant government departments of both China and Nigeria, including customs authorities, the Lagos State Government and the Nigeria Export Process Zone Authority (NEPZA) so as to ensure the maximised granting of the preferential policies and incentives for investors in the zone.

The incentives available to investors in the Lekki FTZ are among the most favourable in Africa and compare well with those offered anywhere in the world. They include: 100% foreign ownership of investment; one-stop approvals; no import or export licences; tax holidays; unrestricted remittance of capital and duty-free importation of raw materials. In addition, products made in Nigeria enjoy preferential tariff concessions in the European Union.



Site development at the Lekki Free Trade Zone. Huge investment has been made in infrastructure to service the zone which will provide a mixture of heavy and light industry, retail, tourism and residential development opportunities.

INVESTMENT OPPORTUNITIES IN LEKKI FREE TRADE ZONE

There are myriad opportunities for investors in the Lekki Free Trade Zone. With a whole city to build, the Lagos State Government is looking for private partners in every conceivable field: engineering, infrastructure, support services, materials, heavy industry including petroleum and chemicals, light industry and manufacturing, commerce, retail, real estate, information and communication technology and the tourism and hospitality sector.

Investment procedure

1. Collect your application form from the administration of the Lekki Free Trade Zone in Lagos or from the office of the Nigeria Export Processing Zone Authority in Abuja by payment of US\$380.
2. Complete and submit the application form together with the project feasibility study to the administration of the Lekki Free Trade Zone or to the office of the Nigeria Export Processing Zone Authority.

Contact:

Lekki Worldwide Investments Limited,
Mr TAB Disu: Managing Director,
boladis@hotmial.com, lwil.iftz@gmail.com
TradelInvestNigeria, infonigeria@gan.co.za

Science and technology to the fore in drive to improve education

Primary and secondary schooling is free for all children in Lagos and the tertiary sector is growing. Investment in information technology is needed.

GOVERNOR BABATUNDE Fashola (SAN) has identified education and the development of human capital as a core focus area for the government of Lagos State.

Primary and secondary schooling is free for all children in the state regardless of social, economic or cultural background. Investment of this sort in the youth of the state is regarded as vital to unlocking the potential of the people of Lagos. Education is seen as a critical tool in the fight against poverty.

Information technology has been identified as an important component in taking education in the state to new levels.

As the governor said in a speech, 'Science and technology will feature prominently in our agenda.' Over the last decade more than 7 000 university graduates have been deployed to state agencies to train all public sector staff in the use of information technology. As a result of this active and creative utilisation of the state's own graduates, most ministries and state agencies are now computerised.

With more than 1 000 public primary schools and 600 secondary schools funded by state taxes, the scope for investment is huge. In addition, there are more than 6 000 private primary and secondary schools in Lagos. The Lagos State University is the leading institution in the tertiary field but there are both public and private polytechnics and a number of teacher training colleges.

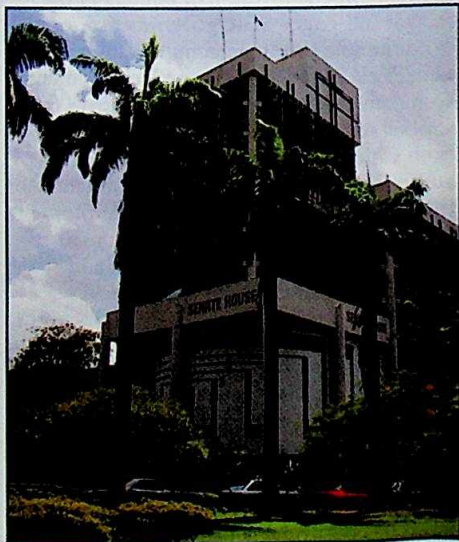
An amount of N646-million was spent in the last budget on supplying technology to assist science teaching in 40 schools.

The Schools Infrastructure Rehabilitation Programme has been at work on more than

1 000 classrooms in 166 schools across the state and work is underway to construct 2 500 new prototype classrooms. Nine schools received 18 new classroom blocks over the last year, further evidence of the state government's commitment to upgrading educational facilities.

A special advisor to the governor supervises the policy and control of adult education and the state's libraries.

Tighter control over educational quality has seen a clampdown on 807 sub-standard private schools and closer monitoring of public schools through the Educational Inspectorate Services. State scholarships have increased in recent months, with many



Lagos State University is the state's premier tertiary education institution.

Lagosians qualifying for further study in Lagos and at universities and colleges in the United States of America and Europe.

Vocational training has resulted in 17 000 women receiving instruction in skills as varied as textile and hat design, sewing, tie and dye making, baking and pottery. Most of these women also received micro-credit allocations to assist them in taking the first steps in entrepreneurship.

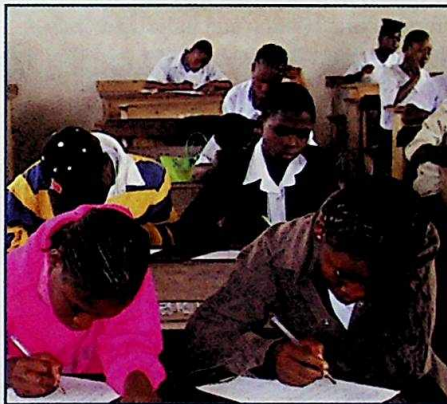
Education is also being used as a tool in addressing social problems holistically. An amount of N100-million was spent on the expansion of a Skills Acquisition Rehabilitation Centre at Tekunle. Originally designed to offer skills training to 1 000 people arrested for minor crimes, it is now able to accommodate double that number.

Recent investment in the education sector also includes upgrades at the Agricultural Training Institute at Araga. The scope of training has been broadened and facilities upgraded in line with the goal of empowering citizens.

Some vocational training programmes are targeted directly at unemployed youth to prevent crime and to alleviate poverty. A youth sports development programme is one such programme. In the field of environmental awareness, campaigns have also been launched to educate all citizens, but particularly the youth, about the importance of the environment.



Lagos has put its graduates to work in helping the country become computer-literate. Here Governor Fashola joins in celebrations on graduation day.



Schooling is free for all children.

INVESTMENT OPPORTUNITIES IN EDUCATION

ICT at Resource Centre

Area: Ojodu

Summary: The Educational Resource Centre at Ojodu was recently established with the goal of providing high-quality instructional materials to enhance the transfer of skills and knowledge. Opportunities exist for the supply and maintenance of information and communication technology.

School rehabilitation

Area: Lagos State

Summary: A state intervention project has undertaken the rehabilitation of 166 public

schools with a budget of N500-million. Partnerships could be established with relevant companies for the supply of materials.

School construction

Area: Lagos State

Summary: Procurement procedures are in place for the construction of 15 new schools in the state. This presents opportunities for companies in the construction, materials and furniture sectors.

Contact:

TradeInvestNigeria, infonigeria@gan.co.za

Turning waste into wealth

The 9 000 metric tons of waste produced in Lagos every day presents a wide range of possibilities for investors in the fields of waste management, recycling and energy conversion.

BEAUTIFUL SANDY BEACHES AND wavy palm trees stretching out along nearly 200km of the Atlantic Ocean shoreline, a tranquil lagoon and 61 unique islands tell part of the story of the environment of Lagos State. Unfortunately, the other part of the story is that the region is the site of intense economic activity and is exposed to many of the negative side-effects of urbanisation and industrialisation. Many years of infrastructural neglect led to a situation in which the ecological balance of the region was threatened and human development retarded.

The story is set to have a happy ending, however: with steps in place to protect the best of the state's natural environment and aggressive policies and actions to reverse the years of neglect, Lagos State is well placed to become an attractive place to be for locals and visitors alike.

Although beautification projects and the sustainable development of attractive areas such as the beachfront represent possible investment openings (many of which are dealt with in the Tourism sector overview), the biggest opportunities for investors reside in the waste management sector.

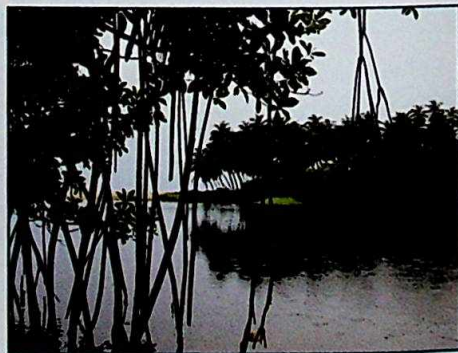
Lagos produces 9 000 metric tons of waste per day. With a population density of 4 193 person per square kilometre and a projected population of 24.5-million by 2015, issues related to waste loom large in any development strategy – and present a wide range of possibilities for the investment community.

The city of Lagos has a specialised agency responsible for waste management. Lagos Waste Management Authority (LAWMA) not only oversees the evacuation of refuse, the management of landfill sites, the safe storage of waste and so on, but also works on the

regulatory framework so that private investors can easily get involved in the sector through public private partnerships, outsourcing or contracts. LAWMA recently collaborated with the Civil Society Coalition to host a Medical Waste Management Summit which was attended by 240 delegates, including representatives of the World Bank. LAWMA reports that the refuse collection rate has gone up from between 30% and 40% three years ago to nearer 85% today.

The government of Lagos is acutely aware of the need to focus on the environment, both as a tool for social development and as a means to create a favourable climate for investment. Governor Babatunde Fashola (SAN) has stated that the 'environment is an issue of major concern'.

The Waste to Wealth initiative at Ikorodu illustrates how mutually beneficial a public private partnership can be. EarthCare is the private partner in a scheme that currently converts 1 500 tons of refuse into fertiliser at a site that is now West Africa's biggest compost facility.



The beautiful waterways and coastline of Lagos State are receiving increased protection – and proving an attractive drawcard for tourism developers.

The Dutch company IBRD is a partner in an agreement with the Lagos State Government to convert and collect methane gas from one of the bigger dumpsites. Recycling is not at all developed in the state.

Tighter legislative control of waste management has meant that service providers are obliged to invest in new equipment. For example, all private companies dealing in waste management must now use specialised waste management trucks (compactors).

Landfill management, specialised medical waste disposal and management and the provision of wheeler bins are further aspects in which investment is required. The development of three mechanised landfills at Ibafo, Ikorodu and Badagry is ongoing.

An 80-hectare facility at Epe for integrated waste management is under construction. All dumpsites in the state are undergoing infrastructural rehabilitation and pollution prevention equipment is being installed.



The Lagos Waste Management Authority has a massive task and is seeking partnerships with private companies to tackle the 9 000 metric tons of waste produced every day in the mega-city.

INVESTMENT OPPORTUNITIES IN ENVIRONMENT

Waste transfer loading stations

Area: City of Lagos

Summary: Lagos needs 14 transfer loading stations in the waste management sector and investors are needed urgently.

Compactors needed

Area: City of Lagos

Summary: Lagos needs 450 compactors for the efficient transport of refuse. The state anticipates being able to supply 200 (with the input of local companies). The shortfall of 250 compactor trucks represents an opening for foreign investors.

Waste conversion

Area: City of Lagos

Summary: Fertiliser and methane gas are two of the products that can be obtained from converting waste. With a daily waste generation rate of 9 000 metric tons, this presents a perfect opportunity to turn waste to wealth. The Colossus site alone receives about 4 000 tons of waste per day which generates one-million cubic metres of methane annually. That in turn can be turned into 25 megawatts of electricity.

Wheeler bins

Area: City of Lagos

Summary: A huge market exists for this

product in Lagos as the Lagos State Government is simultaneously driving a public health programme together with a concerted drive to formalise all refuse storage and collection.

Motorised street cleaners

Area: City of Lagos

Summary: Approximately 375 kilometres of road has been prioritised by the agency responsible for keeping Lagos clean as urgently in need of needing regular street cleaning and it is willing to pay contractors to do the job.

Solar power

Area: City of Lagos

Summary: Nigeria has a huge shortage of electricity. The Lagos State Government is looking for investors in solar power to help boost economic development and contribute to reducing carbon emissions. The federal government has exclusive jurisdiction over the provision of energy in the country.

Contact:

Lagos State Ministry of Environment,
Muiz Adeyemi Banire, Commissioner for
Environment, muizbanire@yahoo.com
TradeInvestNigeria, infonigeria@gan.co.za

Environment

*Interview with Dr Muiz Adeyemi Banire,
the Honourable Commissioner of Environment, Lagos State.*

It is surprising that Nigerians don't regard environmental issues as a high priority, given that it is a developing country. What are you doing to create a new culture of environmental awareness?

Environmental cleanliness is not a priority to most people in the country but in the last few months we have been doing a lot of education. We are using the media and we are going through community development associations and NGOs. We must have attitudinal change.

What does it mean to an average Nigerian who is very hungry to tell him to plant a tree? It will mean something if you explain that it will provide employment and beautify the country. Any investor who comes into an environmentally friendly country will bring in a lot of investments and this naturally creates employment.

What kind of initiatives do you have in place to protect the environment?

We decided to start catching them young so we launched the Climate Change Club (CCC). It was a very big event involving more than 20 000 school pupils. Many of the polluters use children as runners to dump refuse in the canals but once we enlighten the children, they will know the implications of these things.

We have staged a lot of community programmes. Previously, we used to incinerate or burn refuse, now we collect and evacuate directly. Very good public toilets within school premises are being provided as well as an efficient water supply for sanitation purposes. We are mounting aggressive



Dr Muiz Banire, the Honourable Commissioner for Environment, Lagos State.

campaigns about public health and safety.

What is the vision behind the Lagos city beautification programme?

