



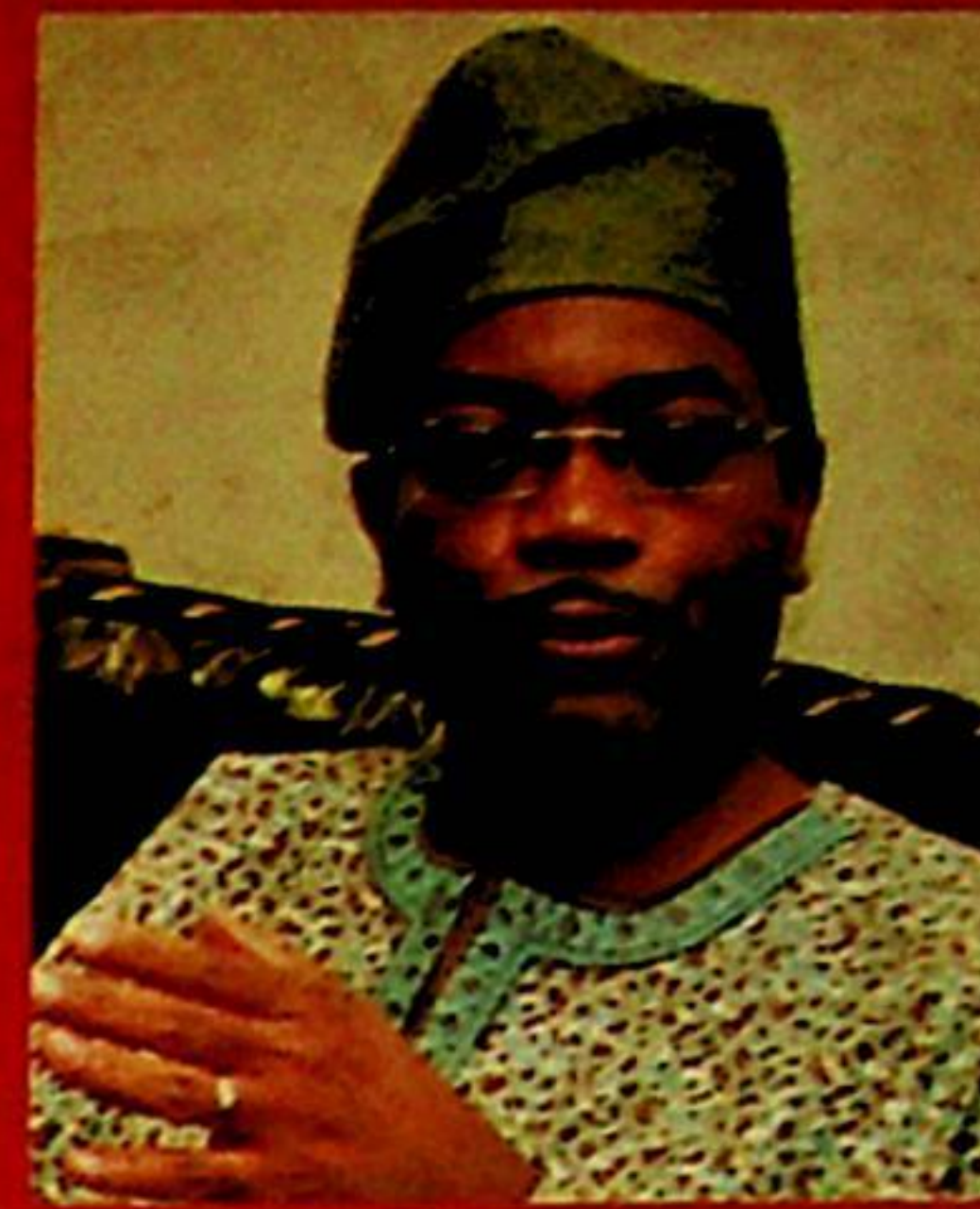
PRIVATE SECTOR

**Elumelu's
Success
with
Teragro**



ECONOMY

**Okonjo-
Iweala on
fiscal
prudence**



AGRICULTURE

**Adesina
on the
bumper
harvest**

PM

Review



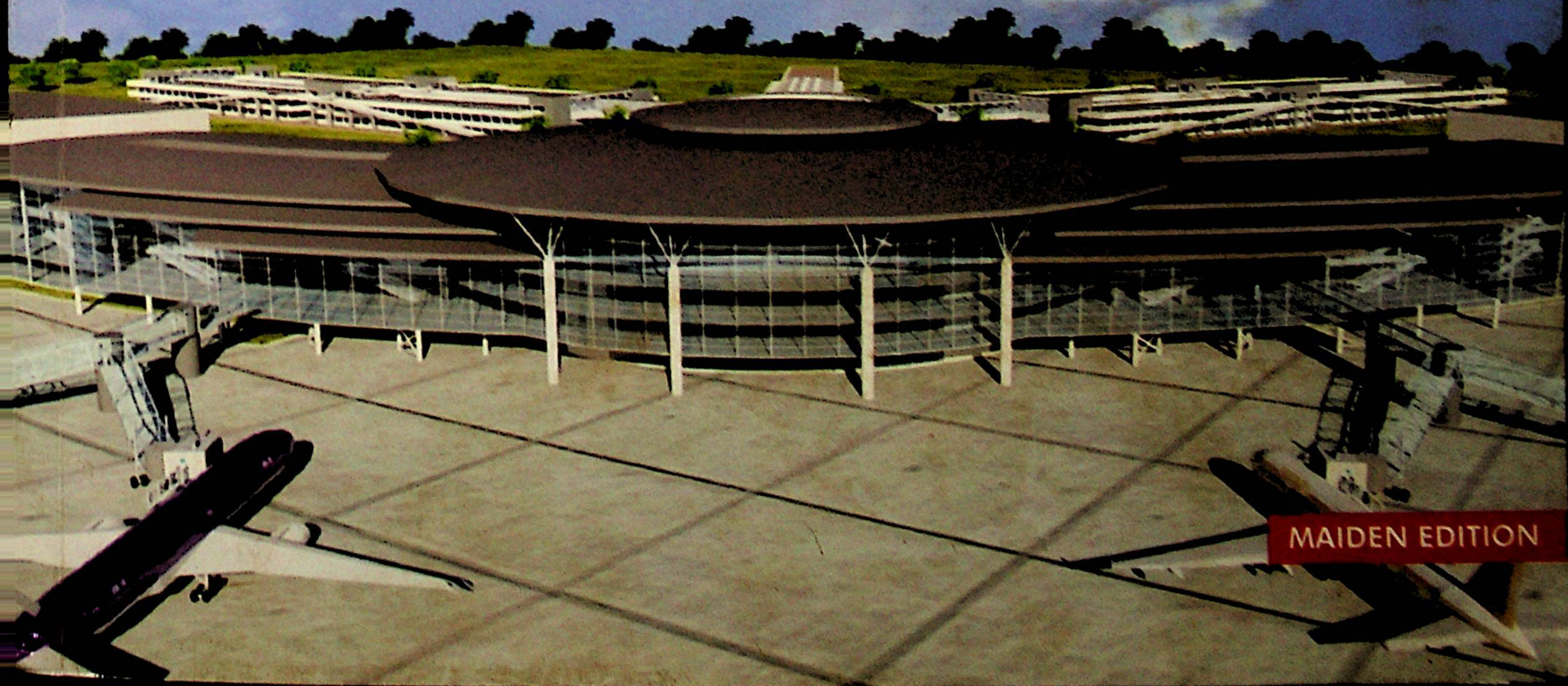
PERFORMANCE MANAGEMENT REVIEW

Vol. 1 No. 1 May 2012

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PERFORMANCE MANAGEMENT REVIEW

Publisher
Prof. Sylvester Monye, MFR

Editor
Chuks Iloegbunam

Contributing Editors
JeNika Mukoro
Lola Okusami

Writer
Oyintarela Umeri

Editorial Assistant
Akachukwu Okeke

Creative Director
Victor Ehikhamenor

Graphic Designer
Abiodun Olukoya

Photographer
Rah-Jo Ayuba

Managing Consultants
1st October Limited
www.1stoctober.com
info@1stoctober.com

All Correspondence to:
The Editor PMR,
Office of the Special Adviser to the President
on Performance Monitoring & Evaluation,
6th Floor, Federal Secretariat Phase I, Shehu
Shagari Way, Abuja.
Tel: +234 803 331 0929
Email: editor@performance-monitoring.gov.ng



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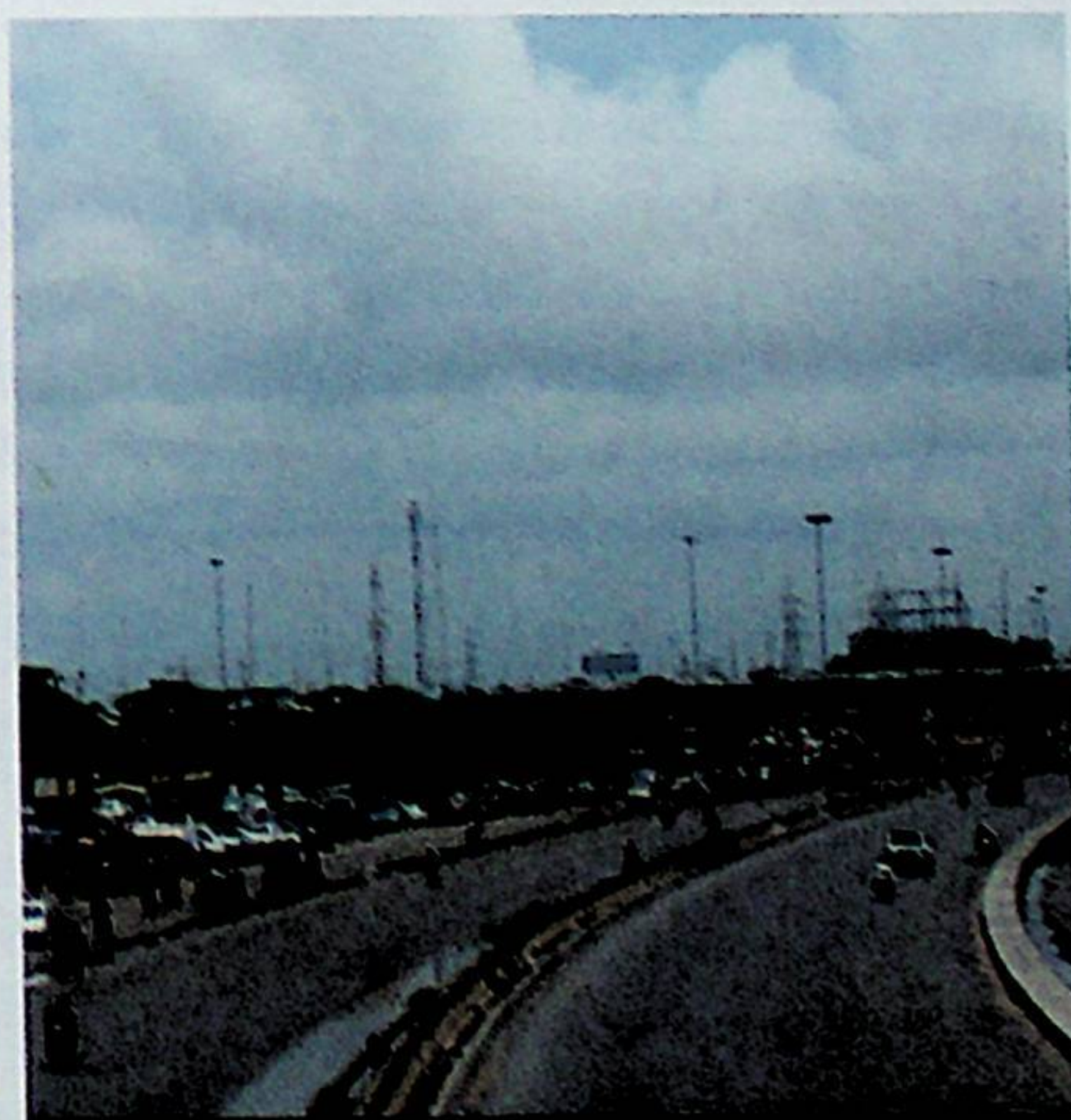
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A message from the President



“ It is my expectation that, with the introduction of the *Performance Management Review*, the nation and informed observers of Nigeria, will get a microcosm of the successes and challenges in our developmental strides”

When, during the electioneering campaigns, I enunciated the Transformation Agenda to be pursued by my administration, I clearly envisioned a situation in which the three constitutionally-established levels of political administration will combine their efforts for the collective betterment of our fatherland. This presupposes a scenario in which the Federal Government, in collaboration with the existing 36 states of the Federation, the Federal Capital Territory of Abuja and the 774 local governments work in partnership for the overall transformational development of Nigeria.