Aesthetic values are important but many of the public places we are currently upgrading used to serve as hideouts for criminals. We have substantially cleared and landscaped our public open spaces. These projects create jobs and enhance the potential for tourism. We

are protecting the environment because trees absorb carbons. This should lead to a reduction in health costs in the longer term.

How do you intend to mobilise people?

We are going to have a major tree planting event in June 2008, a carnival day. It will be an annual event where everybody will show the various types of trees he or she has planted and an award system will be introduced.

What are the main environmental issues in Lagos State?

The biggest problems relate to waste management: abuse of canals, drainage systems and refuse dumping and burning. Public hygiene is affected by people not using public toilets and we are working hard on this aspect. Contamination of water can occur when people try to vandalise pipes. We also have the problem of emissions from motor vehicles, air conditioners and industrial machines, but we are addressing them aggressively.

Could these problems actually present an investment opportunity which could

also benefit Lagos State?

We are talking to foreign investors and we already have an agreement for methane collection from a dumpsite with IBRD based in Holland. We intend claiming carbon credits for activities like beautification, tree planting and energy conservation.

We are working on a special programme that will prevent the use of lanterns and other kerosene energy sources, which we could also exchange for carbon credits.



The beautification of Lagos programme has revitalised Tinubu Square and raised environmental awareness among the public.

What about emission reduction?

We are discouraging the burning of refuse and we are trying to persuade people to make use of public transport. Beyond that we have a campaign to get people to switch off electrical appliances when they do not need them.

We are working on alternative power sources like solar power for a lot of our installations like street lighting, road signals and others. We are looking forward to the use of gas rather than diesel for our public transport buses.

What is your message to investors all over the world? Why should they come to Lagos State?

Lagos State is now the only destination for any serious investment because we have all that it takes. In the environmental field, there are so many areas for investments. Solar power is another area where investors can come in – we have sunlight in abundance. There are also opportunities for the provision of landscaping and tools, and in the use of waste to produce fertiliser for agriculture. (Waste management investment opportunities are covered more fully on pages 42-43.)

Some of the palms we are planting are imported. The beautification projects have led to high demand and local horticulturists are running out of stock – this is another area for investors.

Recycling plants are needed for recycling metals, plastics and paper. There are many

abandoned vehicles that could be recycled into steel and other metal products.

Lagos State does not have enough landfill equipment and when it comes to drainage, we need more dredgers and we need more companies to contribute to the construction of drains and canals and hydraulic engineering projects. The opportunities are unlimited in the area of environment in this state. Lagos is the place to be for any serious investor.

What is your vision for Lagos State?

Our vision is for our country, and Lagos State in particular, to quickly become world class. We want to turn Lagos State into the Singapore of Africa, an area that is so inviting you will want to stay outdoors when you visit. We want to have a city within a garden.

What about incentives?

Some of the incentives we already employ apply to investors in the waste-to-wealth initiative. These include giving them land (by way of equity or through concessions) and tax holidays. EarthCare is presently converting 1 500 tons of refuse into fertiliser at Ikorodu in Lagos.

We have some local investors in the area of small compactors and evacuation of refuse but we want to be ahead of that. At this time, we are processing about 80 applications regarding elements such as waste-to-wealth, electricity generation and the production of methane gas.

Lagos Waste Management Authority

Interview with Mr Ola Oresanya, Managing Director of the Lagos Waste Management Authority (LAWMA).

What is the mandate of LAWMA?

LAWMA was established about 30 years ago with the mandate to ensure that the city of Lagos is clean by providing waste storage materials, ensuring prompt evacuation of refuse and the management of landfill sites. Our mandate also extends to ensuring that we have regulatory control of private sector involvement in waste management, thereby creating an enabling environment for the private sector.

Please give an overview of what is currently happening in Lagos with regard to waste management.

The Ministry of Environment is involved with policy issues on waste management, while LAWMA is the main implementing agency. Local government also has a constitutional role to ensure that their area is clean but LAWMA provides services to them. Waste collection processes can be divided into three main areas. Firstly, there is public waste collection for which LAWMA is responsible. Secondly, there is domestic waste collection which is outsourced to the private sector. And



Recycling of film plastics at Ojo, Lagos State.

thirdly, we have commercial waste collection which is given to the private sector to operate.

On the landfill sites, we have associated services that involve the recovery of useful materials from disposed waste. LAWMA is managing the landfill sites for the state government but we want the private sector to get involved.

Before the restructuring of LAWMA started three years ago, refuse collection rates were only about 30-40% of the total amount disposed. We are tackling efficiency problems and now have close to 85% refuse collection.

About 5% of uncontrolled waste finds its way into the hands of the informal sector which thrives on the inefficiencies of the formal sector. We aim to eliminate the activities of informal refuse collectors.

What investment opportunities are available in waste management in Lagos State?

The first segment is storage which is the generators' responsibility. According to the law, each refuse generator must have adequate waste storage. For an investor who produces waste storage cans, this is an opportunity. Companies with the technology to produce wheeler bins will have a large market in Lagos. We are looking to mass-produce those wheeler bins and this is an excellent opportunity for investors.

In the area of collection we have two segments: evacuation and sweeping. For evacuation you need a motorised system for the collection of stored waste. LAWMA is currently acquiring equipment that we plan to distribute on a concession arrangement. Investors can therefore slot into our concession programme.

In waste management we need 14 transfer loading stations. We are investing in about 10 now, and we still need another four. Refuse is now wealth, people go to it for electricity and other conversions, so that is an area to look at. For the evacuation of waste, we need 450 compactors for effective transportation of waste and we recently ordered 100. Even if the local private sector orders another 100 there will still be a shortfall of 250 compactor trucks



Lagos State is in urgent need of private investors to take up the shortfall of 250 compactor trucks needed to evacuate the mega-city's waste.

which foreign investors can take advantage of.

There is also a gap for the private sector in household collection. We need people with specialised trucks for household, industrial, medical and special waste collection. Ultimately, LAWMA will end up as a regulatory agency and our equipment will be given to credible organisations under concession arrangements.

Regarding street cleansing, we are willing to pay people with motorised cleaners to wash our roads. At the disposal end we have a new landfill site that is being constructed. We believe that 'waste is not waste unless you waste it' and that an investment in waste conversion will do very well in Lagos. The conversion of waste to compost is a very viable area for investment. The recycling of raw materials – such as plastic, tyres, metals, paper, etc – is also an area that is yearning for investment in Lagos.

What is your strategy on recycling?

Right now we are trying to informally scavenge reusable items and thereby reduce what we have on site. We are gathering used paper and supplying a paper mill in Kwara State. We have a proposed programme to establish the reuse concept in the sorting process at transfer stations. Before the end of

the year we hope to have two or three transfer stations working in Lagos. We are actually looking for investors to invest in these transfer stations on a Develop, Build and Operate (DBO) concept.

We also have a recycling programme which deals with the portion of the sorted materials that can be recycled. In order of preference, we have started with compost recycling, and will move on to an energy project, plastics and so on. We have been accredited under the UN Kyoto Protocol buy-back programme and the World Bank has facilitated the purchase agreement for our methane on the carbon credit market.

What has been done to stop the indiscriminate dumping of refuse?

The law right now is very strict: if you dump refuse in an open space, you will be arrested. There is a law-enforcement structure that ensures compliance with the regulations that are on the ground. We also have an enlightenment programme to encourage people to tap into the new vision.

The Ministry of Environment is in charge of the beautification of Lagos and it beautifies areas we have cleaned. This is also a tool of control because if an area is beautiful, people don't have the tendency to make it dirty.

A continental model in healthcare provision

The expansion of primary healthcare has been one of the finest achievements of the Lagos State Government. Investment is needed in all sectors to take healthcare provision to the next level.

LAGOS STATE HAS MADE GREAT strides in the provision of healthcare services in recent years, but much remains to be done. Children under the age of 12 and adults over 60 receive free healthcare and the state has rolled out a range of far-reaching campaigns to combat malaria, tuberculosis and HIV/Aids.

Rural poverty-alleviation programmes have been conducted in conjunction with health-awareness drives as the correlation between poverty and poor health is strong. Consequently, the focus of the Lagos State

Government is on primary healthcare, and in particular, the issues of infant and maternal mortality.

The state's administrators are actively looking for investment from the private sector in all sections of the healthcare field: primary, secondary and tertiary. Particular areas receiving focus are health technology and pharmacy. Lagos State has worked hard to create an enabling environment for foreign direct investment and to this end, certain laws have been amended. The Lagos State Government has also tightened copyright



Major upgrades are underway at all of the state's hospitals with investment in ICT, training and infrastructure.

and other intellectual property rights laws, thus safeguarding the investor.

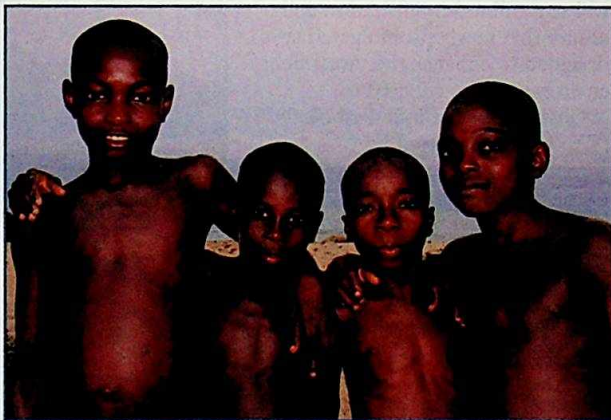
Various models have been created for investment in sectors that might sometimes have been perceived as the sole preserve of the state. These include concessioning and public private partnerships. Sector financing is another area that has received a lot of attention from the Lagos State Government and this is where the private sector can play a large role in bringing the system to a new level. The emphasis in this regard is on developing a national health insurance scheme.

While the scale of the challenges in healthcare is daunting, the demographic realities of a state with a population of 18-million people offer the specialist healthcare investor enormous scope.

In the last year, free malaria treatment reached five-million people and over half a million insecticide-treated nets were distributed. Routine immunisation increased by 80%, with the total number of children treated being over 12-million. The number of tuberculosis treatment centres has increased from six to 45. A specialised HIV/Aids agency has helped reduce the prevalence rate in the state from 6.4% to 4.4%.

In addressing healthcare issues, the Lagos State Government has to adopt an holistic approach. By way of example, the state has a demand gap of 2.5-billion litres of water per day which has a major impact on the living circumstances of the population. Infrastructural investment is the key factor underpinning development plans in all sectors of the Lagos economy.

Upgrading the infrastructure of the healthcare system is one of the Ministry of Health's major objectives. The Lagos State University Teaching Hospital (LASUTH) has recently expanded its capacity with the addition of the 144-bed Tinubu Ward



Free healthcare is available to all children under the age of 12 in Lagos State and the government has identified improved primary healthcare services as a priority.

Complex. The Agbenuba Model Facility, a multi-purpose primary healthcare centre and training facility, was built with the assistance of UNICEF in the Agbado/Oke-Odo local council development area. This centre also caters for adult literacy and vocational training.

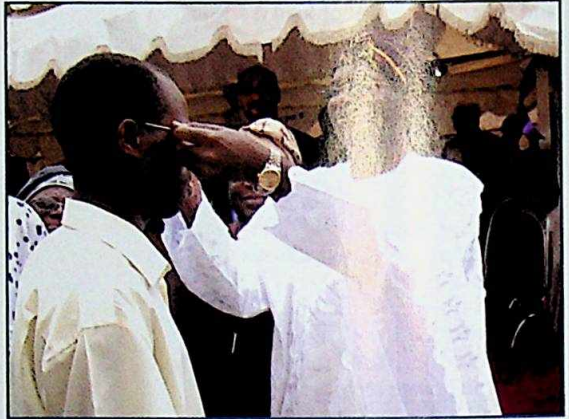
Another innovative project will see integrated maternal and child complexes (with 106 beds each) located at six strategic locations around the state. The design of these complexes won recognition from the federal Ministry of Health and contracts for the construction of two of these have already been awarded.

Seven healthcare institutions have been specifically designated as eye-care referral centres with a further 90 sites acting as primary eye-care centres. The secondary centres received equipment such as auto refractor keratometers, ophthalmoscopes, retinoscopes and scan biometers to enhance the quality of detection and care. Almost 7 000 patients were screened and 1 000 received spectacles under the Blindness Prevention Programme.

The planned introduction of a State Health Insurance Scheme includes provisions for partnerships with investors. A specialised Lagos State Managed Health Care Agency

will streamline administration and ensure that newly promulgated laws designed to enhance the investment environment are adhered to.

Governor Babatunde Fashola (SAN) has committed his administration to continuing to improve the standard of healthcare delivery in the state. 'My administration will vigorously advance efforts to improve and keep in good repair our hospitals. By creating the right atmosphere, installing the necessary tools and building up a happy workforce, we shall continue to improve the standard of healthcare delivery and make hospitals in Lagos State a continental model.



The free eye-care programme has transformed the lives of many Lagosians. Here a man receives a pair of eye glasses from Governor Fashola.

INVESTMENT OPPORTUNITIES IN HEALTH

Healthcare provision

Area: City of Lagos

Summary: Healthcare provision in Lagos State is split 50:50 between the state and the private sector. The Lagos State Government is actively encouraging further investment to service its population of nearly 18-million people, particularly in the secondary and tertiary sectors and in the provision of healthcare technology.

Trauma and burn centres

Areas: Lekki, Idorodu, Alimosho, Epe, Badagry

Summary: The design phase of these strategically situated 50-bed units has been completed. The building phase provides an opportunity for investors.

ICT

Areas: Lagos, Isolo

Summary: Lagos State University Teaching Hospital and the two general hospitals (Lagos and Isolo) have recently computerised their medical record-keeping system. As the Lagos State Government seeks to upgrade and modernise the provision of healthcare, there are opportunities for information and communications investors in the installation and maintenance of technology.

Construction of emergency centre

Area: Lagos-Ibadan Express Road

Summary: A dedicated emergency centre is to be built on one of the state's major highways and investors from the construction and medical equipment sectors are sought.

Health insurance

Area: Lagos State

Summary: Although Lagos has increased spending on health by 200% in one year, health insurance remains underdeveloped and the state is looking to partner with companies experienced in rolling out health insurance or financial institutions.

Pharmaceuticals

Area: Lagos State

Summary: Partnerships between the Lagos State Government and private companies already exist in this sector, but there are many opportunities for growth in this field.

Contact:

Lagos State Ministry of Health, Dr Jide Idris: Commissioner of Health, ji@hyperia.com TradInvestNigeria, infonigeria@gan.co.za

Health

Interview with Dr Jide Idris, Honourable Commissioner for Health, Lagos State.

How would you describe the current state of health in Lagos?

When we came into office in 1999, the key health indices were very poor. There was a high infant mortality rate and low life expectancy. The tertiary level of the government health department was non-existent and the secondary healthcare level in general was in different stages of dilapidation with staff morale very low and no state financing policy for the department.

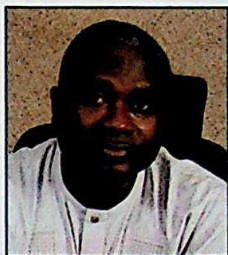
At local government level, the state of health was even poorer due to lack of finance, staff shortages and poor technical know-how, and as a government we had to sit down and look at various strategies to tackle what needed to be done.

Exacerbating the situation was a high level of poverty and the poor economic development of the country.

For the past eight years, we have embarked on a healthcare reform agenda by addressing the principal issues. We have developed a number of programmes to address poverty, particularly in the rural areas, and to increase the awareness of the health sector and health services that were hitherto not available.

The government embarked on a free health policy targeted at children of 12 years and below, adults of 60 years and above, and anti-natal care. Civil servants are also being treated free with their spouses and children.

There are programmes to address pandemic blindness, including a massive screening process. Eyeglasses were distributed free of charge and where required, surgery was performed. We discovered that the most common causes of blindness were cataract or glaucoma and we continued to educate the people on the need for medical checkups.



Dr Jide Idris, Honourable Commissioner for Health, Lagos State.

We introduced a limb deformity programme. Data from the health institutions indicated that a lot of people, especially children, have one form of limb deformity or another. These people received assistance such as walking aids and, again, surgery where required.

We have a malaria-free policy because malaria remains the number-one killer in Nigeria and in this part of the world. We have adopted a number of strategies

to control mosquitoes and the disease, including collaboration with the Ministry of Environment to control mosquito breeding sites and the distribution of Insecticide Treated Nets.

We have also decided to address the issue of child health by establishing Child Health Week. Initially we used to have it once a year but because of its beneficial effects we decided to have it twice a year. During the Child Health Week we enlighten people on the benefits of immunisation.

On HIV/Aids, Lagos State Government was the first to set up an agency to tackle the issue of control and our template is being replicated in other states and even at federal level. We started with a public-awareness campaign and today the level of awareness is very high in Lagos State. Initially the HIV prevalence rate in the state was 6.4% but now it has come down to 4.4%.

Tuberculosis is a major concern, considering the fact that it is a communicable disease and as a result we have adopted a strategy whereby centres are established for diagnosis and treatment and the number of these centres has increased from six to 45.

In 2008, the government is constructing maternal and child health units in five of our



The Governor, in blue, inspects one of the newly equipped mobile hospitals that form part of the Lagos State Government's primary healthcare drive.

health facilities and each will have 100 beds. We carry out periodical medical missions in local areas where free medical services are offered to the people. The mission's team is made up of doctors, nurses, surgeons and eye experts, and we try to treat a full range of diseases.

At tertiary level, we decided to build up capacity especially on cardiac programmes, as currently this is an area where a lot of people are referred abroad for treatment. We are now planning to build a cardiac/renal centre able to provide comprehensive diagnosis and treatment.

Today in Lagos State we have a hypertension public-awareness campaign and hypertension and diabetes screenings are done free of charge across the state.

We are upgrading and increasing our ambulance fleet. Initially we had about 16 but now we have acquired a further 10. Some of these ambulances will be located in parts of the state known to be accident-prone.

A major issue we are facing as government is that of financing. When we started in 1999, because of the priority we gave to health there was an increase in our budgetary allocation but due to the population of Lagos State, the increase in relation to the total budget was too small. The government is aggressively addressing that now. This year alone the budget for health has increased by 200% but more importantly, we are trying to look at the issue of sustainable finance through the health insurance scheme. This includes social insurance for the formal sector and private sector partnerships.

In the area of pharmacy, we are working with the private sector and we are also addressing the issue of manpower development through incentives, training and retraining.

What is the public-private split in healthcare provision in Lagos?

Currently the government is providing

services to about 50% of the population and the other half is serviced by the private sector. We are encouraging participation by the private sector and setting up regulations with a view to improving our policy of care and regulating its practice to reduce quackery. We are also encouraging the private sector to participate at the primary healthcare level.

What is the state of private hospitals and clinics in Lagos State and is there room for future investments?

Definitely. There is substantial opportunity for investment at the secondary and tertiary healthcare level. We have a state population of about 18-million people, so anybody who wants to come and invest in health technology is welcome. One of the present government policies is to stimulate that by creating an enabling environment. There are opportunities in the areas of direct service provision, diagnostic services, research, research, capacity-building (teaching, etc), health management and IT.

What about tobacco? Do you support the calls for the closure of all tobacco companies in Nigeria?

The tobacco companies are leaving their various countries because regulations have

been put in place to curtail their activities. The governments of these countries understand the health hazards of tobacco and its products. With tough regulations in place elsewhere, they are now moving to countries like ours. If you value the health of your people you should not encourage tobacco consumption.

But what about the effect on employment?

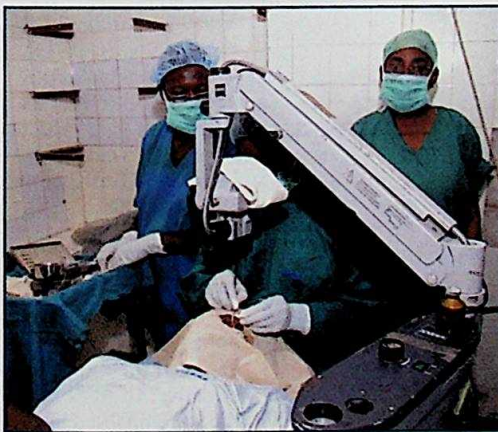
If you look at the number of jobs they create and the number of people that die from smoking-related diseases, I maintain my position.

How is Lagos partnering with international organisations to assist in the health programmes?

As the policy of government, any organisations that can assist (or whose contributions could be used towards possible achievement of health goals) are welcome. Currently we are working with many organisations, for example, on immunisation alone we have full support from UNICEF, the World Health Organisation (WHO), etc. On tuberculosis we have the support of the Canadian International Development Agency (CIDA), and on HIV/Aids we have the support of a host of foreign agencies and institutions. In malaria control we have clubs like Rotary International and the Lions Club giving their full support. USAID is also deeply involved in the health reform agenda we are trying to put in place.

What is the key objective you want to achieve during your term of office?

Our main objective is to reduce the rates of infant and maternal mortality because we find these rates unacceptable. These are the principal goals of the administration and that is why we put various programmes in place to address these health problems. We know that to achieve them is going to take time and that is why we have to build the infrastructure right from the beginning. Anyone who comes in after us can build on where we left off.



A patient receiving an eye operation after being screened at one of the many eye-care referral centres around the state.

Housing needs spell opportunity

Lagos State has a deficit of five-million housing units. The Lagos State Government is committed to providing 10 000 units per year. Private sector investment is urgently required.

WITH A GROWING POPULATION and an existing occupancy rate of five to seven people per room, Lagos has to build a lot of housing quickly. The provision of affordable mass housing is one of the key aspects of the administration's 10-Point Agenda but it is obvious that significant private sector involvement will be necessary to overcome the backlog, which is estimated at a staggering five-million units.

Central to meeting its mandate in this area is the government's commitment to the public private partnership (PPP) model. Land rights is among the key issues that have been identified as contributing to attracting foreign direct investment. The Lagos State Government has been working hard to create an enabling environment through legislation. The process has already seen three housing developers approved as partners in the delivery of housing with the state, and they

are on site. Another seven have been approved by the Governor's office and agreements will be signed soon.

The memorandum of understanding with Cityscape International encompasses the provision of 10 000 housing units at Irepodun, Epe, a new town. The 300 hectares of land set aside by the state at Epe for a mixed development including housing for low, medium and high income earners is in line with the administration's goal of encouraging the development of nodes away from the Lagos CBD. The developer of the 300 hectares has been granted a 99-year lease. Where developers undertake smaller projects (less than 1 000 units), the lease is likely to be for five years for construction and sale.

Approximately 70% of new housing units need to be in the low-income earner's reach, but there is scope for other types of accommodation, particularly in the

tourism sector.

At Ikota, the Marimpex Imperial Homes and Property Company is building 136 mixed housing units while at Olokonla, Key-Based Ventures Limited is constructing 160 luxury three-bedroomed flats.

An important component in kick-starting the state's housing programme has been the mortgage initiative. In April 2008, the state finalised an agreement with six financial institutions which has made more



Government programmes aim to dovetail with private investors in rolling out good housing. At Oko-Oba in Agege, Lagos, the Sunshine Estate apartments were developed with the assistance of the Lagos State Development and Property Corporation.

than N40-million available for home buyers. This has served to increase the buyers market size, to regularise transactions, and has had the happy spin-off of reducing the potential for corruption, thereby increasing the confidence of all parties.

Among the new legislation introduced by the current administration is the Bill on Lands Electronic Document in Management System. This will ensure better management of land records and land use through improved application of information and communication technology. Steps are in place to further enhance the quality, integrity and safety of Certificates of Occupancy and other sensitive land documents issued by the state. New procedures are being introduced to obtain the consent of the Governor on land transactions. An inter-ministerial committee exists solely to handle investments in land in Lagos. These steps are designed to increase the confidence of investors and to make doing business in Lagos easier.

Within the sector, the Lagos State Development and Property Corporation (LSDPC) provides housing for middle and high income earners. The LSDPC looks to the capital markets and borrows from



Growing prosperity is leading to a greater demand for townhouses and more upmarket properties in Lagos.

banks to fund its investments and loans. It recently signed off a N708.5-million 144-flat development at Sunshine Estate in Oko-Oba, Agege.

In line with the Millennium Development Goals, major slum upgrading schemes have been undertaken in the metropolitan areas of Obalende, Ijora-Oloye, Oregon, Shogunle and Idi-Araba. These areas will need infrastructural investment.

The growing tourist industry also offers opportunities for investors in the construction sector. These are dealt with more fully in the Tourism sector overview.

INVESTMENT OPPORTUNITIES IN HOUSING

Housing development

Area: Lagos

Summary: Lagos State has a substantial demand for housing and the government has set a target of building 40 000 units in four years. The state administration is offering attractive incentive packages to investors to reach this ambitious goal.

Middle and high-level housing units

Area: Ajah-Ekpe Axis

Summary: Bids are invited for the development of housing units for middle and high income earners along this busy axis.

Fifty hectares for development

Areas: West, East and Central Senatorial Districts

Summary: Lagos State has identified three areas totalling 50 hectares within these

three districts for the development of housing for low, middle and high income earners. Developers to partner the state in developing this land are required.

Housing units

Areas: Lekki Free Trade Zone

Summary: The brand-new city at the Lekki Free Trade Zone will have residential accommodation as one of its components. To this end, partners are sought to build houses and apartments in this exciting new area where substantial concessions are available to investors.

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Housing

*Interview with Mr Dele Onabokun,
the Honourable Commissioner for Housing, Lagos State.*

Please give an overview of the housing sector in Lagos State. There is a huge deficit in the housing sector in Nigeria, and Lagos State in particular. Even though we are geographically the smallest state, Lagos has the highest population of about 18-million people.

The deficit in the housing sector is about five-million housing units and the target of this administration is to supply about 10 000 housing units per year. Our government cannot achieve this alone, so we have introduced a public private partnership (PPP) to assist in achieving delivery. To date we have had more than 20 developers who have shown interest, and the Governor, His Excellency Babatunde R Fashola (SAN), has approved no less than 10 developers. We have signed an agreement with three and they have moved on site. One will provide approximately 1 000 housing units costing in the region of N97.5-billion in the next four years. In addition, the government has provided 300 hectares of land in Epe local government area for 10 000 housing units with mixed development where there is provision for low, middle and high income earners. The objective of this ministry is to provide houses and to ensure that 70% of whatever we provide is for the low income earners.

There are two other projects, one of which is in Ikorodu local government area. It is also a mixed development and will provide 950 units comprising two- and three-bedroomed flats. The government has provided 15.5 hectares to the developer and they are on site.

The third site is along the Ajah-Epe axis. This project will provide middle and high-



Mr Dele Onabokun,
the Honourable
Commissioner for
Housing, Lagos State.

level housing units only, because the cost of land is very high.

Owing to economic slowdowns elsewhere, money is moving to this part of the world and we have received many offers from companies in the UK and the USA. If we want to seize this opportunity, we have to do so now.