This initiative of the Office of the Special Adviser on Performance Monitoring and Evaluation to undertake the publication of the *Performance Management Review* is a welcome

development. This is because the journal has taken up the documentation and publication of our efforts towards transformational development for the benefit of the nationals of this country and the education of the international observers of our movement of political and socio-economic transition. The anticipated outcome of this Agenda is a situation in which, by doing things the right way, by resolutely executing the mandate of governance with the overall interest of the people at heart, our country, Nigeria, would attain the greatness that has continued to beckon since our attainment of political independence in 1960.

Performance Monitoring, although a novel experience in the governance of Nigeria, has been practiced and demonstrated to be efficient and effective as a tool of optimising development in many other countries, including

the United States, the United Kingdom, India, Kenya and South Africa. In establishing the Performance Monitoring and Evaluation Office in the Presidency, the intention is to ensure that all obstacles capable of slowing down or thwarting altogether the march to Nigeria's greatness are effectively managed, while repositioning areas of slackness for robust and focused performance.

It is my expectation that, with the introduction of the *Performance Management Review*, the nation and informed observers of Nigeria, will get a microcosm of the successes and challenges in our developmental strides. I encourage all stakeholders to avail the journal with the necessary information and cooperation that will enable it to adequately and comprehensively carry out its responsibility.



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Publisher's note



“ It is imperative that all those called upon to translate the President's lofty dreams into concrete achievements must devise ways of contributing to the overall transformation of Nigeria into a country with a viable economy”

When President Goodluck Jonathan appointed me his Special Adviser on Performance Monitoring and Evaluation, his intention was to set in place an instrument for measuring the dynamics of his Transformation Agenda. The President, it will be recalled, had indexed his electioneering campaign for the presidency on a mantra of transformation. It became imperative that all those called upon to translate the President's lofty dreams into concrete achievements must devise ways of contributing to the overall transformation of Nigeria into a country with a viable economy.

In the Office of Performance Monitoring &

Evaluation, we agreed that, in addition to carrying out our responsibilities, there was the need to establish a journal specifically aimed at assessing achievement and publishing for public consumption, *excelling* functionaries of the Federal Government in the Ministries, Departments and Agencies (MDAs). Beyond this objective, there is the equally important assignment of assessing achievement at levels other than the federal and of reporting achievements in States and in the collaboration and partnerships between the public and private sectors for the general good of the entity.

That is the dream that gave birth to this journal, *Performance Management Review* (PMR). In this maiden edition, we have selected to report our findings in three important sectors

namely, Agriculture, Aviation and Finance. We have also reported on two states – Benue and Rivers. There are aspects of achievements relating to the Transnational Corporation Plc, the Federal Road Safety Corps that have also received adequate treatment, the former being a unique example of Public Private Partnership (PPP) for national development.

In subsequent editions, we shall continue to focus on similar topics, while listening to you, the esteemed readers, for guidance on the path to making the most of this publication. Have a good read.

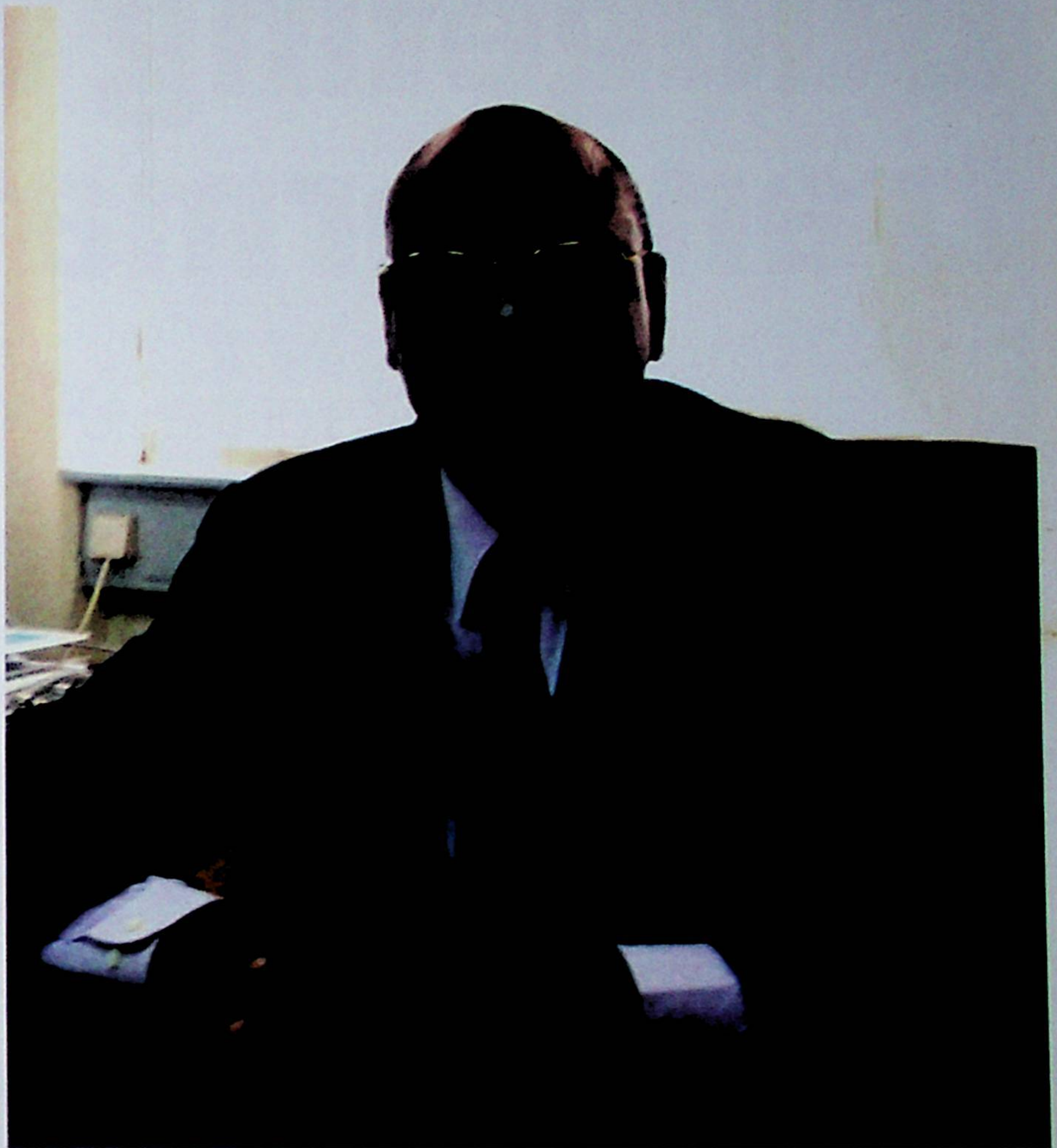
Sylvester Momye, MFR

Producing a performance management journal is not a run-of-the-mill task. It has its style, its substance, its nuance. In issuing this maiden edition of the Performance Management Review (PMR), therefore, we have taken the time to put together a collection of interviews and stories that aim to coincide with the objectives inherent in the Transformation Agenda of President Goodluck Jonathan, and the predilection of anticipated readers, whether general or specialised.

The stories in this package elicit various emotions that trundle the twin tracks of despair and hope. How did a country nearly self-sufficient in food production degenerate within decades into one of the highest net importers of food worldwide? For those who hold their hearts in patience, wishing that the lofty promises of the Transformation Agenda will take a place of prominence on the pedestal of redemption, is there a chance that, in the final analysis, they will have the last laugh?

Life has its peaks and its nadirs. Nigerian life seems to have wallowed for far too long in the pit of hopelessness. Is the country now ready for ascent? Is it about to rise after several generations, like the phoenix, to a new apogee of economic emancipation? Is this the dawn of resurrection? The interviews here of three key players in the Jonathan Cabinet – Coordinating Minister of the Economy and Finance Minister (Dr. Ngozi Okonjo-Iweala), Ministers of Agriculture (Dr. Akinwumi Adesina) and Minister of Aviation (Princess Stella Oduah), tend to answer in the affirmative. So also do the interviews of Governors Chibuike Amaechi of Rivers State and Gabriel Suswam of Benue State, and the meat of the reports on the Federal Road Safety Corps (FRSC) and the National Youth Service Corps (NYSC).