What is the comparative advantage of investing in the housing sector in Lagos State?

Nigeria has had an established democracy for almost a decade.

As for Lagos, companies believe and trust in the type of government we have, and they trust in us.

What about returns on investment?

The demand in the housing sector is much higher than supply and therefore the prospects for return on investment are very bright.

What about titling of the land? An investor would want to be well assured about the legal framework.

It is possible to buy land from landowners, but the constitution of Nigeria vests the ownership of land in the government, so the security is assured in any land that belongs to the government. There is an inter-ministerial committee set up by the Governor comprising the ministries of Housing, Finance and Justice, the New Town Development Authority (NTDA) and the Surveyor General's Office to ensure the smooth handling of investment in the housing sector.

Developers are usually given a long-term lease of 99 years, but those who are providing fewer than 1 000 housing units are

given five-year leases for construction and sale. We work closely with developers, and approve developments in conjunction with the Ministry of Urban Planning and Physical Development because the responsibility of approving what goes on in any part of the state is vested with them.

Are there specific areas in Lagos State earmarked for investors?

We have identified three areas in the three senatorial districts of Lagos State – West, East and Central – where we have 50 hectares available for developers.

Are there measures in place to address the problem of people who cannot afford houses and don't have the financial capacity to acquire houses?

In October 2007, the Lagos State Government introduced a mortgage scheme for those who cannot afford an outright purchase. This is a new initiative for Nigeria. The first beneficiaries of the scheme are civil servants, and a total of 357 have already received their offers. Reputable banks in the country have made about N40-billion available to finance the mortgage at a negotiated interest rate of 10%. Repayment is over 20 to 25 years, and while the civil servants have been the first to benefit, the scheme is open to anyone who has a regular source of income and lives in Nigeria.

Is the mortgage scheme intended to address only low income earners, or will it be available to anyone who wants a house?

Our mortgage scheme is not restricted to any level, but the greater emphasis is on



The Lagos State Government aims to build 10 000 housing units per year, with 70% of the units being for low income earners.

the middle and low income earners. As more banks buy into the system, I believe the interest rate will eventually fall, and we certainly don't expect it to get higher than 10%.

What are your objectives for your tenure in this administration?

Our target is to provide housing units that are affordable for the low-income earners. There is a belief that if we can not achieve in four years what the previous administration did in eight years, then we have failed.

We also want to develop all the local government areas of Lagos State, and in that way discourage people from concentrating on the centre of Lagos. We want people to live and work in the rural areas and that is why we are working in synergy with other ministries and the inter-ministerial committees to put in place amenities in local areas of the same standard as are to be found in Lagos city.

Lagos is getting connected

Lagos State has positively embraced the need to invest in Information and Communication Technology. The scope for investors is huge.

A SUCCESSFUL LAGOS STATE Government initiative illustrates how committed all the citizens of Lagos are to upgrading and improving computer skills. Five thousand 'Millennium Graduates' went straight from graduating from university to every agency and ministry throughout the state to teach civil servants how to use computers. Another 2 000 graduates have since been deployed on similar tasks. In this way, Lagos State is helping itself to take advantage of the information age. Governor Babatunde Fashola (SAN) is determined that Lagos will 'tap into the enormous potential which Information Technology and computer education have to offer'.

The State Central Office of Statistics has been repositioned to better respond to the demands of statistical analysis of a mega-city. The newly established Lagos State Records and Archives Bureau will take record-keeping to new levels.

Three of the state's biggest hospitals recently had their medical records computerised and this programme will be rolled out across the state. The state's university, training and agricultural colleges are also sites ready for investment in technology. An ICT-enriched Educational Resource Centre has been established at Ojodu to provide quality instructional materials. Centres such as these and schools throughout the region need computers,



More Lagosians are getting connected.

computer maintenance and continuous upgrading. An e-learning facility now exists at Tinubu in the Lagos Island Central Business District. The land record office has also recently upgraded its ICT capacity to better manage its mandate. Opportunities for service providers in this sector abound.

INVESTMENT OPPORTUNITIES IN ICT

Health and education and civil service ICT

Area: Lagos

Summary: The health and education sectors in particular are in need of investment in the ICT field. Private companies will find a willing partner in the Lagos State Government as it strives to improve its delivery.

Refurbishment of radio transmitters

Area: Lagos

Summary: The two transmitters of Radio Lagos/Eko FM need to be upgraded to enhance broadcast quality and effective reach.

Upgrading of state website

Area: Lagos

Summary: The intention is to upgrade the existing website, www.lagosstate.gov.ng, to web portal status to accommodate advanced features. Specialist companies can apply for the contract.

Ikeja Digital Village

Area: Alausa

Summary: This recently completed world-class resource centre intends to be on the cutting edge and consequently will require investors eager to invest in technology.

Contact:

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Science and Technology

*Interview with Dr Kadri Obafemi Hamzat,
Honourable Commissioner for Science and Technology, Lagos State.*

What is the mandate of your ministry?

The Ministry of Science and Technology focuses on automating the actions and processes of government. One of the challenges of our environment is that the majority of jobs are done manually which results in differences in work output because it is now a function of people's determination, but if it is automated, it can be repeated and still give you the same result which makes it easier for people to do business with Lagos State. The essence of our ministry is to automate the actions and processes of the government.

Name some of the recent achievements of your ministry.

Firstly, the implementation of ERP (Enterprise Resource Planning), also known as the Oracle, that gives us centralised data. This gives us an holistic view of the activities of the government. For example, if the government wants to know the number of accountants in the civil service, it is easily determined using the Oracle. Specifically, within the last nine months we have implemented hospital automation due to the increase in death rates from drug reactions.

Hospital automation is used to automate admission, pharmacy requirements and diagnosis so that if a patient is transferred from one hospital to the other, the doctor can administer the solutions needed.

We have also implemented Electronic Documents Management which helps to look at information about people. For example, one of the challenges we have in our



Dr Kadri Hamzat,
Honourable
Commissioner for
Science and Technology,
Lagos State.

environment is pensions. It is not because there is not enough money for payment, but because of lost data. With the help of electronic documents, information becomes easy to locate.

We have also initiated the Data Village, which is going to be commissioned soon at Ikeja. It has about 300 PCs which will comprise a physical academy, Microsoft academy, Oracle training and others. This project will be free to indigenous people because it is owned by the government, and it will allow people to improve their

learning capabilities. There will also be video conference facilities where people can do their business anywhere in Lagos and Abuja without stress. These are the kind of facilities we are building in Lagos State.

Do you have access to communications technology in Lagos?

The PC density is generally low in the country which is why we are targeting students and young school leavers, and that is why we built that Data Village. In Lagos Island we have about 600 PCs. The essence of this is for people living in that area who cannot afford computers to be able to access them at affordable prices.

What about the civil servants in Lagos State – are there enough Internet facilities for them?

The majority of the civil servants in Lagos State are in Alausa. We have about 78 000 points which is the biggest outside South Africa. We are trying to make sure that people don't just stay on the Internet to watch movies rather than do their jobs. Presently, we

don't have a 1:1 ratio of PC to staff. What we did was to make sure all the commissioners, secretaries, financial administration, etc, in the ministry have PCs while for those who don't have a PC on their desks a resource centre was created where they can have access to computers for either browsing or for office work. Going further, we are trying to introduce an ICT department in each ministry where they will have a team of experts to plan their budget, automation needs and processes.

How do you think ICT can contribute to the development of Lagos State?

On the scale of zero to 100, I will say 100 because it is extremely important. The only way to make processes repeatable is through the development of ICT in all sectors like engineering, finance, health, etc. With ICT, work is done at a faster rate, you will improve your efficiency and people you are working for will get good results.

What about e-learning programmes in Lagos State?

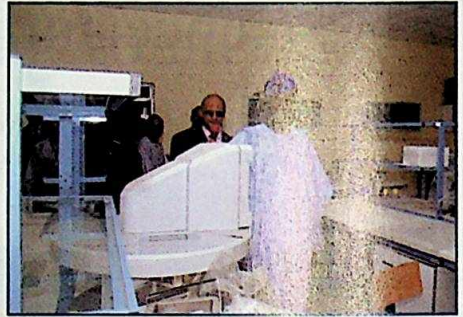
We have an e-learning centre in Lagos State but there is a challenge in that that majority of the tools or financial models are not very good for government but are good for business. We are not in the business of making profit but rather of providing the delivery of services to people. We are talking to universities and other institutions so as to have online access to their libraries and we will pay every year, so that people can actually visit their sites and get work material no matter what their field.

What about e-learning in government?

We have an e-payment system, so if you want to deal with land, examinations results, admissions into universities, etc, it is all done online and is efficient.

Do you think that through this academy for e-learning in Lagos State, people will embrace ICT?

The moment people feel comfortable using the tools, they will embrace it, and it makes everything easier for us to know that it is



Governor Babatunde Fashola (SAN) inspects new medical computer equipment, part of the state's efforts to bring Lagos online.

efficient. We are embarking on awareness campaigns to encourage people to make use of e-learning.

What have you done to increase Internet access in Lagos?

Through the resource centre we have created, and with the help of the Ministry of Youth Development and MTN, cyber cafés are being built in 57 local government areas so that the local youths can manage and operate them themselves.

Is it a part of the corporate project from MTN?

It is a separate project that we initiated and MTN saw that it could be part of the project. We are also trying to create a situation whereby awards will be given to participants in order to encourage more youth participation.

What are the main constraints to Internet access in Lagos?

Money is the major constraint in this project. The project involves over 40 schools which makes the project very expensive to carry out.

What has been the main investment in ICT?

The major investment is to create wireless ports across Lagos State and we are achieving this with two companies called Cisco Capital and Technocal IT. Technocal IT is locally based while Cisco Capital is a foreign-based



Telecommunications is at the heart of the development strategy of Lagos State and there is wide scope for investors in many sub-sectors.

company. Based on the agreed proposal, this will give us about 10 000 security cameras across Lagos State, with the mandate that we can now transmit information on crime to our centres. This will enable us detect crime efficiently and faster.

Will the wireless services be paid for?

Yes, the services will be paid for because it's a public private partnership in which the private sector needs to recoup its money.

What other areas are open to foreign and local investors?

There are lots of investment opportunities in all aspect of this project. For example, if you look at hospital automation, software is needed for people to create platforms that can enable interactions between various hospitals. Another area is call centre operation, which includes not just GSM but also landlines that allow people to connect through

their fixed lines for research purposes and communication. Investors, both foreign and local, should consider investing in call centres and hospital automation in order for us to have efficiency and availability of services.

What are the achievements your ministry would like to attain?

I want to achieve a lot for my ministry. One major project we are looking forward to putting in place is the Geographical Information System (GIS) which will enable us know the geographical areas and contour elevations of an area. With this we can track and plan our lands, drainage systems, flows of water, etc.

Another area is social security. Because of the huge population, we are trying to create a database of our residents so that we can track and plan for providing services to the community. Our major achievement would be to see to the completion of these projects.

Roads, bridges, water and power – growth sectors all

'We are renewing practically all the existing infrastructure and also creating new. With the amount of infrastructure we are creating, eventually job opportunities will rise and GDP will inevitably grow.' – Commissioner for Finance, Mr Rotimi Oyekan.

LAGOS STATE'S INFRASTRUCTURE was in a state of collapse nine years ago. The government that took office at that time had to work hard to provide its citizens with basic amenities. The current administration has embarked on an aggressive campaign of road and bridge building and set about making up for the deficiencies in the supply of electricity and water supply.

It is in the field of infrastructure development that investors can make the biggest difference to the lives of Lagosians – and there are countless opportunities for investors to make good returns.

Lagos State receives less than 40% of what it needs in terms of electricity from the company that controls supply in Nigeria. Consequently, alternatives have been put in place. For example, in recent months 10 rural communities across Lagos started

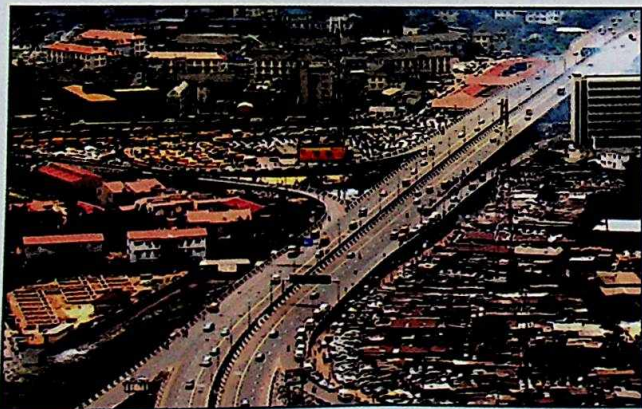
receiving power from solar power and other renewable resources. Rural electrification received a boost through improvements to the distribution network at 48 other sites.

The Lagos State Water Corporation is exploring ways of generating more power to facilitate better public water supply. On a bigger scale, an ambitious long-term integrated oil and gas facility at Badagry, the Lagos Energy Project, seeks to become an energy hub for Africa.

Private water vendors are used by 48% of people in Lagos State because the gap between supply and demand is 2.5-billion litres per day. In keeping with the Millennium Development Goals, where citizens' rights to adequate and potable water are outlined, the Lagos State Water Corporation will construct a 12.6MW power plant at Akute and five micro waterworks at various locations have

already been completed. The Lagos State Government is keen to find partners in the private sector to roll out more such projects.