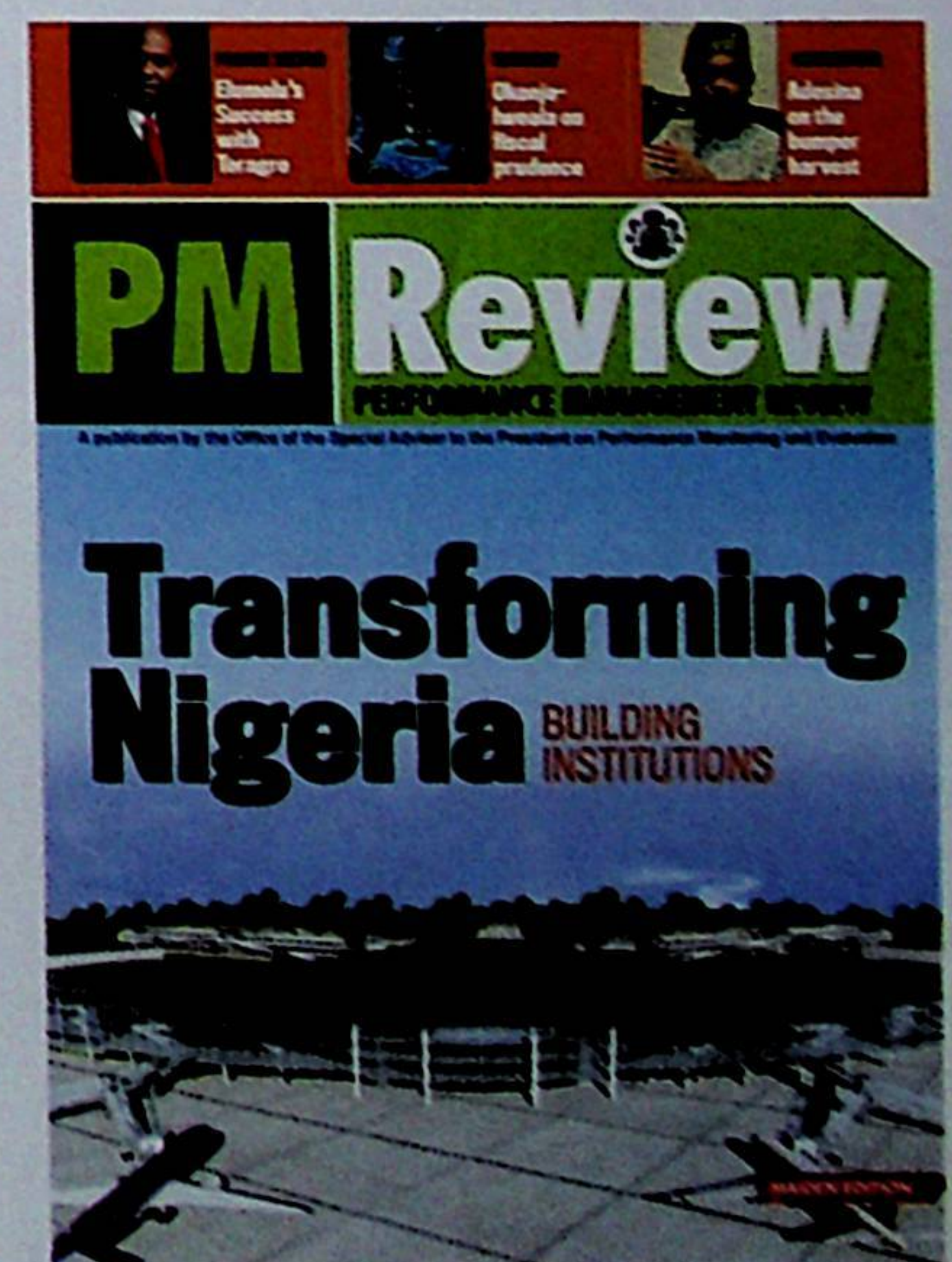
In our view, the aggregation of optimism in this maiden edition of PMR will garner grace and gallop to fulfillment if it is realised that the clarion call is for all hands to be on deck. PMR will strive to be at the cutting edge of the patriotic effort to ensure that the vast majority of our population is pulling in the



same direction. This is a way of saying that we are reaching out and earnestly calling for assistance. Not financial contributions but the currency of ideas. Please utilise the Letters Page of this quarterly, which will feature regularly starting from our next edition; please contact us by any other means of communication, to teach us the course we must chart and the path to tread, in order to play our role in a style that is substantially nuanced.

The next edition of PMR will also focus on Governors, Ministers and other leaders in assorted areas who have one thing in common: the concrete evidence that they are delivering on the Transformation Agenda.

Welcome to the world of PMR.



Charles Iloegbunam

Budgeting for transformation

In the following piece, Dr. Ngozi Okonjo-Iweala presents the salient points of the 2012 budget



Federal Ministry of Finance Headquarters, Abuja

In the past year, the global economic recovery has slowed down significantly and downside risks are on the increase as global output forecast has continuously been revised downward due mainly to the crisis in the Euro Area. Indeed, the forecasts have been revised downward a number of times, and presently stands at 3.25 percent. Despite the rising uncertainties the Nigerian economy recorded a robust growth of 7.32 percent in 2011, which underscores the resilience of the Nigerian economy. This partly illustrates the effectiveness of our economic policies and our drive to diversify the economy. Although, the oil sector remains a major

contributor to our economy benefiting from the high international crude oil price and a stable exchange rate regime, the 2011 growth has been broad-based, with the non-oil sector accounting for most of it.

Indeed, the non-oil sector remains the driver of our economy, with a recorded growth of 8.85 percent, with vibrant contribution from the agricultural, wholesale and retail trade and also from the telecommunications and building and construction sectors which grew by 5.71 percent, 11.33 percent, 34.76 percent and 12.26 percent respectively.

Implementation Of The 2011 Budget

As at February 29, 2012, N858 billion had been released for the implementation of capital projects and programmes, of which, N673 billion had been utilised by Ministries, Departments and Agencies (MDAs). This represents 78 percent of the amount released (or about 60 percent of the approved capital budget in 2011). We are striving for MDAs to do better. For the 2012 Budget, the performance of MDAs in comparison with their key deliverables would be closely monitored as we shift from simple resource commitments to the MDAs towards actual delivery and performance.



enjoin every Nigerian to actively join in the monitoring effort to ensure that we deliver on our promises.

Consolidating Growth

After successfully managing the effects of the global economic slowdown, we needed to strengthen the domestic macroeconomic environment to help consolidate and sustain growth over the medium-term with emphasis on inclusive growth that can facilitate quick progression to the goals set in the Transformation Agenda. As such, the 2012 Budget was crafted to consolidate growth through the following four policy thrusts – Macroeconomic stability, Structural reforms, Governance and institutions, and, actively Investing in priority sectors.

“Ongoing reforms in our system of tax administration have continued to yield results”

The 2012 Budget is the beginning of a series designed to achieve fiscal consolidation as the structure of our budget needs realignment. This will continue to 2015. To this end, we have initiated steps in our drive for increased revenues by blocking leakages from various sources including by insisting that government’s collectible funds are fully remitted to treasury. This process has led to increased revenue targets for agencies like the Central Bank of Nigeria, Nigerian Ports Authority and the Nigeria Communications Commission among others. Similarly, expenditures are being better directed to areas of need. As directed by the President, the 2012 Budget reduced recurrent expenditure through cutting specific personnel and overhead items and some administrative capital with a view to freeing up

more money for capital expenditure thereby minimising the deficit and borrowing.

Ongoing reforms in our system of tax administration have continued to yield results. For example, the Companies Income Tax and Personal Income Tax receipts have risen by 72 percent and 60 percent respectively between 2008 and 2011. In this respect, we have identified a number corporate entities that are behind in their tax payments and Government is negotiating with them on how to resolve the issue. Going forward, we expect this trend in the tax receipts to continue.

Furthermore, work is in progress to rationalise the number of Government’s agencies so as to eliminate duplications in government while complete rollout of the computerised federal payroll management system – the Integrated Payroll and Personnel Information System (IPPIS) to all MDAs is scheduled to be completed this year. The IPPIS has already been implemented in 74 MDAs and has saved over N14 billion, through the elimination of ghost workers. We are all witnesses to the recent revelations of fraud in pension fund administration in the country. In our determination to get to the root of the issues, we had engaged the services of KPMG to independently investigate the issues. As you know, Government has recovered some funds in this exercise while some public officials are now being prosecuted. Going forward, Government intends to extend this extensive audit to other pension administration authorities. Just as we are already achieving through the IPPIS, we expect to make significant savings upon completion of the biometric verification of pensioners. This would, in addition, make it possible to properly pay genuine pensioners.

In the same vein, Government will continue to prioritise its expenditures while focus will be on the completion of viable on-going capital projects over the medium term. It is our intention to fund and bring the large portfolio of on-going capital projects to completion in the next few years while also taking on flagship projects some of which are already identified in the Transformation Agenda.

Secondly, the Budget proposes bold, business-friendly structural reforms in key areas such as the ongoing reforms in the ports, power and, lately, the partial removal of subsidy on petrol.

The implementation of Performance Based Budgeting will now be strengthened on the back of the Government Integrated Management Information System and the Treasury Single Account to optimise Government finances and provide real time online information on the implementation of MDAs’ projects and programmes. The budget execution module of this System has now gone live across 180 MDAs while the budget preparation module is now live across six MDAs.

As MDAs are making efforts to strengthen their project implementation capacity, we

This is aimed at easing the cost of doing business in Nigeria, boost economic activities, and create jobs for our people. Similarly, the reforms at the ports will encourage investment in the economy by making it easier to do business in Nigeria. While the target is to achieve 48 hours clearance of goods, we have now, on the average, achieved 7-day clearing compared to the erstwhile 49 days. We remain focused on achieving the set target of 48 hours clearance, and all bottlenecks to achieving this are being systematically taken out. As you are aware, the Power Roadmap was unveiled in August 2011. In spite of the security challenges in the country, the environment for doing business is improving and we have had expressions of interest in the power sector by serious foreign companies like General Electric.

The Administration believes that the gains of the macroeconomic, fiscal and structural reforms can only endure if they are founded on strong governance practices and institutions that engender an environment to promote accountability and transparency in governance. In this respect, we have continued the publication of revenues allocated to the three tiers of Government which will promote transparency and accountability in the management of public funds. We recognise that we can only succeed in our effort to transform the economy if we have a vibrant civil service and we intend to complete the process of reforming the public service for optimal service delivery.

The 2012 Budget shores up investments in priority sectors of the economy like power, transportation, housing, security, and transforming the agricultural sector, among others. These sectors have a huge multiplier effect on job creation and exports and are key to achieving set development targets.

Accelerated development of infrastructure, particularly of electricity and transportation remains the focus of the Government. We are acutely conscious of the situation in these sectors and have set in motion steps to strategi-

cally resolve them. To support this process, institutional arrangements have been put in place, including the introduction of a Bulk Trader Company instituted to give confidence to independent power producers to invest in power generation by intermediating between power producers and distributors in a market setting. We have also arranged a Partial Risk Guarantee initiative to give payment comfort to gas producers in collaboration with the World Bank. We are cautiously optimistic that significant progress will be made in this sector.

By estimates of the First National Implementation Plan of the Nigeria Vision 20:2020, we need N32 trillion for the implementation of capital projects over a four year-period, of which the private sector is to contribute N13 trillion. If we are to succeed in this, we



must create the enabling environment to attract private investments by having a clear regulatory framework. You will certainly agree that government alone cannot solve the infrastructure problem. Consequently, we have invited the private sector and international investors to partner with us through Public Private Partnership (PPP) arrangements and other modes to meet these expectations. As

you will find, we have identified a number of flagship projects, (like the Second Niger Bridge, etc.), with positive multiplier effects across the country to be implemented through PPP arrangements in the next three years.

The 2012 Budget also seeks to achieve the diversification of the economy through investments in the agricultural sector which is critical to the attainment of inclusive growth, sustain food security, and create gainful employment. The Government's strategy to transform this sector from subsistence farming to that of agro-business was designed to follow a four-pronged strategy - 1) Develop product value chains; 2) Subsidise credit support to farmers; 3) Develop marketing institutions; and 4) give Fiscal support through favourable tariff regime.

Firstly, our strategy to transforming this sector is to promote and add value to different cash crops such as cassava, rice, cocoa, cotton, sorghum, palm oil, etc. where we have comparative advantage. By developing such value chains, Government will be promoting industry, creating employment, and generating significant foreign exchange earnings from exports. The second element in this strategy is, beginning from the current planting season, the provision of credit support to our farmers through a mechanism to share risks with the banking sector. I am glad to inform you that we are presently guaranteeing up to 70 percent of loans made for the supply of seeds and fertilizer by the private sector; thereby moving away from the erstwhile practice of going through middlemen. Furthermore, Government is subsidising interest rate on such loans to bring it down to 7 percent per annum, from 15 percent per annum. These efforts are a significant shift which Government believes will yield the desired results as the Ministry of Finance, the Ministry of Agriculture and the Central Bank

continue to collaborate to ease the sector's access to credit.

The third element of the strategy relates to the support for the development of private sector-driven produce marketing institutions. Domestically, these would help to significantly reduce wastages through poor distribution and storage.