Road and bridge building is happening at a frenetic pace in Lagos. Within six months a bridge at Ikoduru was restored and rebuilt. Major projects are underway in every part of the state. Plans for the Lagos Badagry expressway indicate a hugely ambitious multi-sector corridor encompassing road, bus and rail. A fourth mainland bridge will link



The infrastructure of Lagos is undergoing a major revamp, with highways a major area of investment opportunity.

Ikoduru with the Lekki Corridor so that by the time the Lekki Free Trade Zone is fully functional, access and movement to and from the area will be easier.

The second phase of the Bar Beach Reclamation Project (Eko Atlantic City), will be the largest civil works project ever undertaken in Africa, with ongoing construction of an additional 500 metres to the 1 000 metres of sea defence wall of the Bar Beach. This is regarded as an investment in the security and future of Lagos State.



The recently completed international truck terminal is part of a drive by the government of Lagos to improve transportation of goods to and from the state.

INVESTMENT OPPORTUNITIES IN INFRASTRUCTURE

Lagos Infrastructure Project

Area: Lagos State

Summary: This is an over-arching public-private project designed to rehabilitate much of the infrastructure of Lagos State. With a budget of N48-billion, the scheme includes road and bridge building and plans to include 30-year concessions whereby developers could toll roads they built.

Badagry expressway

Area: Lagos-Badagry

Summary: This major new road is part of the Lagos State Government's master-plan to restructure public transport. The road will contain 10 lanes, one of which will be a dedicated bus lane to accommodate the Bus Rapid Transport service, and a light rail corridor. There will be at least seven interchanges from Eric More to Badagry. The design phase is expected to be completed by the end of July 2008.

Jetties and ferry terminals

Area: City of Lagos

Summary: The inland waterways of the Lagos metropolitan area are to be opened up to public transportation by ferry. The government needs private partners to dredge channels, build jetties and operate ferry services. This initiative is expected to reduce congestion on the roads of Lagos.

Power plant construction

Area: Modopo

Summary: The Lekki Free Trade Zone is the fastest growing economic hub in

Lagos (16.8%). With phase two now being built, the Zone's energy requirements are set to grow exponentially. As a consequence, a power plant at Modopo is planned and the Lagos State Government invites interested parties to get involved.

Expansion of Lekki-Epe expressway

Area: Lekki-Epe

Summary: Phase one of the project was completed in March 2008 and carries more than 80 000 cars per day. The second phase is intended to build on the public private partnership which worked so successfully in getting to this stage. A further 47 kilometres needs to be developed, as part of the broader Lagos Infrastructure Project.

Lagos Energy Project

Area: Badagry

Summary: Private sector investment is encouraged in the Lagos Energy Project at Badagry, a N180-billion oil and gas facility which is expected to make Lagos the energy hub for the continent.

Mini waterworks

Areas: Ikate, Ikorodu, Badore, Ikeja, Agric-Epe

Summary: Each of these areas is designated to receive mini waterworks to take pressure off the more centralised waterworks.

Contact:

Ministry of Works and Infrastructure, Engineer Ganiyu A Johnson: Special Advisor to the Governor on Works and Infrastructure
TradeInvestNigeria, infonigeria@gan.co.za

Works and Infrastructure

*Interview with Engineer Gani A Johnson,
Special Advisor to the Governor on Works and Infrastructure.*

What is the mandate of your office?

We do maintenance and construction of roads and public buildings. We provide infrastructure in terms of roads, buildings and electricity, and we render technical services to other ministries.

From the time you started as Special Advisor, what has been the main achievement of your office?

The joy I have personally is that we have been able to approach road reconstruction and rehabilitation holistically. We have tackled the road problems in terms of how it relates to the flow of traffic, how it will benefit the people, how it will improve the economic activities and how it is going to increase manpower development. We are focusing on capacity-building of our own ministry instead of depending on major contractors. We have made tremendous progress in increasing our own capacity and we have succeeded in bringing down the cost of some projects.

What are the main projects you are focusing on?

There are so many! Our approach to roads is new. We look at the different zones in Lagos and then take a major contractor there and in most cases they are done in phases. We have identified major public roads in different zones and in some zones we have say 15, 20 or 36 roads but those are handled in phases so that it will be convenient for us and for the people too.

The major ones we are working on now are the Murtala Mohammed Way and Herbert Macaulay Way and the adjoining roads. In



Engineer Gani A Johnson, Special Advisor to the Governor on Works and Infrastructure.

addition, in Lagos Island Central Business District and in Eti Osa, a lot of roads have been rehabilitated or are undergoing repair or reconstruction. In Apapa Central Business District, work is actually going on at the Aerodrome and Warehouse Road among others.

In Alimosho, we are already in phase two. Alimosho is a fast-developing area and to discourage people leaving these areas for the city centre we have to make social infrastructure available.

In Amuwo Odofin, Okota, we have already awarded contracts that

will link over 10 communities from Surulere. We are also expanding some of the internal roads just to ease traffic.

What about water infrastructure?

The government is in the process of constructing 15 mini waterworks scattered all over the state. Each mini waterworks has the capacity to produce nine-million litres of water every day. We will have the capacity to produce 135-million litres. These mini waterworks are meant to complement our present water provision.

The Lekki Concession Company (LCC) is a clear example of a public private partnership. Do you have opportunities for interested parties or investors when it comes to works and infrastructure?

There is a major one, the Lagos-Badagry expressway, and we hope to complete the design in July 2008. This is a big opportunity as this road will be designed to have 10 lanes with a light rail corridor, Bus Rapid Transport (BRT) and about six or seven interchanges along the corridor from Eric More all the

way to Badagry. So it is an opportunity for investors. Apart from the fact that we are going to terminate the project at Badagry, it also means that the massive traffic jams that usually occur at certain junctions along the way will be a thing of the past.

The fourth mainland bridge is there and it will link Ikorodu with Lekki Corridor, so by the time the Lekki Free Trade Zone is fully functional, movement will be better. We have another project designed to decongest Ikorodu town like the one from Ishawo up to Shagamu road. We have many similar projects all over the state ready for investors.

I think a major concern is in the area of maintenance of roads and works. What is your ministry doing in order to achieve the highest standards and to choose the right contractors?

We are working on building the capacity of our contractors and those we have appointed are world class. We have been assured that whatever they do now will last an average of 15-20 years. To achieve this, we are developing a maintenance agreement with them over this timeframe.

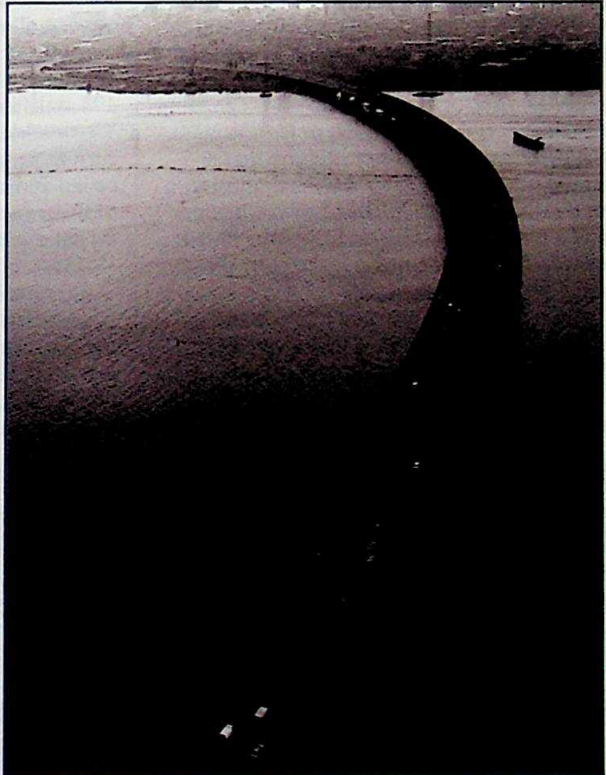
We also have an in-house maintenance culture. We have a division within the ministry called the Public Works Corporation and its duty is to maintain our primary and secondary roads. We have maintenance cells spread all over the state so that whenever they notice any distress on the roads, they quickly intervene and carry out the maintenance.

Usually when a major contractor finishes his job, there is a maintenance period of one year before they hand over the job to us. We want to extend that one year to a maintenance agreement period over 20 years.

Why should investors in infrastructure come to Lagos State? What are the state's advantages?

Lagos State population is close to 18-million and out of this, about 30-40% are on wheels – around six-million people. If only one-million people use the public private partnership road and you translate one-million people to a dollar per person in five years, the investor would certainly have recouped their investment.

The enabling environment is there; we have created the necessary enabling laws to back it up. Interested parties or investors are free and safe to come here and we will welcome them. The people are friendly and they will never regret coming to Lagos.



The third mainland bridge shows the scale of some of the projects undertaken in Lagos State. The fourth bridge will facilitate access to the Lekki Free Trade Zone.

Investment in tourism infrastructure

'Lagos is an extraordinary place with extraordinary people and extraordinary potential.'
 – Tourism Commissioner, Senator Tokunbo Afikuyomi.

YEARS OF MILITARY RULE HAD the effect of ruling Nigeria out as a tourist destination for many of the world's travellers. Now that the federation of Nigeria and its many states have accountable governments in place, tourism looks set to grow at a fast pace. Lagos State is making every effort to make a vibrant tourism sector part of its Democracy Dividend.

There is an awareness that the leisure and hospitality sector is among the best at creating sustainable employment. Lagos has many of the natural attractions that suggest that it would not take much for a tourist industry to flourish: miles of Atlantic beach coastline and a maze of wetlands and lagoons; vibrant cultural festivals throughout the year; and a rich history.

Lagos has a number of fine hotels and is well served with respect to transport. Two sea ports and the Murtala Mohammed International Airport ensure that getting in and out of the city state is easy. Massive

amounts of money are being spent on developing the roads, bridges and general infrastructure of the state. Much of this is in response to the needs of the electorate, but the infrastructure spend is also designed to kick-start the burgeoning tourism sector in the knowledge that employment opportunities will follow.

South African hotel and casino operator Sun International has recently acquired a 49% stake in the Federal Palace Hotel on Victoria Island, Lagos. Both hotels on the current property will undergo facelifts and a casino and conference centre are to be added to the complex. It is expected that the total capital expenditure on the project will exceed US\$120-million.

A frequently asked question by visitors to Lagos refers to security. The Commissioner for Tourism, Senator Tokunbo Afikuyomi, is glad to tackle these questions. 'We are aware of the perceptions people have about Lagos and Nigeria in general,' he says, 'but one



Lagos hosts cultural festivals throughout the year, and there is always music to greet and cheer the traveller.



The tourism sector in Lagos has huge potential and ambitious plans will see it taken to another level.



The natural charms of palm-fringed Atlantic Ocean beaches are difficult to match.

thing you should know is that “our people in Lagos don’t touch foreigners”.’ He also says, ‘We are extremely hospitable people.’

Investment by the Lagos State Government in the tourism and hospitality sector is seen as a down-payment on prosperity. Regulations and controls put in place to prevent environmental degradation of the Atlantic coastline are designed to protect the natural environment so that a sustainable tourism industry can take root in Lagos. Good progress has been made on extending the sea defence wall to protect Victoria Island and Ikoyi against destructive ocean surges, thus opening up the next phase in the Bar Beach Reclamation Project. When this is complete, it is expected that the resulting tourist city will be bigger than the current Victoria Island.

The massive redesign and upgrading of the Lagos-Badagry expressway also has a tourism motive. The investment is in line with moves to promote regional economic integration and tourism nodes. The Badagry corridor has been earmarked to become a prime tourism, conference, entertainment and commercial destination.

A memorandum of understanding has already been signed for the development of Lagos Film City at Badagry. The centre will contain a hotel, conference centre, film production facilities and shopping malls.

At the Lagos Marina Waterfront, a state-of-the-art floating boat hotel, the Sunborn Yacht Hotel, has been commissioned and will be in place by August 2008. Funded by private-sector syndication, the hotel

will have 105 luxury suites, a fifth deck restaurant, a banquet hall and superb recreational facilities.

Lagos aims to become a preferred destination for conferences and private companies looking for ventures will find fertile ground – one plan anticipates the building of the biggest such venue in Africa, a huge 60 000 square metres.

The beauty of the natural environment of Lagos is defined by water – the Atlantic Ocean and its breakers, the beaches, the wetlands and the fascinating character of 61 different islands. Tourism Commissioner Afikuyomi believes that ‘the Garden of Eden is here’.

UNESCO is taking an interest in what Lagos has done to commemorate the history of slavery through the Slave Route project. The Velicate market dates to 1452 and tells a grim but important story. A goal of the Lagos State Government is to have some of its tourist sites listed as World Heritage Sites.

Lagos is renowned for its lively festivals and a new item on the calendar for 2008 is the World Black Festival to be held in November. The first Lagos Samba Carnival will also be held in 2008, starting on 31 December.

Opportunities for investors in tourism abound in Lagos. Local ambitions to build up the sector are bold. With regard to the Eko Atlantic City, Tourism Commissioner Afikuyomi has ‘a vision to build a modern city off the coast of the Atlantic Ocean’. In broader terms, Mrs Olusola Oworu, the Governor’s Special Advisor on Commerce,

puts it simply. The ambition is for Lagos to become 'the Dubai of West Africa'.

Lekki Beach Resort

An infrastructure development partnership with Chinese companies has seen the Lekki area advance very quickly as a desirable destination for investment. Now Lekki is open to investors who want to build accommodation for tourists and restaurants and other recreational facilities. A casino licence has been approved and the building of the Lekki Beach Golf Course is on track. Planned developments at this resort include:

- Lekki Beach Golf Course: An 18-hole championship course built to USGA and Royal & Ancient standards, set on 160 acres with a multi-purpose clubhouse and 20-acre Mega Practice Centre and Golf Academy.
- Boutique Hotel: Sixty suites on nine acres

with spa, health centre, tennis court, swimming pool and conference centre.

- Luxury studios: One and two-bedroomed studios with restaurant bar and grill, ocean viewing, tropical gardens, waterfalls and plunge pools.
- Hotel: Sixty suites and 42 units with fitness and spa centre, conference centre, library and restaurant.
- Springs: Twenty private villas, 40 guest rooms, other one and two-bedroomed accommodation. Full-service spa and fitness centre, restaurant and bar, conference facilities, recreation centre, Lekki Business Library.
- Commercial Village: Shops, art gallery, artisan studio, restaurants and bars, open space and trails.
- Employee housing: One, two and three-bedroomed apartments and townhouses on five acres. Laundry.

INVESTMENT OPPORTUNITIES IN TOURISM

A tourist city

Area: Eko Atlantic City, Victoria Island
Summary: An ambitious project to build a tourist resort city on reclaimed areas of the Lagos Bar Beach on Victoria Island needs partners experienced in construction and project management of large undertakings. A variety of investment opportunities are available.

Airport hotels

Area: Lagos
Summary: The Federal Airports Authority of Nigeria seeks investors to plan, design, construct and operate hotels at its airports, including Lagos Airport. Nigeria's tourism industry is experiencing substantial growth and accommodation for visitors is needed.
Contact: The Federal Airports Authority of Nigeria, Richard Aisuebogun: Managing Director, contact@faannigeria.org

Tourist resort

Area: Akodo
Summary: The state government seeks partners to develop tourist resorts of a high standard to attract tourists to the state.

Lagos Energy City Project

Area: Badagry
Summary: An integrated energy, convention and tourism complex is in the planning stages, with 50% of the area earmarked as a Green Belt. There will be opportunities for investment for companies in a wide variety of sectors including construction, travel and leisure, engineering, infrastructure, retail and tourism.

Conference Centre

Area: Lagos
Summary: As a major regional transport hub blessed with beautiful beaches, Lagos aims to develop its tourism sector. The government of the state is looking for partners to construct a conference centre. The aim is to build the largest on the continent at a size of 60 000 square metres.

Contact:

Lagos Ministry of Tourism, Senator Tokunbo Afikuyomi: Commissioner for Tourism, tafikuyomi@lagosstate.gov.ng
 TradeInvestNigeria, infonigeria@gan.co.za

Tourism

*Interview with Senator Tokunbo Afikuyomi,
the Honourable Commissioner for Tourism, Lagos State.*

Please give an overview of the mandate of your ministry.

To create a place where everyone will be happy to be, a prime destination. To showcase our most natural and beautiful things.

We aim to harness the tourism potential of Lagos State; to present it in a way that will attract investment to the tourism sector; and to streamline and refocus government tourism policy and programmes to become sustainable and grow over time.

All of this is in keeping with addressing the problems that confront our society. The biggest challenge we face is poverty. The only permanent solution to poverty is employment. Poverty is driven, sustained and fathered by unemployment.

The tourism and hospitality sector can create jobs. This is clear from the projections of the World Bank, the IMF and the UNWTO.

It is also clear that any society that has grown remarkably in terms of GDP has had massive investment in tourism and that is what we are going to do.

Can you give details of the projects you have in mind and outline the comparative advantages of Lagos State?

The Governor of Lagos State, Babatunde R. Fashola, has a clear vision and one of the core areas of his focus is tourism. This is because he was aware of the comparative advantage of Lagos *viz-à-viz* the surrounding environment.

On the entire west coast of Africa, nobody has 198km of coastline with natural ocean, sandy beaches, mangroves and sunny weather. The ocean break and lagoon return is one of



Senator Tokunbo Afikuyomi, the Honourable Commissioner for Tourism, Lagos State.

the most spectacular natural events one can experience.

We have 61 islands in Lagos and they are so naturally beautiful that you can go there and have a good breath of life: the Garden of Eden is here.

Our natural tourist sites have not become over-commercialised. In addition, the festivals are absolutely incredible. They showcase the true creative energies of Africa that Lagos is blessed with. The Eyo festival, Songbetu, Egungun, Fishing and Boat Regattas which take place

at different times of the year, all reveal the peculiar energies of our people.

Lagos State houses the slave museum in Badagry, the oldest slave market called 'Velicate', dating back to about 1452. The introduction of Christianity in this region occurred in Lagos and the first Christmas carol that was ever conducted in Nigeria in an open-air service was at Badagry in Lagos State, about 99 years ago.

The importance and advantages of Lagos cannot be over-emphasised and that is why UNESCO is interested in the Slave Route project of Lagos. One of the tasks we set for ourselves is to have some of the important tourism sites here listed as World Heritage Sites because we want the world to see what we have.

We are now embarking on projects to increase the number of our hotels and have them standardised to meet international standards. We want to create tourist destinations: we are bringing to Lagos the first custom-built floating hotel in the world and it will be here by August 2008. We are working on amusement parks, zoos and

extraordinary malls at different destinations with cinemas, theatres, restaurants and other entertainment facilities.

We want to have on our island the kinds of things you find in the Seychelles, Mauritius and Dubai. Our message to the world is, 'From the womb of time, a new Lagos is emerging.'

A major issue around tourism is security. How are you addressing this?

We know there are security issues and the government is tackling them head-on. Government efforts have reduced crime drastically. Every mega-city has security issues. Statistics suggest that Lagos is perhaps one of the safest mega-cities in the world. When you have a mega-city, you are bound to have mega challenges. Any city with more than 10-million people cannot be safer than Lagos. It is unjust to compare us to Johannesburg, London and New York, because even some of these cities do not have a population size close to ours and yet we are safer than them.

We are aware of the perception people have about Lagos and Nigeria in general and all the security concerns, but one thing you should know about our people is this, 'Our

people in Lagos don't touch foreigners, they don't attack visitors and that is the essence of African hospitality.'

The security concerns for tourists, visitors and foreigners are overcome by culture and we are extremely hospitable people.

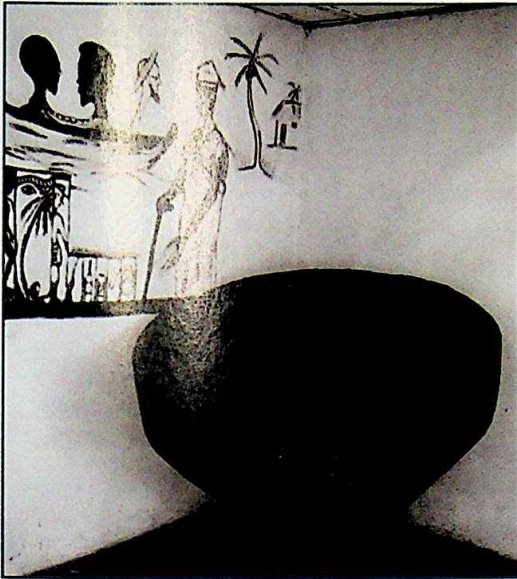
For information dissemination on tourism in Lagos State, we will be commissioning the World Travel and Tourism Council (WTTC) to do a country tourism profile on Lagos. They have a network that can distribute internationally because there is need for people out there to know who we are and what we have. There is a need to begin to change perceptions because Lagos is an extraordinary place with extraordinary people and extraordinary potential.

To develop tourism you have to have strong infrastructure; what are you doing in this regard and what needs to be done in order to achieve this vision for tourism?

The Lagos Economic Summit will bring into focus some of our objectives and focus on what this administration is already doing in terms of development of infrastructure because we are aware that the economy can only rise with sustainable infrastructure.



The Eyo Festival is one of many colourful celebrations held annually in Lagos.



The Point-of-No-Return and Slave Museum (above) are popular tourism sites. World Heritage Site status is pending.

Tourism can only be sustainable if there is a growth of infrastructure so we have been meeting with government agencies, Nigerian and international banks and with local and international investors.

The Lagos State Government has done a design for the construction of the Badagry expressway to improve access to attractions like the slave trade heritage site, the Christian heritage sites and the islands in Badagry. The government is also working on rail transportation and opening up the waterways as a way to develop and sustain tourism.

We are working on the Marogbo power plant to provide constant power and are providing adequate security by training and equipping the security agencies.

A special tourism department will oversee tourism sites and parks, and check on the provision of a constant water supply, for example. Beyond that, we are offering concessions on the development of tourism sites, zones and areas; and we are encouraging the development of hotels, entertainment, amusement parks and zoos. The method

of delivering these tourism projects in Lagos is through public private partnerships (PPPs).

What are the investment opportunities for parties that are interested?

The highest return on investment is in the tourism, leisure and hospitality industries. There is increased demand for hotels and investors are very welcome in this area. Interested parties are invited to participate in the development of malls, cinemas and cruise dining boats, and the development of the islands into resorts.

What are you doing to enhance the coastline in the state?

We have put in place a mechanism to clear our beaches because we need clean beaches. We are providing lighting facilities, night guards, emergency posts, first aid facilities, etc.

When you talk about festivals, what comes to mind is FESTAC '77. What are your plans in this direction?

We have something big like FESTAC '77 coming up – the World Black Heritage Festival in November 2008 which is an event not to be missed. It is going to be great and it is time for a renaissance of African music and dance. We are also going to have a carnival in December 2008... the Rio Carnival in Brazil and the London Carnival in England both have their roots in Lagos. Therefore we are taking back what belongs to us and we are going to have the first Lagos Samba Carnival this year on 31 December. It will be the biggest street party in Africa!

What about resort developments?

We are developing resorts and right now we are trying to develop one in Akodo just beside the Eko tourist beach resort. Plans are underway to develop another massive resort and a film village in Badagry. We are developing beautiful golf courses and golf estates with hotels and other facilities in partnership with different groups from Hong Kong, Singapore, South Africa and England.

Waterfront Infrastructure Development

Interview with Prince Adesegun Oniru, Honourable Commissioner for Waterfront Infrastructure Development, Lagos State.

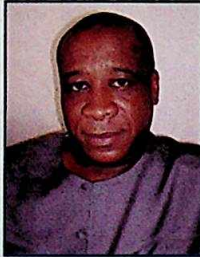
Please give some background on what you were doing before becoming the Commissioner for Waterfront Infrastructure Development.

Before taking this position I started work with the government in 2003 as the managing director of Lagos State Waterfront and Tourism Development Corporation. After that I became the Special Adviser to the Governor on Works and Infrastructure and, within the same administration, I was appointed as the Honourable Commissioner for Housing. At the inception of this new administration, I came in as the Honourable Commissioner for Waterfront Infrastructure Development.

What is the mandate of your ministry?

It is a brand-new ministry that started with this administration. We look after development of infrastructure along the waterfront of Lagos State. We create an enabling environment for both foreign and local investors to come and invest along the waterfronts. So our responsibility is to develop a world-class infrastructure along the waterfront for both foreign and local investors.

My ministry is there to create an enabling environment for investors along with the other waterfronts of Lagos State. Lagos State is an island blessed with plenty of water – we have approximately 186km of coastland in Lagos State that we have to develop in sections and that is what the ministry is charged with.



Prince Adesegun Oniru, Honourable Commissioner for Waterfront Infrastructure Development, Lagos State.

Please name some recent developments in waterfront infrastructure?

The most recent development, launched in April 2008, is Eko Atlantic City. In the past we've had erosion problems along the coastline, particularly Bar-beach. The Bar-beach erosion problem was caused by three moles that were created in the early 1990s to enhance still and calm water for ships to come into our country and go into our ports in Lagos State. When this still-water park was created we had artificial pumping machines that pumped sand around the moles to nourish the coastline.

The system that nature gave us in Lagos State is this: from the Bight of Benin we have natural sand that comes eastwards onto our coast but because these moles were put in place, the west moles stopped the natural flow of sand along the coastline in the area along Bar-beach which caused the erosion problem. Various governments have come and gone and all they did was pump sand around the moles regularly every two years to nourish this coastline along Bar-beach which caused damage estimated at about N35-billion from 1958 to 2001.

Lagos State was lucky to have a vigilant leader called Asiwaju Ahmed Tinubu who wanted us to put a permanent solution in place to stop this bi-annual spending of millions of naira. We who were working for him at that time saw what he wanted to do by putting a permanent solution on what is called Bar-beach today. The work commenced



The Civic Centre on Victoria Island is a successful and popular Waterfront venue. It is a multi-purpose facility which has hosted art exhibitions, conferences, stage shows and product launches.

in 2006 and was concluded in 2007 and right now we are still extending the work a bit further. But what we have at the beach today has eradicated the erosion problems to the extent of holding up whenever we have bad weather, ocean surges, etc. We turned a liability into an asset.

What do you mean by turning a liability into an asset?

Before this permanent solution was put in place that area was vacant. Since this solution was put in place, people are turning their liaison offices into hotels and recreation centres and making a lot of money. The next stage of what we've done is actually tackling the water and clearing it back to what we've lost to the water within the last 100 years, which is about one-and-a-half kilometres into the ocean.

Please tell us about Eko Atlantic City project.

Eko Atlantic City was launched on 23 April 2008. The target of this project is to get back what has been lost in the past. Where the water is now is not where it was formerly.

Presently, you walk about one-and-a-half kilometres before you get to the beach. We are hoping to gain that back and then turn the entire area into real estate, financial and business centres, with space for commerce and tourist activities, a place where you can work and live at the same time. When this project is done, it will be the biggest in Africa.