Very critical to this sector's transformation is the fourth element of the strategy which is the institution of fiscal policies to promote the domestic production of the cash crops, and the development of the food processing sector through patronage of our local produce. In this respect, we have introduced supportive fiscal measures in the 2012 Budget to boost local industry in the production of rice and cassava and related products.

As everyone knows, no meaningful development can occur without security. Indeed, at the heart of Government's development policies is work to safeguard the sovereignty, independence and territorial integrity of the country. This is why the Budget has prioritised the security sector and given it the resources it needs to be effective in its operations to better fulfill its mandate.

We are also focused on efforts to improve on the overall human development through ensuring and delivering better healthcare. Government is working with our development partners to create an effective mortgage finance system in the country. This would see to the development of value chains in the building materials segment and stimulate the sector to accelerate its development while helping to reduce the cost of housing and thereby energise the housing construction industry.

Subsidy Removal And The Subsidy Reinvestment And Empowerment Programme (SURE-P)

The subsidy debate has been a difficult one, but all Nigerians agree that the country cannot continue to waste its scarce resources on a scheme that mostly benefits a few people and not the majority of citizens.

It was against this backdrop, that the initial 2012 Budget Proposal assumed full deregulation of the downstream petroleum sector. However, after listening to the voice of Nigerians, Government opted for partial removal of

subsidy on petroleum products. This implied that Government had to review the initial Budget. The revision entailed raising the revenue and cutting back on some expenditure heads such as recurrent expenditures (including Basic Salaries of Political Office Holders, Overhead Votes, Statutory Transfers, etc) and non-essential capital expenditure items of administrative type; in order to make some provision amounting to N888.1bn (inclusive of N231.8bn to cover for 2011 arrears). This amount was derived after extensive consultations with different stakeholders.

However, the overhang of the 2011 subsidy continues to be a challenge as we are now learning that provision for arrears for last year may be insufficient to cover all the claims. Despite this new challenge, Government is determined to implement the list of social safety nets and key infrastructure projects appropriated under the SURE-Programme. This is estimated at N180 billion, which corresponds to the Federal Government's share of money that would have been spent on subsidy, which is now being reinvested.

Job Creation

Government is focused on job creation and has ensured that the Budget has been preserved as an active tool in the allocation of resources towards improving the climate for increased industry, improve job retention and support ingenuity for job creation. In addition to this, the Government has instituted policies on local content and contracts for consideration by the Federal Executive Council must now have local employment content and job creation targets which implementation will be closely monitored.

Furthermore, it will be recalled that the President in October 2011 launched the Youth Enterprise With Innovation in Nigeria (YouWin) programme with the objective of creating a new generation of young entrepreneurs who will run their own businesses and also generate jobs for youths across the country. I am pleased to mention that following a rigorous, fair and transparent selection process, a first set of 1,200 youths have emerged as winners. Interestingly, 47 percent of the winners are with new initiatives that cut across sectors like agriculture, information technology and telecommunications services as well as food and drinks manufacturing.

“ The 2012 Budget also seeks to achieve the diversification of the economy through investments in the agricultural sector which is critical to the attainment of inclusive growth, sustain food security, and create gainful employment. The Government's strategy to transform this sector from subsistence farming to that of agro-business was designed to follow a four-pronged strategy”



The 2012 Budget

I now turn to the Budget Estimates approved for the 2012 Fiscal Year.

The gross federally collectible revenues are estimated at N9.692 trillion based on the Benchmark Oil Production of 2.48 million barrels per day and Benchmark Oil Price of US\$72/barrel raised from the US\$70/barrel proposed to the National Assembly in December. This increase yielded an additional N98.4 billion, of which N50 billion was used to reduce the deficit and therefore the domestic borrowing requirement; while the balance was used to increase capital spending. Consequently, the total forecast revenue for the Federal Budget is N3,561.02 billion with an oil component of N1,943.88 billion and non-oil of N1,617.13 billion.

The total expenditure approved in the 2012 Budget is comprised of the regular budgetary appropriation of N4,697.21 billion, and an appropriation of N180 billion for the implementation of programmes and projects under the Subsidy Reinvestment and Empowerment Programme. The details of the expenditure are summarised thus:

- Personnel cost of N1.658 trillion, which represents 35 percent of aggregate expenditure. This reflects the several wage

“ Government is determined to implement the list of social safety nets and key infrastructure projects”

increases granted in recent times, leading to a 93 percent increase between 2009 and 2012. The rising wage bill is disturbing because it undermines our ability to invest in capital projects.

- Statutory Transfers of N372.59 billion.
- N559.58 billion was provisioned for domestic and foreign debt service.
- Capital Expenditure is N1,339.99 billion. Its share as percentage of aggregate expenditure increased from 25.6 percent in 2011 to 28.5 percent in 2012, while the share of recurrent has decreased to 71.5 percent from 74.4 percent in 2011. This illustrates our

drive to correct the structural imbalance in our expenditure profile.

- Based on the above, the deficit is now N1,136.2 billion or 2.85 percent of GDP, which is within the 3 percent of GDP threshold set by the Fiscal Responsibility Act, 2007. Accordingly, the provision for domestic borrowing is now N744.44 billion compared to N852.27 billion in the 2011 Budget. This underscores the necessity to control the rising domestic debt profile, which has been a source of concern. This trend came as a result of persistent fiscal deficits; this is why Government is striving to bring its deficit to a more sustainable level.

Conclusion

In conclusion, Nigerians need to be assured that the Government is aware of, and shares the concerns of the citizenry, and we are trying to turn things around. While this Budget will not address all the long existing gaps in one fell swoop, it is a bold leap in the right direction.

The budget belongs to all of us. It belongs to the investor, the entrepreneur, the farmer, the youth and the elderly. There are challenges, but also incredible opportunities. We need the cooperation of everyone to make it work and to grow the economy and create jobs for our people



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The new electricity tax

In this interview, Dr. Mrs. Ngozi Okonjo-Iweala CFR, The Coordinating Minister for the Economy and Minister of Finance x-rays government's economic agenda.

A globally renowned economist best known for her two terms as Finance Minister of Nigeria (her current position) and for her work at the World Bank which included several years as one of its Managing Directors (October 2007–July 2011), she also briefly served as Foreign Minister during 2006.

Dr. Mrs. Ngozi Okonjo-Iweala, was born on June 13, 1954 she hails from Ogwashi-Uku in Delta State. Okonjo-Iweala was educated both at Harvard University and the Massachusetts Institute of Technology (MIT).

Mrs Okonjo-Iweala was considered as a possible replacement for former World Bank President Paul Wolfowitz in 2007. Subsequently, this year, and at the behest of the African continent, she became one of three candidates in the race to replace World Bank President Robert Zoellick whose term terminates this June. Although informed opinion worldwide adjudged her the best qualified candidate for the job, her bid was unsuccessful as she lost to the US nominee, Dr. Jim Yong Kim. US nominees have always presided over the World Bank since its inception.

As well as being the Finance Minister, Dr. Okonjo-Iweala holds down the position of the Coordinating Minister of the Economy (CME). She spoke to PM Review editors in her office in Abuja. Excerpts:

Question: Honourable Minister, could you tell us what your ministry has been doing for the improvement of the national economy?

Coordinating Minister of the Economy: I think the best way to look at it is by examining what needs to be done to deliver on the President's Transformation Agenda. What



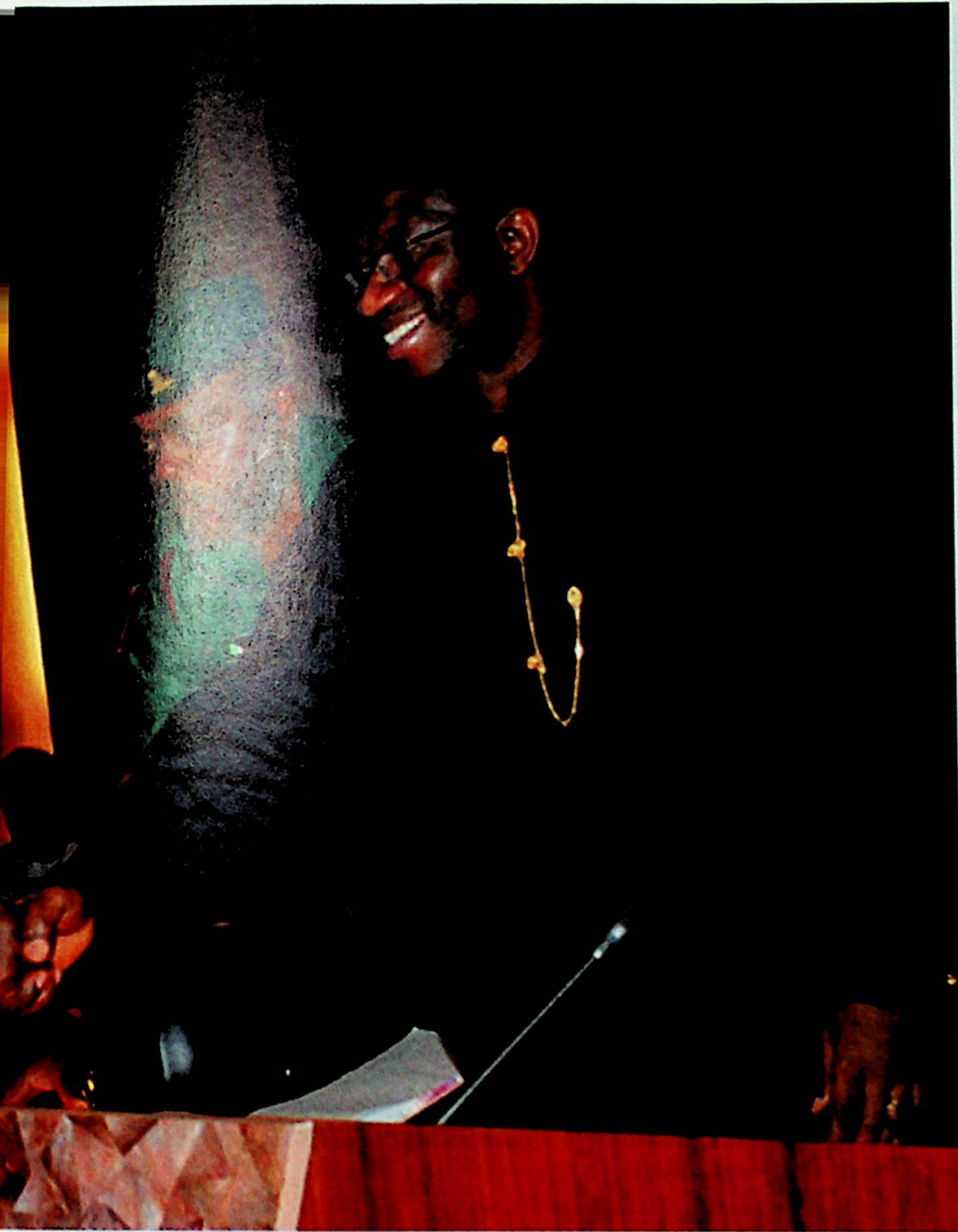
Trading handshakes: the President and Dr. Okonjo-Iweala are reading from the same page on the Nigerian econ

we have tried to do is to break things down into the different areas of work that needs to be focused on by the Economic Management Team, the Economic Management Implementation Team and by the Cabinet. In beginning the transformation of the economy, there are three or four things that we tried to look at. One is, of course, based on Vision 20:2020, to make a medium term plan, to encapsulate what the transformation should be, and the first is to look at macro economic reforms, next is to look at structural reforms and the third part is to look at what sectors of the

economy can be invested in that will unleash growth and job creation, because the central aim of the Transformation Agenda being pursued by the President is to create jobs.

As you know we have an unemployment rate of just over 23 percent, with more underemployment and unemployment among youths. In terms of the macro economic reforms, we are trying to pursue a budget of fiscal consolidation. This means that we are bringing more fiscal prudence into the spending of the budget. For the past couple of years we have had what can be

ff will favour the poor



try to get it to the 60s. If we can bring recurrent spending down to about 65-66 percent over the medium term, it would be a pointer to where we want to go. When I left government the last time, recurrent expenditure was 65 percent and when I came back it was 74 percent, meaning that it increased by almost 10 percentage points. Let's, at least, try and scale it back to where it used to be. That means that we will spend more on capital projects which will be very good; it will leave more room to repair roads, to invest in water supply, in rail, and all those things that Nigerians want to invest in, so that's one good thing. On structural reforms, government has been working on the power sector, which everybody knows about. Although it is moving slowly, it is moving in the right direction. The government is also working on ports reforms which are very challenging. Professor Monye can tell you more about that. The idea was to scale back the number of agencies at the ports and leave less room for corruption and the harassment of those who are trying to clear goods through our ports, improve the investment of those concessioning the ports, make the process faster and put the 24-hour a day work schedule in place.

The objective is to make it easier and cheaper to do business in our ports, you know the more you delay, the more demurrage you incur. Again, the more corruption, the higher the cost. The ports reforms are very important. Despite the challenges, we will not give up, we will continue fighting until we have a handle to make these ports better. So Power, Ports, we've been doing. You know about downstream petroleum, you know about the work being done by the Petroleum Resources Ministry. If we can make appreciable progress in the power sector, I think you can see that there's some progress being made, it's slow but it's coming. Part of the plan is to try and unbundle and sell off the power sector. If we got such a good response from telecommunication when the private sector went into it, you will get the same from power because we have shown that the state is not really capable of managing the power sector to the satisfaction of Nigerians. We have to try another approach. The idea is to unbundle the sector and

called an expansionary budget, with a lot more spending and a lot of domestic borrowing than we should be doing. We have tried to slim this down in this budget and to have a fiscal deficit that is smaller at 2.85 percent compared to 2.9 percent last year, and to borrow less domestically, because it's important for us to observe financial prudence. Last year we borrowed about N850 billion, this year we scaled it down to N744 billion, so we scaled it down considerably by more than N100 billion. We have estimated a GDP growth at between 7-8% this year, compared to 7.36% last year which was still quite a

good performance. We have been trying to get inflation to the low double digits and, if possible, to bring it down to single digits in the medium term. We did the budget on a very prudent oil price as part of the fiscal prudence, we tried to anchor the budget on a price of \$70 a barrel but the National Assembly later increased it to \$72, which is still pretty good. Those are some of the key parameters of what we are trying to do.

In this budget we managed to bring recurrent expenditure down from 74 percent to 71 percent. Next year we will do even more and

sell them off to distribution, generation and transmission companies, while government retains transmission but allows private sector even to manage that. I think a whole set of reforms is underway, Cost reflective tariffs that reflect the cost of doing business is coming pretty soon, maybe by the beginning of June. Once that is done, then you can sell off these assets and the private sector can really come in.

Question: Honourable Minister, how are we sure that the new power tariffs will not occasion price spikes to the disadvantage of the general public?

Answer: I think the way the tariff has been set is that the poorest in the society will not see any increase in their tariffs. Then, as you go up the income ladder, there will be progressive increase. The industries and the richest people will pay the most, and the idea is to use that money they pay to subsidise the ones at the bottom who will not see any increases in their costs.

Question: So it's going to be pay as you use right?

Answer: Yes but it's going to be calibrated. The best way actually is if everybody can buy a card and so on, but there are people who have only one bulb. Those kind of people will not see any increase in their costs, you know they can tell the amount of electricity being consumed by a household and then they will calibrate so that those people at the top will pay the most.

Let me say at this point that the government has also been focusing on the job creation issue, and on the sectors that can create the jobs in the long term, like agriculture. I think you need to interview the Agriculture Minister because he has a lot of good things, so I won't go into that in details. The point, really, is that we are spending \$10 billion on the imports of agricultural goods annually. If we can grow most of those crops, we will save. Four crops alone consume \$7 billion - rice, wheat, fish, sugar and wheat. With the exception of wheat, we have the capability to grow these crops or substitute them. We don't have comparative advantage in growing wheat, but we can substitute cassava. One very nice piece of news is that, recently, the President launched cassava bread being done by UTC and Butterfield Bakeries, and they have now succeeded in substituting wheat flour with cassava flour. It's not



Okonjo-Iweala: Going forward, we are looking at housing and construction

been done before. They've now arrived at commercialisation of 20 percent substitution. Our objective is to get to 40 percent. That will save us billions of Naira that we spend importing wheat flour and we've also given incentives to those who are going to use cassava flour and by allowing the equipment to come in at no duty and also putting higher tariffs on wheat flour in order to encourage people to use cassava and similarly for rice so that we can grow our own rice. For all those things, the Agriculture Minister is proposing a value-chain approach, taking it from research to production, to marketing, to processing. It is going to create hundreds of thousands of

jobs. Going forward, we are looking at housing and construction. With the Minister of Housing we are having a workshop that will focus on housing and mortgage finance. If we can get a way in this country where you can walk into a bank or financial institution and take a mortgage, like a regular person if you have a steady job and some assets like in many countries overseas, you can get a loan against that and then be able to either buy a house or build one and then pay back over 15, 20 or 30 years.

There are other sectors that are capable of creating employment, like Aviation and you need to interview the Aviation Minister. There is a lot of



potential there and we are also supporting that sector. As for the creative industries, we are trying to support them as if they are small and medium enterprises, all the people making the movies, not by interfering but by making access to finance easier for them so that they can produce. They employ a lot of young people. That industry is valued now at the equivalence of \$250 million per annum. It employs 200,000 people directly and a million people indirectly, those are all young people so it's an area we want to encourage to do more. Also, we are not waiting just for the longer term sectors to develop, we are doing direct programmes to excite our youths which we didn't do previously. We have this "YOU

WIN" - Youth Enterprise With Innovation, I think it is a very popular programme, so much so that when I was in the United States recently, people were talking about it and I think it is remarkable that there is something being done. The idea there is to create 80,000 - 110,000 jobs over the next three years through this business planning competition, you know, young people younger than 40 can apply and if they win they get a grant of between N1 million to N10 million. They also get access to credit through the banks, they get mentoring, they get support, and through that we hope they will double and triple employment in their small firms. Some are employing seven people and they want to go up to 21 and things like that. That is a very beautiful programme that the President launched and it is making good impact. We also have a public works programme through the SURE. Remember that when we phased out the oil subsidy we did so only partially to N97, but we are still saving quite a bit from that phase-out, equivalent to about \$3 billion. (about N450 billion). Of that money being saved, about N180 billion is the Federal Governments', and we are putting this into various programmes to cushion the impact of the partial subsidy removal on poorer people. The maternal and infant mortality programmes have improved, and in today's public works, you know we expect to create 370,000 jobs each year for the next three years using these savings.

I have written to state Governors because we are now going to go from state to state with a template to try and identify the jobs before we select the beneficiaries and launch the programme. That is a programme that didn't exist before. We will work in collaboration with the states. In all of these things we are trying to partner and work with the states so that we can have a really good impact on the ground. In a nutshell these are a few of the things we can touch on, going forward. I just want to say that we will continue with a budget of fiscal prudence for 2013. We will build on the Oronsanya recommendations to try and streamline the cost of government and reduce it even further. I think that is what Nigerians want and we will continue on that path going forward to give a tidy and prudent fiscal budget that we can build on.

Question: Madam, is it possible to give us in better detail, this project about partnership between the Federal and state government in job creation?

“ One very nice piece of news is that, recently, the President launched cassava bread being done by UTC and Butterfield Bakeries, and they have now succeeded in substituting wheat flour with cassava flour”

Answer: What we are trying to do through this subsidy programme, in the public works programme, the states are also doing some job creation programmes. So, when I say partner, it's good we talk to each other, after all when we are doing job creation, it is also in states. But it will be a Federal Government programme, but we have an approach that might be good for systemising things. We also want to learn from what they are doing hand in hand, we want to make sure that the communities we work in, the states are happy with that and they help us to identify these communities, the beneficiaries. We want to make sure it is all done in a proper way and the people are properly identified. We want to make sure that they are proper jobs. So this is not just about identifying people who have no jobs and handing out money, no, they must be doing something important and beneficial, whether it's cleaning the environment, clearing the waste that lie around our roads and our villages and so on, doing some sanitation work, cleaning our drains, other types of works with the roads, schools, buildings that need additional repairs, all those are factored in and of course to do that, when you arrive in a state you have to work in partnership with them, we have to identify with the states and communities and local governments which are the pieces of infrastructure that need to be repaired, and who in the community needs a job and who doesn't.

Making the Youth Service programme more responsive

An NYSC member suggests ways of making the programme better



Youth Corps members on parade

Oyintarela Umeri [NYSC/FRN/2011/805996 (FCT/11A/0826)] recently completed her stint in the NYSC programme. But she has left a mark by studying the Service scheme and making recommendations for improvement. Ever since the NYSC was established in 1973, there have been endless arguments and controversies regarding it. Some have posited that it should be scrapped, especially as, in recent times, youth corps members have been targeted and killed or maimed in certain parts of the country as a result of political and sectarian considerations. Others have advocated an increment

of the service period from one to two years.

Mrs. Umeri's case study and report is of a different hue. It accepts the inevitability of the programme. But it also makes recommendations on how to improve on it. Entitled *Transformation of the National Youth Service Corps: Serving the Nation Efficiently and Effectively*, Mrs. Umeri recently presented it to the Malam Bolaji Abdulahi, the Honourable Minister of Youth and Sports.