I would like to emphasise that this project is costing the Lagos State Government nothing. It is being done by a developer, Energex Nig. Ltd, and we are hoping to change the face of Nigeria with this project.

How is the Lagos State Government partnering with the private sector for this project?

The Lagos State Government has played its role and the only area left now is to make money out of this project. The money we made will allow us to develop other parts of Lagos State. This permanent solution you can see at the beach today was paid for by the Lagos State Government. The first phase that we did was paid for by the last administration and then the next phase that we are doing is

an extension of the first phase which has been paid for by the State Governor.

What are the major advantages of this project?

The first advantage to Lagos State is to reclaim lost land and we are also putting something in place that will improve what we call IGR (Internally Generated Revenue). We will improve that a great deal because the only approval we need for the estate that we are creating will have to be sought from the Lagos State Government, which will enable them to make a lot of money in this project.

The developer has a development agreement for 78 years and a certificate of occupancy, and the sooner the project is done, the faster the development. The project is more like a private public partnership whereby the Lagos State Government creates an enabling environment for developers to come and develop.

What is the role of your ministry in this project?

The role of my ministry is to represent Lagos State Government within this development, and to supervise this work to make sure that all agreements are adhered to by both parties.

Are there any other environmental advantages in this project?

The biggest plus for Lagos State is the land that we are getting back, but you cannot do this magnitude of project without carrying out an environmental impact assessment, which has already been done. The environmental effect it will have on Lagos is minimal. The modelling of this project has been done with the consultants that will be handling the project who are from Holland. The environmental impact assessment team has done a lot of research in order to avoid any disadvantages whatsoever for the environment.

Are there currently any opportunities for investors to get involved in this project?

It is a massive investment opportunity for investors around the world. We urge all investors to take advantage of this project because once work and infrastructure is put in place, the price of land will be sky-high. The work will be done in phases so we don't saturate the market with too much land and yet still keep the value high.

What about Lagos Marina Waterfront? Are there other projects you have in mind?

Yes, there are many other projects we have in mind that we want to do. However, we



Sea defence walls and other measures have been put in place to protect the beaches and ports of Lagos from the surges of the Atlantic Ocean.



The waterfront schemes around Lagos are designed to cater for a mix of clients from retail and real estate to commercial and manufacturing.

need to be careful because we don't want to saturate the market, so we've decided to develop it in sections. So far, since I have been in government, I have done two projects. One is Okunde Blue Waters and the other is the Maegun Waterfront Scheme. These are the two in place presently and what we've done is take about 100 hectares of land, put in infrastructure and allocate land to investors.

What has the response been like from investors?

Fantastic. The kind of response we are getting back from people is huge and unbelievable. That alone encourages us to keep working along this line because it is not everybody who might be able to afford Eko Atlantic City but you still have an opportunity to have a waterfront property with what we are doing.

Are you also looking at development in areas that are not central like Victoria Island, in order to expand them?

The Okunde project is close to Victoria Island, while Maegun is far from Victoria Island. We are going to try to expand the

state outwards rather than have too many people concentrated in the middle.

Who are some of the local and foreign investors who have already shown interest?

Locally, the Civic Centre, which is one of our waterfront projects, is not too far from the helicopter pad, was done within my ministry, and internationally, there is a hotel at Oniru Estate. The group that is behind the construction of this hotel is a Chinese group called Wemco. This has just been completed and that's along the waterfront as well. However, there are more lands along the waterfronts that foreigners have been involved with but development has not yet been completed.

What other opportunities are there for investors to get involved with?

I can only talk about the project I am handling, Okunde Blue Waters, which is almost done, and Maegun, which is fresh on the ground. There are lots of opportunities along the Badagry, and many projects that the Ministry of Tourism is working on. The two ministries work hand in hand.

Golf and Leisure Resort

Interview with Mr Ibukun Akin Fakeye, the Managing Director of Ocean Beach Golf and Leisure Resort Limited, Lagos.

Please give an overview of the Lekki beach golf resort and the current status of development.

Ocean Beach Golf and Leisure Resort was formed to develop the Lekki beach golf resort, and right now work is in progress – this is what Nigerians have been looking forward to having in this country.

Construction started in July 2007. Initially we had problems with importing all of our equipment, but as of now, we have 90% of our equipment on the ground and work is in progress. We have cleared almost all the land and are working on some artificial lakes, including two existing natural lakes. As regards the golf course, shaping is completed on holes 14, 15, 16, E5 and E6, and it is ready for the installation of irrigation equipment.

Who initiated the Ocean Beach Golf and Leisure Resort?

I did. It is shocking to know that Lagos State, with its population, has only one 18-hole golf course. Harare in Zimbabwe has up to 17. I started nursing my desire to build a golf

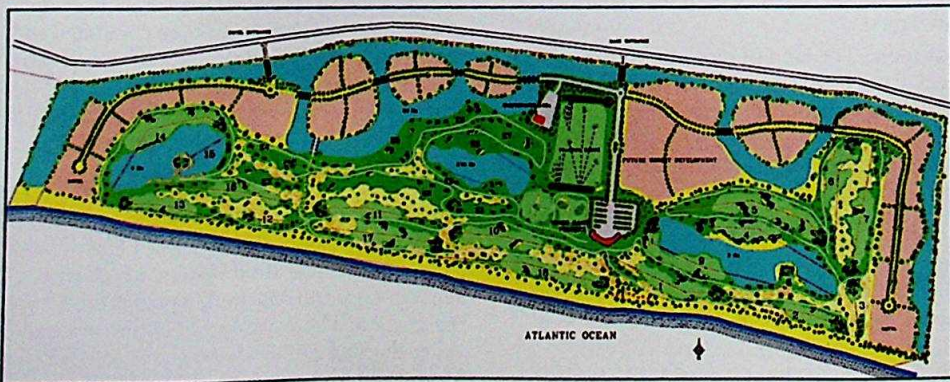
course about 12 years ago. I realised it was going to be a massive project.

Getting the support of the government wasn't easy and it took about seven years to convince the previous administration of the need for a championship golf course and the associated benefits to the nation. It is worth the interest and time of the government because Lagos is very congested. The only way we can decongest these areas is to take development into other areas. It was not until 2005 that the governor granted us approval and the land for the project.

During my search for architects, I zeroed in on an international golf course architect in America called Ron Garl. He has designed over 200 golf courses, 80 of which are in Florida. He has designed golf courses in Thailand and Canada, and is presently doing a project in China.

Is Ocean Beach privately owned?

It is a public private partnership project. The Lagos State Government owns 20%, represented by the 400 acres of land. In order for the project to be completed, government



Lekki beach resort contains a 6 650-metre, par-72, championship golf course, bordered by the Atlantic Ocean.

also assisted in providing additional funding of US\$20-million. This will be paid back as soon as corporate members start paying their refundable membership fee of US\$250 000. We will be taking a maximum of 100 corporate members.

Are you going to sell things in the resort?

Yes, we are going to have some stores to cater to the needs of our clientele. Our target clientele is varied: Mondays to Thursdays for conferences, seminars and recreation; Thursdays to Sundays for recreational and social purposes, and corporate time-share schemes.

Will you be organising boats for transportation to the golf course?

Yes we will. We are going to have our own boats and also expect others to complement our efforts in the business of transportation. Members will be encouraged to have their own boats. The 100 corporate members will be allocated a plot of land on the lagoon side to build a corporate home should their foreign counterparts come visiting. There will also be a Techno Park.

When you say Techno Park, what exactly do you mean?

A Techno Park is knowledge-based complex and home for IT companies, petrochemical research, medical research and service-based industry, and also provides eco-tourism opportunities where people study the environment and find means of protecting, preserving and maintaining it. We want to make sure that the community in which we are operating is not left damaged.

At Lekki beach golf resort we aim to create a balance between land use for industrial as well as for eco-tourism next to each other.

What about the hotels and recreation centres? Are you looking for investors?

There are plenty of opportunities for investing partners here. We are already working with an American resort architect for the master plan. At the moment we are concentrating on the golf course, from the shaping of holes to the



A formidable water hazard takes shape at Ocean Beach.

grassing of the golf course before embarking on the other projects.

Who is going to finance the project?

The company is going to follow the joint-finance route in completing the project, after the resort architect has designed a master plan for the resort. Then we will organise a forum where investors will be given the opportunity to signify their risk-profit interest.

What are the investment opportunities in the golf course resort?

We believe the returns will be enormous. There are investment opportunities in the in-residence hotels and the associated facilities, and also the village shop with specialised retail outlets, pharmacy and art and craft, as well as the restaurant, which will be a combination of both continental and local cuisine.

Do you think the golf course and resort development will have a broader impact on Lagos?

In order for us to compete favourably with South Africa in producing world-class golf champions, we need to build a world-class golf course with an academy that can compare with the best in the world. Our agreement with the Lagos State Government is to develop and equip similar academies in each of the local government areas in Lagos State where we will organise training clinics for children. With these things in place we can also produce world-class golf champions who will be able to compete internationally.

Lagos goes water-borne to solve traffic gridlock

With 224 vehicles per kilometre, it is not surprising that Lagos is famous for gridlock. Plans are underway to divert millions of commuters to water ferries, buses and a light rail system.

THE NIGERIAN AVERAGE OF vehicles per kilometre is 11, so Lagos, with a figure of 224, really is in a different league when it comes to traffic problems. Massive investment in upgrading and building new highways and ring-roads is underway, which will ease movement around the mega-city. However, the most important plans will divert commuters away from private vehicles and mini-bus taxis into three forms of mass public transportation:

- a Bus Rapid Transit system (with dedicated traffic lanes)
- a light rail system
- a system of water ferries.

No fewer than six-million passengers travel daily between the mainland and the island in 75 000 unregulated mini-bus taxis.

Fully 90% of Lagos passenger and freight traffic is motorised from which, according to the Bureau of Public Enterprises, 'the nation loses about N50-billion each year in the value of its road assets and motor vehicle operating costs'. The sole reliance on motor transport is clearly unsustainable.

As Lagos strives to provide commuters with safe, reliable and economical options to travel to work, private companies can invest a stake in the new Bus Rapid Transit network (buses and terminals), the light rail mass transit system (rail, rolling stock, terminals and shopping malls), or the ferry system (ferries, dredging and jetties).

Road

In March 2008, the Lagos Metropolitan Area Transport Authority (LAMATA) launched the Bus Rapid Transit system (BRT) with

the rollout of 100 high-capacity Blue Buses and 26 Red Buses. These buses will travel in exclusive lanes, thus ensuring a much more rapid ride and encouraging commuters using other forms of transport to switch to the BRT. The scheme represents the next step in the ambitious Lagos Urban Transport Project. Infrastructural requirements were funded by the World Bank, but many more buses will be needed as the project is phased in. Agreements have been signed with local companies to establish local motor vehicle assembly plants at Epe and Badagry to ensure future access to high-quality buses and parts.

Phase one of the 500-capacity Bola Ahmed Tinubu International Truck Terminal has been commissioned. This will ease congestion on the Apapa-Ijora axis. One hundred hectares of land has been reclaimed at Ilubirin Foreshore, Lagos Island, for an integrated Bus Terminus as part of the Lagos Central Business District redevelopment project.

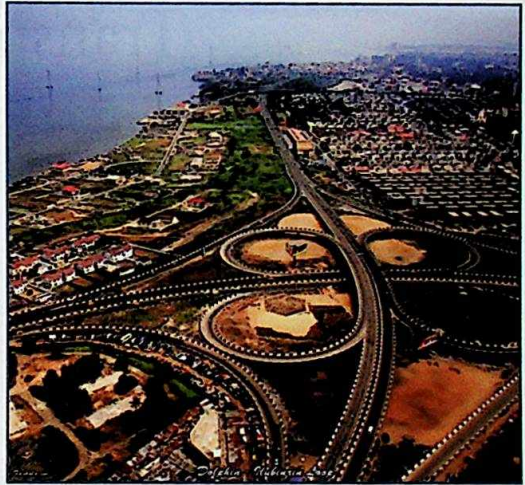
Rail

The design contract for the realisation of the Lagos Light Rail scheme has already been signed off and pilot projects are scheduled to run from Agbado-Iddo-Marina and Mile 2-Ojo-Okokomaiko. A survey of seven routes is being undertaken and the system is projected to have an annual passenger capacity of 200-million people with an annual revenue potential of N23-billion. Very advantageous land usage agreements are planned to accompany investments in this sector, with operators being entitled to run the rail system after building it.

Ferry

Dredging and channelisation of the Ikorodu Waterfront and the Lagos Lagoon has begun and three major routes have been identified to start the service: Ojo-Marina, Ijede-Badore and Falomo-Marina. Jetties have been constructed at Abgoyi (Kosofe) and Ijegun Egba (Oriade) with further studies being conducted on four possible routes.

The Commissioner for Transportation, Professor Bamidele, is unequivocal about what is needed. He says, 'Government is seriously encouraging public private partnership in the areas of operating water transportation.' An inland water authority is soon to be established to manage water affairs and give foreign investors peace of mind with regard to rights and the law.



Lagos has invested heavily in infrastructure to cope with the demands of one of the world's fastest growing cities. This intersection at Ikoyi links the Dolphin Golf Estate (left) with the city centre.

INVESTMENT OPPORTUNITIES IN TRANSPORT

Jetty construction

Area: Lagos

Summary: Lagos State is working on the construction of six jetties to redeem its pledge to provide water-borne public transport. It is estimated that, with 70% of Lagos accessible by water, the potential is there for the development of a further 60 jetties.