The 88-page study has eight chapters thus: Chapter 1: Legislation on NYSC: Objectives and Rules on Posting, Chapter 2: Literature

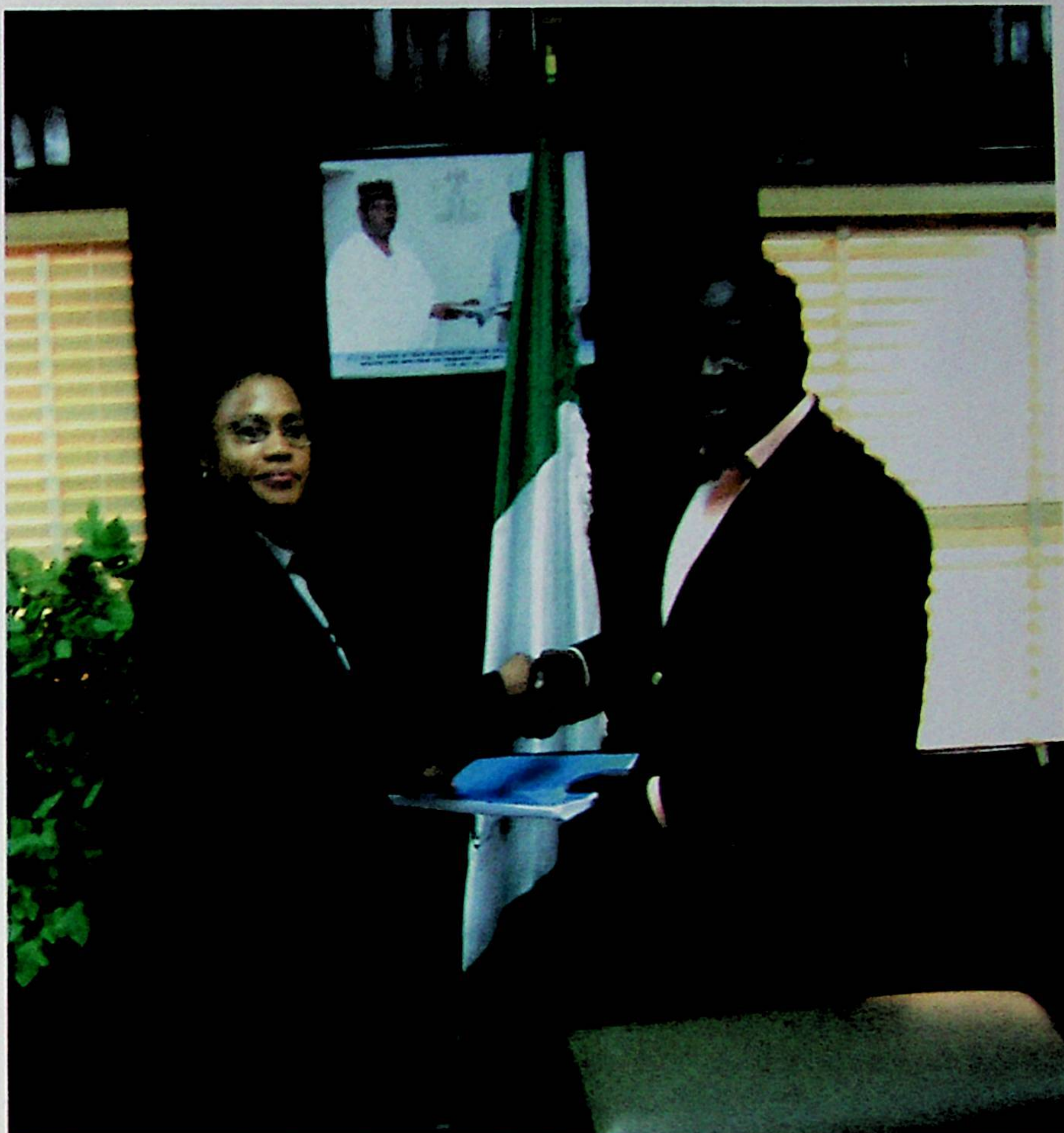
Review. Chapter 3: National Service Schemes around the world. Chapter 4: The NYSC Posting System. Chapter 5: Results of Survey with NYSC FCT Corps members in Batch B of 2010-2011 and Batch C of 2010-2011. Chapter 6: Results of Survey with Corps Employer Organisations in FCT. Chapter 7: Conclusions. Chapter 8: Policy Recommendations.

Mrs. Umeri explained her motivation in the Introduction: "Upon my return to Nigeria with my husband and three children in October 2010, after 21 years of living in the United Kingdom and with 13 years of Post-Graduate work experience, little did I know that I was

about to embark on a journey of serving my nation. Through the advice of the former NYSC Director-General, Brigadier-General Tsigia, and at the age of 33 years, I accepted the challenge of becoming a NYSC Corps member to fulfill my civic duty as a Nigerian citizen. As my husband is based in the Federal Capital Territory, I was given concessional posting to serve as a Batch A Corps members in the Federal Capital Territory in March 2011. However, after the Orientation exercise in Kubwa camp when I and my fellow Corps members were posted to our Places of Primary Assignment, I discovered that there were contradictions between what we expected, and the practical realities of working at our Places of Primary Assignment. I therefore took it as a personal challenge to research further into the matter, based on my background in international and community development, research, volunteering, volunteer management, project management and institutional reform. In June 2011, I submitted my proposal to the FCT Secretariat to conduct a research about transforming the NYSC posting system in order for Corps members to serve the nation effectively and efficiently. This proposal was approved.”

With approval, the young lady swung into action. In June and September 2011, she distributed 700 questionnaires to Batch B and Batch C 2010-2011 Corps members in the Federal Capital Territory. The questionnaire consisted of 35 questions, most of which were about their experiences of serving the nation at their Place of Primary Assignment and during Community Development Service. About half of those sampled completed and returned the questionnaire. Also, in November 2011, she distributed 100 questionnaires to Corps employers in the Federal Capital Territory. The questionnaire consisted of 18 questions, most of which concerned they way Corps members serving with them were managed. About 60 percent of the Corps employers returned the completed questionnaire, including eight Government Ministries, 19 Government Agencies, six health organisations, five schools and 15 private sector companies.

According to Mrs. Umeri, the results from the two surveys send a clear message about effective posting and management of Corps members at their Places of Primary Assignment. For instance, “77 percent of them Corps members stated that their Place of Primary



The Honourable Minister of Youth and Social Development, Mallam Bolaji Abdullahi congratulating Mrs. Umeri

Assignment was relevant to their degree. Out of these, 66 percent had opportunities to utilise their skills. Many of them were given a wide range of responsible tasks. As a result, 72 percent of the Corps members enjoyed their Primary Assignment. In contrast, 16 percent of Corps members stated that their Place of Primary Assignment was not relevant to their degree. As a result, they had varying experiences. 9 percent did not have the opportunities to utilise their skills. 6 percent did not enjoy their Primary Assignment. In total, 25 percent of the sampled Corps members were not given the opportunity to utilise their skills at their Place of Primary Assignment. Out of these, 12 percent did not enjoy their Primary Assignment.”

As for the sampled employers, 83 percent stated that the Corps members posted to them had relevant academic qualifications. 60 percent of the Corps Employers had a written policy on how to utilise Corps members. 63 percent provided the Corps members with an induction. 67 percent also provided Corps members with a work plan and responsible

“ After the Orientation exercise in Kubwa camp when I and my fellow Corps members were posted to our Places of Primary Assignment, I discovered that there were contradictions”



tasks. 51 percent of the Corps Employers also retained Corps members after the service year. In contrast, 26 percent of the Corps Employers had no contact with NYSC prior to Corps members being posted to them. 56 percent did not inform NYSC of their organisational capacity. 32 percent did not provide an induction for incoming Corps members. 23 percent did not have a written policy on how to support Corps members. 8 percent also did not give Corps members a work plan or responsible tasks.

The meat of Mrs. Umeri's study is to be found in her recommendations here briefly presented:

1. The "need to motivate corps members to serve in a sector that they may potentially have personal interest in, but may previously never have been exposed to.
2. The absorptive capacity (number and type of vacancies) of Corps Employers in the Agriculture, Education, Infrastructure and Health sectors in the FCT and States across Nigeria, needs to be determined and assessed in a comprehensive manner.
3. Effective volunteer management skills are essential to supervisors of Corps members in all Corps Employer organisations. Otherwise, if Corps members are not managed properly within their Places of Primary Assignment, the po-

“ As for the sampled employers, 83 percent stated that the Corps members posted to them had relevant academic qualifications ”

4. As "gainful work experience", according to the academic discipline of Corps members, was a fundamental aspect of the Decree 24 and Decree 51, this should still continue within the four areas provided by the new Policy Directive, namely Agriculture, Education, Health and Infrastructure.
5. Corps members generally tend to suffer in silence if they have problems at their Place of Primary Assignment. This may be due to ignorance on who to talk to or fear of being redeployed to a less than sat-

isfactory Place of Primary Assignment. This has got to be addressed.

6. As Socio-economic Serving Volunteers, Corps members are an unpaid human resource working with Corps Employers to contribute towards their organisational and community objectives. They should therefore be treated with appreciation and respect by the staff of Corps Employers and the host communities.
7. The image of the typical "Corper", in the minds of the average Nigerian has become negative and derogatory over the years. This needs to be changed, in order to raise the general morale of Corps members.
8. Community Development Service is a major area that needs to be enhanced and supported under this new Policy Directive.
9. Corps members that are posted to Ministries, Departments and Agencies within the Agriculture, Education, Health and Infrastructure sectors, may still face the challenge of ineffective utilisation, due to the Civil Service secrecy laws. A system needs to be established to empower Civil Servants to legitimately expose Corps members to gainful work experience.

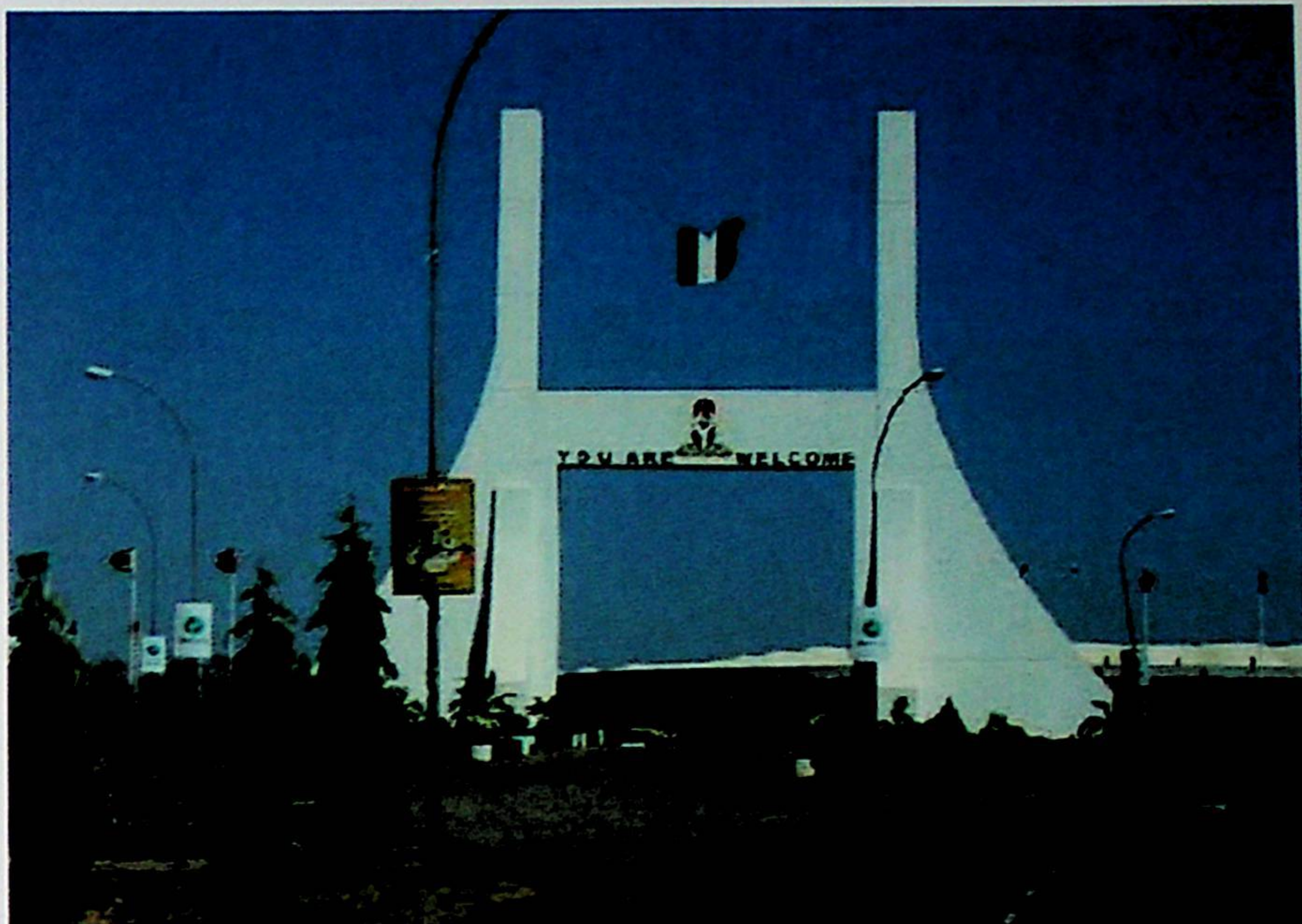
The impressed Youth Minister congratulated Mrs. Umeri on her work and promised that it would be carefully studied as the NYSC reform programme continues. C.I.

Getting Abuja right

When moves began for a new Federal Capital to be created for Nigeria, the dominant reason was that Lagos was becoming untenable, congested as it was, and increasingly difficult for the execution of human and vehicular movement. Of course, political motives were read into the clamour for the capital territory to be moved from Lagos. That is the nature of things in this country. It took the military government of General Murtala Muhammed to appoint in 1975 the Justice Akinola Aguda Panel of seven members to examine the suitability of the role of Lagos as both the capital of Nigeria and the capital of Lagos State. The panel recommended that the capital city of Nigeria be relocated to a new Federal Capital Territory in the geographic centre of the country. That was how Abuja was born.

Based on the nightmare that was bursting and bustling Lagos, it must have been assumed by the planners and builders of Abuja that proper measures had to be taken to ensure that the new capital territory did not slide into the traffic quagmire that made Lagos a hell to live and do business in. Abuja was conceived as a masterpiece on the African continent. For this, the Federal Capital Development Authority (FCDA) was established by Decree No 6 of 1976 as the sole agency vested with the responsibility of planning, designing and developing Abuja. The FCDA was to take care of responsibilities that included constructing and maintaining infrastructure such as roads, railways, sidings, tramways, bridges, reservoirs, water courses, buildings, plants and machinery.

How the FCDA has carried out its responsibilities over the past 36 years and under various leaderships is not the subject of this editorial. But it must be noted that, in not embarking on the building of either railways or tramways from the inception of the territory, a major faux pas was committed. Curious traffic jams not supported by the number of vehicles on the roads are now constant in Abuja. It is welcome news that work on the rail system for Abuja is going on. That should pull the rug from under the pressures of mass movement on the population. But even before this rail system becomes available for public use, there are measures that urgently need to be taken in order to ensure that gridlock does not become a new name for the "masterpiece on the African continent."



City Gate, Abuja

The first point to note in this respect is that Abuja traffic lights hardly work. This may be due to the erratic nature of power supply, not only in Abuja but all over the country. However, it is not impossible to overcome this problem by dedicating specific power grids to the capital territory's traffic lights, or have them exclusively powered by solar energy. Traffic wardens do a great work but their sense of synchrony in directing traffic cannot be compared favourably with the automated alternative. More worrisome is the fact that traffic lights have, where they work and in many parts of Abuja, assumed antithetical functions to the roles they were intended to play. A number of examples are apposite. On the Ahmadu Bello Way, on the Murtala Muhammed Way and on the road that connects the United Nations buildings in Area One to Galadimawa, it is obvious that the traffic lights are not calibrated. In the United States, for instance, they now have in place traffic lights with sensors that direct traffic on the strength of the number of vehicles on a particular road. Assuming that this is too "advanced" for Nigeria to appropriate at this time in point, what is so complex in setting traffic lights according to the pressure and number of cars that use intersections? How can Abuja traffic lights continue to allocate 200 seconds of movement to a side road with two cars or no cars at all, while 200 vehicles on a trunk A road get a meager 20 seconds? The problems created by this lack

of proper programming of traffic lights compel flustered motorists to constantly pray that traffic lights will be off during the rush hours!

Abuja is supposed to be the pride of Nigeria; the pride of the Black race in cosmopolitan engineering. But there is a stretch of expressway – a 15 kilometre highway that runs from Murtala Muhammed Way through the Galadimawa Roundabout to way beyond the Umaru Yar'Adua expressway. The unique thing about this road is that it has numerous estates on either side, including Yayale Ahmed Estate, Tradesmore Estate, Covenant Garden Estate, Efab Estate, Sunnyvale Estate and Sun City Estate. From each one of these estates is a busy, single road that, without warning, juts into the expressway which, on its own, has no traffic signs whatsoever. Every workday morning and every workday evening, intolerable traffic bottlenecks are recorded on the entrances to these estates. Accidents are so rampant; it all looks like organised mayhem. This is scarcely good for the image of Abuja. Put baldly, it is a shame on Nigeria. It deserves to be speedily addressed.

A case can be made for more traffic wardens on Abuja roads. A better case can be made for more sensible and patient driving by car owners and commercial drivers. But Abuja must be got right, it being the only way Nigeria can be right.



Artist impression of Nnamdi Azikiwe International Airport, Abuja

Into better skies

The Ministry of Aviation makes a bold attempt to transform air travel

Upon her appointment as Minister of Aviation, Princess Stella Adaeze Oduah moved with speed to place a finger on the problem with the aviation industry, in order to fashion ways of solving it, her intention being to sync with President Jonathan's Transformation Agenda. She and her team at the Aviation Ministry met with and held wide-ranging consultations with stakeholders in the industry, including domestic and foreign airline operators, international agencies and regulatory bodies like ICAO,

IATA, TSA and SITA, and the World Bank, the Federal Ministry of Finance, the Central Bank of Nigeria (CBN) the Bureau of Public Procurement (BPP) and the Debt Management Office (DMO). The team also the unions and airport operators.

The fall-out of these consultations the Federal Ministry of Aviation (FMA) honed its mission and vision to further develop the aviation sector. Its mission is now To provide a safe, secure and comfortable air transport sector that is self sustaining

and pivotal to socio-economic growth, in line with international best practices; its vision, To transform the aviation industry into an efficient, profitable and self-sustaining, effective and a preferred mode of transportation.

It is hoped that the mission and vision of the FMA will enable it to tackle the numerous problems it found to be militating against the aviation industry. Some of these problems are (1) over-stretched airports handling passenger traffic far in excess of their



Princess Stella Adaeze Oduah, OON

“ It is hoped that the mission and vision of the FMA will enable it to tackle the numerous problems it found to be militating against the aviation industry”

capacities, (2) airport terminals that are in terrible conditions (3) decaying/aging infrastructure and obsolete equipment including terminal buildings, control towers air conditioning systems and conveyor belts that have long passed their sell-by dates, (4) intolerably long times for check-in, security screening and baggage pick up, (5) an aging and over-bloated workforce and (6) inadequate safety, security and surveillance equipment.

Some of the discovered problems are even more fundamental like (1) inadequate financial position of Agencies caused by inefficient accounting systems and lack of adherence to revenue recognition and collection procedures (2) constant price hikes and scarcity of Jet A1 Aviation Fuel (3) the high cost of running aviation operations and a shrinking capital market (4) high debt profile of airline operators and (5) inadequate human capital develop-

ment and scant capacity building of aviation experts.

What to do? The FMA decided on a three-pronged strategic thrust on Air Transportation, Sustainability and Socio-Economic Development. Under Air Transportation, it is developing Abuja and Lagos as regional hubs and in line with international practice. It is also intent on developing requisite capacity and manpower to meet the needs of the aviation industry in the 21st Century. In terms of Sustainability, the FMA is changing the business model of the industry into one that is self-sustaining, through increased private sector participation that is bound to reduce the huge financial burden currently borne by government. As for Socio-Economic Development, the FMA aims to maximise the industry's contribution to the socio-economic development of the country through increased trade and the

in-flow of FDI, and focusing and growing agro-allied designated airports for job creation.

In greater details, the FMA has adopted a number of policies for the implementation of its developmental strategy. As far as security goes, it will partner with international security organisations to strengthen aviation security. It is equipping the airports with modern/state of the art surveillance and security detection systems. It will leverage the expertise and capacity of international security organisations to train staff and, where applicable, manage security networks. In its expansion plans, all airport activities are to be commercialised. It will explore alternative funding for the industry and seek private sector participation to upgrade and modernise airports, using joint ventures and management contracts. It will partner with state governments on less/non viable airports with a view to making them revenue generation centres.

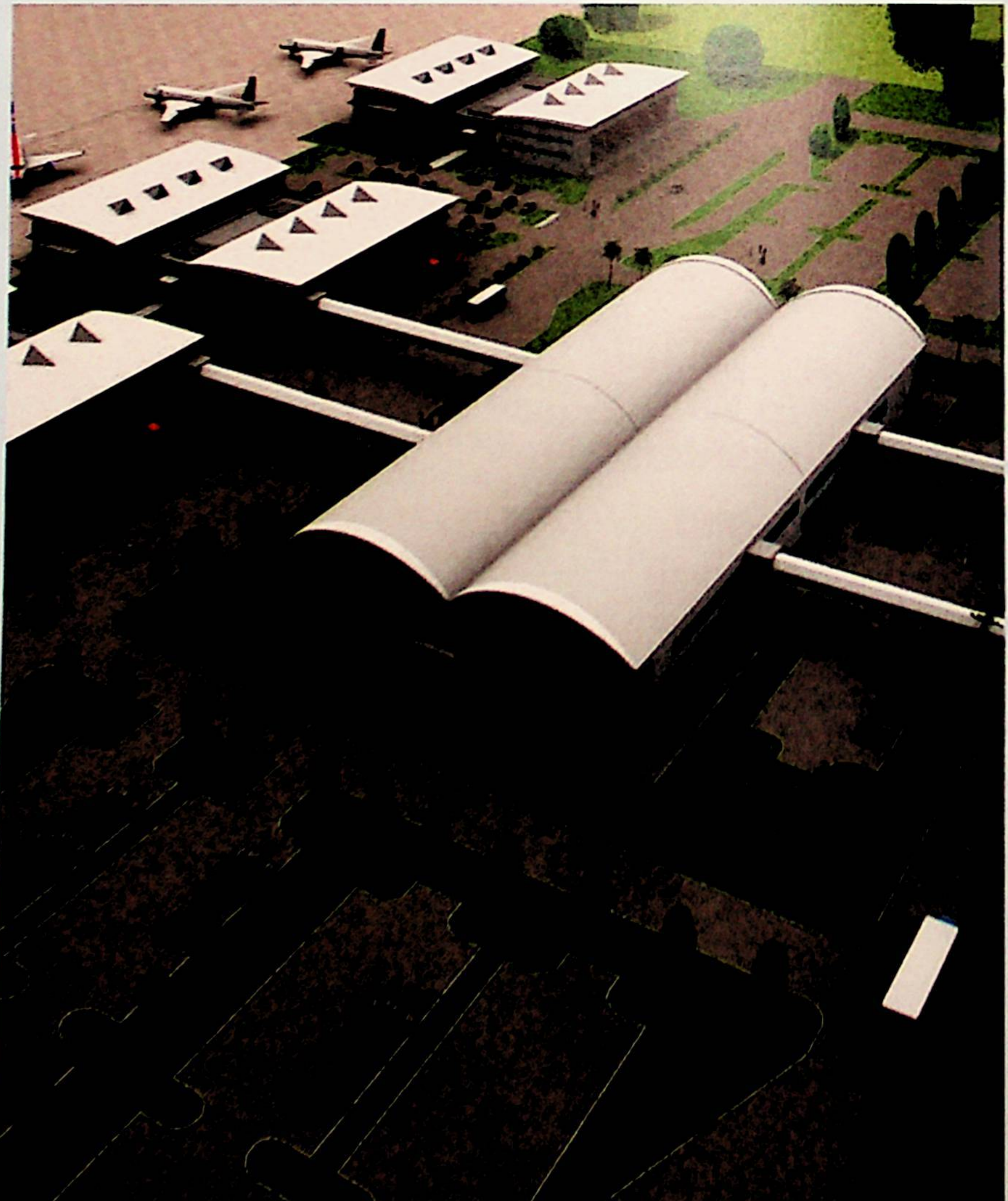
The FMA has designated Abuja and Lagos airports as hubs for international flights. The regional hubs are Calabar, Enugu, Kano and Port Harcourt. Akure, Asaba, Calabar, Ilorin, Jalingo, Jos, Kano, Lagos, Makurdi, Owerri, Port Harcourt, Uyo and Yola have been agro allied and cargo airports. They will further be categorised under perishable and non-perishable agro-allied airports. Abuja, Ibadan, Kaduna, Lagos, Minna and Sokoto will serve as Pilgrims' airports.