Ancillary water services

Area: Lagos

Summary: The planned water transport system will require channels to be regularly dredged and terminals to be constructed at ferry stops. The operation of the ferry service itself will present an opportunity to operators. At the bigger ferry terminals there will be opportunities for the development of shopping precincts or malls.

Rail network

Areas: Lekki Ekpe Corridor, Marine/Ido Agbdo Corridor, Marine/Badagry Corridor, Iyanoba Corridor

Summary: Designs and feasibility studies have already been undertaken, with the above four

routes designated as the sites for the rail network. The land is ready for investors to take over, develop the rail network and then recover their investment by operating the rail services.

Inter-State Transport Terminal

Area: Ojota

Summary: Architectural drawings for this project have been completed and are currently under review. This complex will provide opportunities for more than one developer in the buildings, engineering and material sectors.

Vehicle assembly plants and workshops

Area: Epe, Badagry

Summary: Agreements have been signed by the Lagos State Government with local companies for the establishment of local motor vehicle assembly plants to ensure the delivery of buses for the Bus Rapid Transit system. Foreign companies with experience in the delivery of large numbers of buses could enter into partnerships with local enterprises.

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Transport

*Interview with Professor Bamidele A Badejo,
the Honourable Commissioner for Transportation, Lagos State.*

Please give an overview of your mandate?

The Ministry of Transport is one of the key ministries that this administration is focusing on as means of improving the quality of life in Lagos and Nigeria. Lagos State has the largest and busiest airport and sea port in Nigeria today. Although the Nigerian railway could be described as non-existent, operations that do take place in that sub-sector are most likely to be noticed in Lagos.



Professor Bamidele Badejo, the Honourable Commissioner for Transportation.

Other transportation methods have potential in Lagos but they are currently provided by the informal sector. Lagos is the economic hub of Nigeria, has the largest school and hospital enrolment and generates about 65% of VAT.

Given the economic, social and political scenario, the transportation situation in Lagos State is very bad. Government will tackle this with a sense of seriousness to ensure that some of perennial problems associated with transportation in the state are resolved.

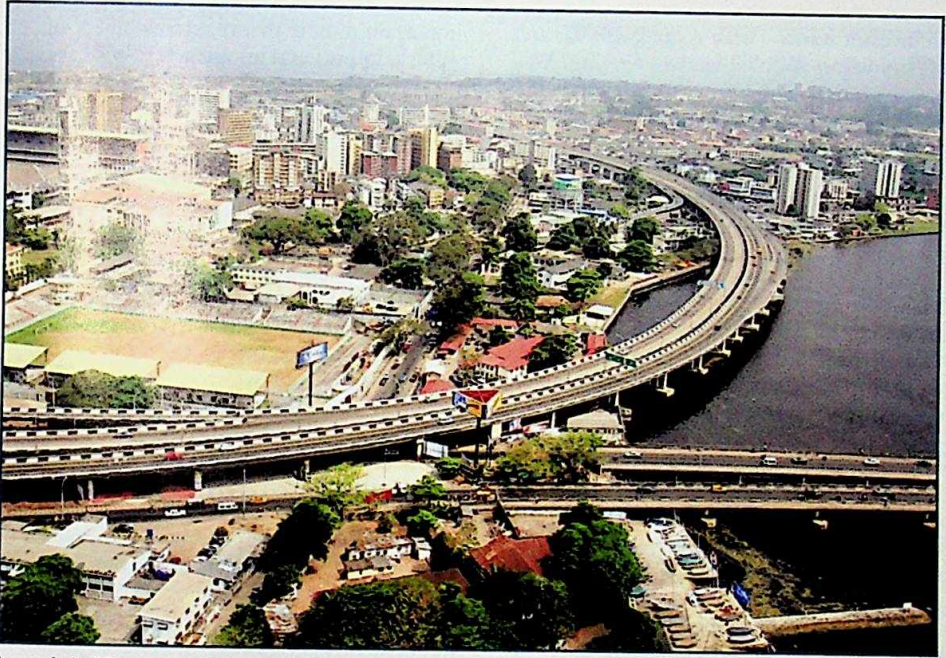
Most of these economic activities that I have mentioned are located at a particular axis which has informed the general movement towards that axis. Traffic movement across the city is always very ineffective and this is a function of land use. Take the case of Lagos Island and Ikoyi – these are the economic and commercial heartbeat of the country and anyone with anything to do with finance and the economy moves to that corridor.

This government has initiated a 10-Point Agenda. Two of the most important issues are infrastructure development and know-how. Transport infrastructure is very important because of its role in the overall development of Lagos State.

In Lagos State, over 98% of movement is done by road, and cities the size of Lagos cannot survive on one mode of transportation. There are other modes of transportation that can be combined – particularly railway systems and water transportation. In the case of Lagos, there are opportunities for the development of water transportation and a light rail transit system. The city's large population will support such systems.

This administration is now working assiduously for the development of water transportation as well as the light rail transit system and, within the next three or four years, these are issues that will be physically present in this state. For example, I can confirm that approvals have been granted for dredging and for the development of terminals and jetties. When terminals and jetties are developed and the right of way is available, the challenge then shifts to bringing in operators. Government is seriously encouraging public private partnerships in the area of operating water transportation. Some sponsors of water transportation operations have already been contacted and before the year is out, water transportation will contribute to the mobility needs of the people of Lagos State.

Water transportation provides serious opportunities for investment. For example, there are over 60 jetties that need to be developed and we are currently working on about only six which means that there are a lot of opportunities for investors in ferry operations. It is estimated that there are over six-million daily commuters in Lagos State and about 70% of the state is accessible by water.



Lagos is building many highways but has also started a ferry system to exploit its waterways as a way of solving traffic congestion.

Why do you think there is no investment so far?

The non-investment in water transportation is not because Lagos State Government has not seen it as an area to be developed, but because in the last administration, the Lagos State fund was located at the federal level. This money could have been used to create an enabling environment for investment, but now we have a very friendly administrator who is ready to encourage investment in the country, the level of sincerity is high and the enabling environment is guaranteed.

During the military administration, the Western democracies were not ready to invest. Now all these issues are gradually being eroded and more friendly relationships are being explored. These are some of the things investors have noticed and that is why you can see them coming in.

Are the developments going to be by public private partnership or is the state going to

develop the transportation with the assistance of the private sector?

It is going to be more of a public private partnership. The public private partnership is a major drive on the part of the government. For government to encourage people to come to the sector, it must have a policy framework, and a sound and positive mindset on commitment and readiness to develop the corridors. The commitment which the investors are expecting is what the government is working on by starting its own investment in six areas. Any investor who is coming in will buy into the corridors that have been developed by the government.

Could you tell us more about the projects the government has invested in?

The federal government is restructuring the water sub-sector and we are working on a bill to establish our own inland waterways authority to manage intra-water situations in Lagos State. Those are the type of guarantee

an investor wants – what is the law, what are the guidelines to fulfill before investing? We have provided all these and within a short time they are going to the third and final reading and, after that, it will become law.

Apart from the law, we have also gone ahead to develop infrastructure. Currently four corridors have been identified to jumpstart water transportation – the Ikorodu-Badore, Osbone, Marine and Mile 2 corridors. There are jetties we are expecting the federal government to release to us and when they do, investors can also move into these corridors, so the investment opportunities in this area are enormous.

What exactly is needed from investors?

There are a lot of things the investors can do there. There is a need to develop more terminals and jetties. Dredging also presents many opportunities and when dredging is done, the soil can be sold to the construction industry. There are openings in fishing activities, the commercial operation of ferry services and other services. Rendering services to those developing terminals, the development of shopping malls within the vicinity of terminals and jetties – all these are opportunities in these corridors. It is also

important to note that the development of water transport and infrastructure will take pressure off other modes of transport.

Please give details about rail transportation.

Currently four corridors have been identified for rail development, namely the Lekki Epe corridor, Marina Ido-Agbdo corridor, the Marina-Badagry corridor and the proposed Iyanoba corridor. The essence of this is that the estimated population of Lagos State is currently around 18-million people and it has been suggested that in 10 years from now the population will be about 25-million people. This will make it the third largest city on earth.

Given the rate at which Lagos is growing, the population is growing faster than infrastructure provision. Water and road transportation will not necessarily be able to cope with the transport demands of the future so this administration is being proactive and thinking ahead in order to ensure that this infrastructure is created.

The Mile 2-Badagry expressway is being expanded into a 10-lane road. Within that 10-lane road a corridor has been earmarked for the development of a light train network. This corridor can now be taken up through



The Bus Rapid Transit system will ensure a quicker ride for city dwellers and create a demand for many new buses as it is rolled out across the state.

a public private partnership by any investor and when the roads have been developed by public private partnership, the investor can recover his investments on that road through tolling. But the corridor earmarked for the rail system can now be taken over by an investor who will recover his funds through the operation of rail services along the corridor.

If you look at the population distribution of Lagos State, the Badagry expressway right from Eric More currently accommodates over four-million. If you also look at Marina corridor up to Ido Agbado and Sango, it accounts for up to six-million and these are areas that are very large, so the rail systems will be developed there.

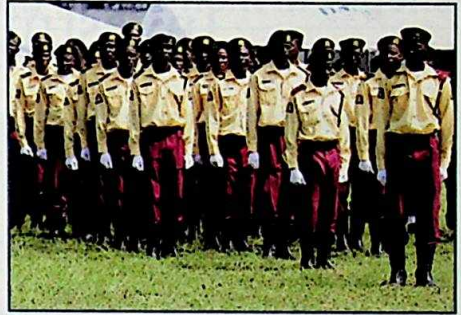
Given the massive size of this project, people are going to be displaced and government is not liable for compensation because the right of way has been acquired when it was constructed.

People should come and invest in terminals and stations. These stations are also going to have shopping facilities and will also provide several interchanges to other modes of transport. The light rail system is being identified – we are now looking for investors and when they come in, we will have the designs and feasibility reports on the ground to show them.

Please outline your vision when it comes to the transportation system in Lagos State?

We have described the water and rail transport systems and we have also identified road expansion. Now we want to graduate from public transportation to mass transit. By implication, we have to bring in high-capacity buses if we want them to operate and function in such a way that we can use them to achieve multiple results.

The present public transportation system cannot be used to achieve safety and security, and we want to change the behavioural attitude of our people towards public transportation. So the concept that will help us to achieve such an objective is the BRT which is funded through the World Bank. The BRT that was launched in March 2008 was the first of many phases; it is going to



Members of the Lagos State Traffic Management Authority prepare to tackle the notorious gridlock created by several million daily commuters.

go round all the state but the first phase started from Mile 12 to Tinubu Square in Lagos Island.

What is your ministry doing to attract investors?

The ministry has to provide an enabling environment. If the government says we want you to come and invest in water transportation, the question is what is the level of seriousness on the part of government? Our duty and responsibility is to make all the necessary recommendations and the government will discuss it widely. From there, if there are additions and omissions, that is where the issue of fine-tuning or upgrading comes in. Once it is approved it comes back to the ministry for implementation. So whoever is coming will come with whatever he has and we will then say, OK, this is what we have and all things being equal, we will sign him on.

What are the objectives of your administration? What do you intend to achieve during this four-year term?

My objective is to ensure that the transportation sector is developed to satisfy the yearnings of the people, to reduce accidents on our roads, to improve safety and security generally, to take away stress and to provide a free-flowing transportation system to enhance the development of other sectors of the economy.

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The screenshot shows the TradeInvestNigeria website interface. At the top, there is a navigation menu with 'HOME', 'SUBSCRIBE', and 'LATEST NEWS/LEADS'. Below the header, there are several sections:

- Home**: Includes links for 'Investment Opportunities', 'Trade Leads', 'Search', 'States', 'Events', 'Press', 'Partners', 'Legal & Regulatory', 'Doing Business in Nigeria', 'Area of Trade/Investments', 'Advertising Information', 'Contact TradeInvestNigeria', 'Site Guide', 'Related Websites', 'Africa's GAN', 'Eastern Cape Business', 'Outgoing Companies', 'Knowledge Business', 'Lagos Business', 'North West Business', 'Western Cape Business', and 'YobeInvestment'.
- LATEST NIGERIAN TRADE AND INVESTMENT HEADLINES**: Features an article titled 'Transport needed for cassava' with a sub-headline 'Nigerian Search Mills is looking for an investor to invest in the transportation of cassava from small farms in the Imo region of Forcados State'. It includes an image of a yellow truck and a list of bullet points: 'Opportunity to establish a chicken farm', 'Invest in the processing of rice in Sokoto', 'Aging population produces tomato juice and puree', and 'Healthy Returns: Opportunities in healthcare'.
- Free Monthly Investment Newsletter**: A sign-up form with fields for Name, Surname, Email, and a 'Subscribe' button.
- INVESTMENT OPPORTUNITIES**: Features an article titled 'Wild Opportunity: Invest in Lagos night safari' with a sub-headline 'Investors have the rare opportunity to invest in a night safari attraction in the lush forests of Lagos State'. It includes an image of an owl and a list of bullet points: 'Lagos State looking for partners to develop conference centres', 'Build with Kogi government: construction sector's industry plan', and 'Award search reward requires investment'.
- SEARCH INVESTMENT OPPORTUNITIES**: A search bar with 'Title' and 'Region' dropdown menus and a 'Search' button.
- UPCOMING EVENTS**: Lists 'Nigeria Gov 2008 (This event has been cancelled) International Conference Centre, Abuja, Nigeria, 25-30/07/08' and 'Africa's Utility Week Cape Town, South Africa, 25-30/07/08'.

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