The Aviation Ministry will float a national carrier in order to gain optimal benefits from the BASA (Bilateral Air Service Agreement) and improve on national image and prestige. The national carrier will be publicly owned and listed. Core investors in the national carrier must come with at least six aircraft. Its management team will be composed of technical experts. The carrier is schemed to take off between Quarter 2 and Quarter 4 of this year.

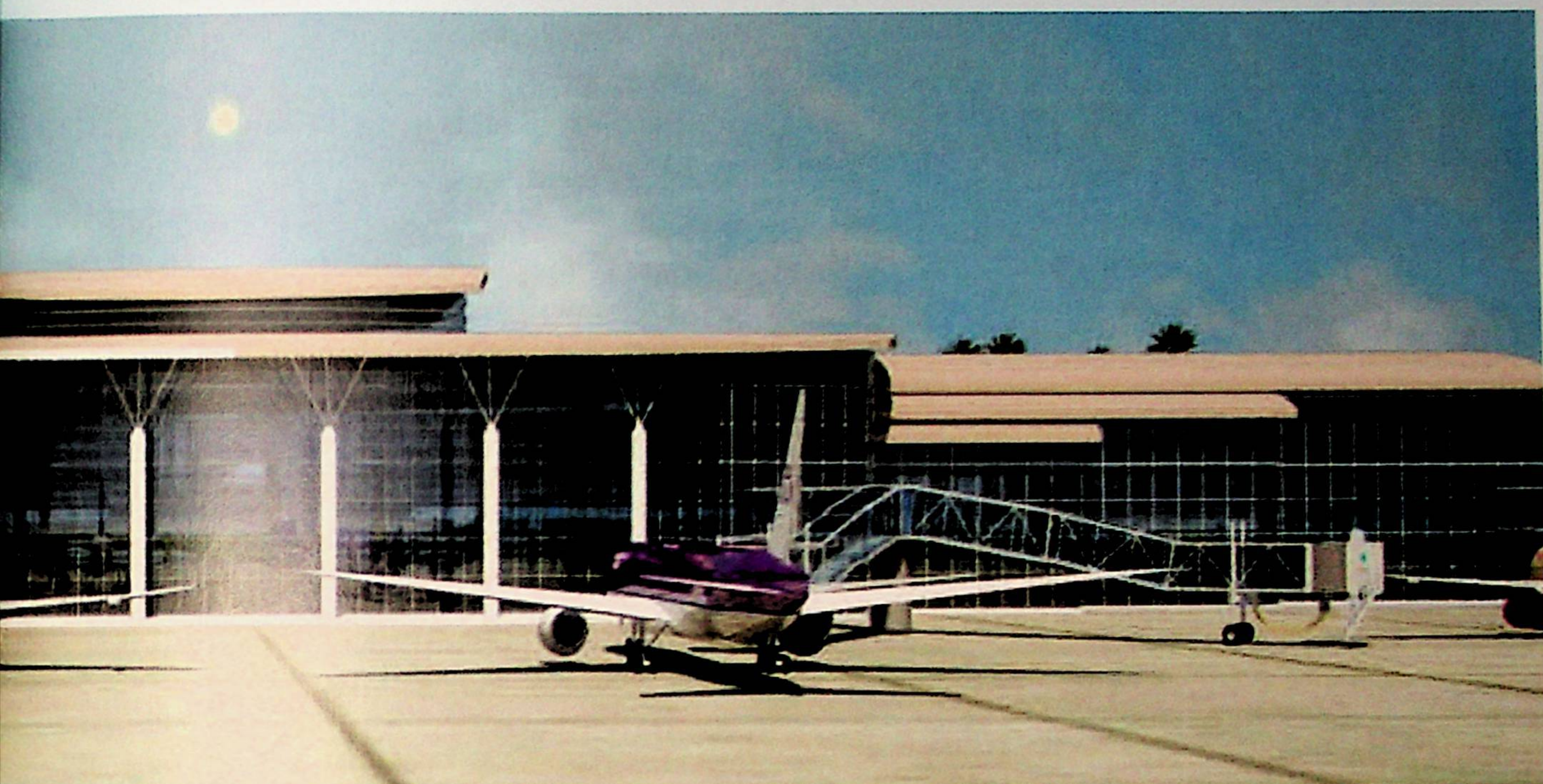
Air travelers have noticed that the various airports in the country are simultaneously being renovated and modernised. It is a tough challenge. But then, the Aviation minister is herself something of a tough act.



Murtala Muhammed International Airport Terminal



General Cargo Shed , MMIA



Facts on the aviation industry

GLOBAL TRENDS

- The aviation sector lies at the heart of modern, globalised economies: a total of 2.5 billion passengers and approximately 50 million tonnes of cargo freight are flown worldwide annually.
- Over 5.5 million workers are employed directly in the industry worldwide, with a turnover of more than US\$1 trillion. Aviation is ranked amongst the top 25 sectors in the world based on its contribution to GDP.
- Aviation, its supply chain and related businesses support more than 15 million jobs worldwide.
- As of 2007, 35 percent of the value in manufactured goods (US\$3.5 trillion) is transported by air freight has increased by 65 percent in 10 years.

AFRICA IN VIEW

- The aviation sector directly employs and supports jobs for approximately 450,000 people in Africa.
- In 2007, Africa-based airlines transported approximately 90 million passengers and 1 million tonnes of freight.
- Direct contributions of the aviation sector in Africa to GDP is about US\$35.5 billion, while the indirect contribution is estimated at US\$10.0 billion.
- An estimated 3 million jobs in tourism are also supported by the aviation sector.

NIGERIA IN FOCUS

Twenty one (21) airports are owned and managed by the Federal Government of Nigeria (categorised into International, Major Domestic and Domestic). These are spread over all the geographical regions of the country.

Six (6) of these are designated International Airports open for 24 hours daily, providing regular international flight operations as well as domestic services for airlines and other operators. Four (4) additional airports are state operated or privately owned. Passenger traffic is currently at 14 million passengers per annum across the airports. Historical cargo traffic statistics in Nigeria shows that from 1993 through 2009, about 1.286 billion kilogrammes of cargo was recorded in 19 airports in the country. 77 percent of the revenue earned in 2010 was from four (4) airports – Lagos, Abuja, Port Harcourt and Kano. Lagos alone accounted for 61 percent of the generated revenue N25 billion.

N25 billion (\$167 million) in revenue was generated by FAAN in 2010.



Nnamdi Azikwe International Airport - ABUJA



Port Harcourt International Airport



AIRPORTS

International Airports:

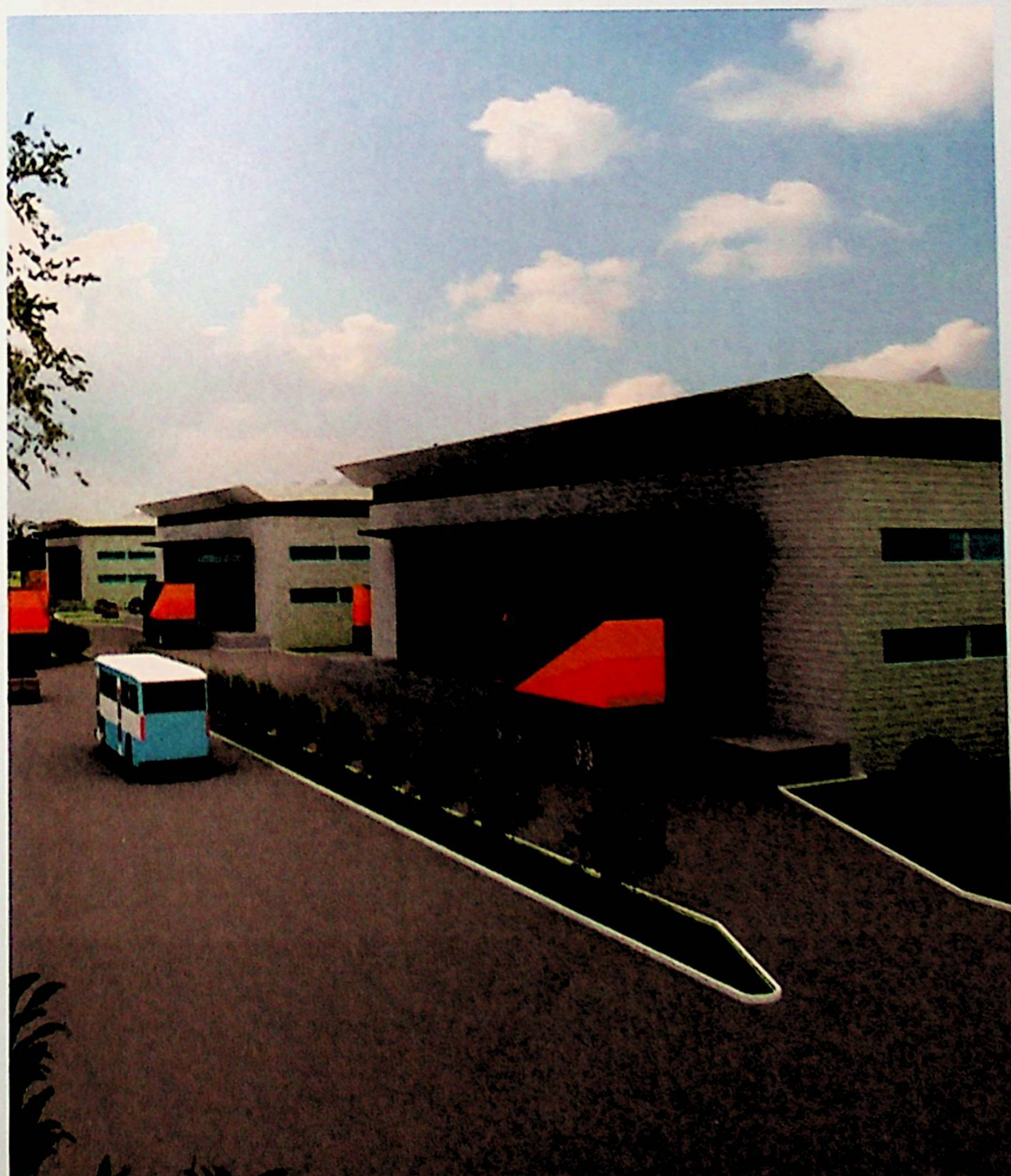
1. Murtala Muhammed International Airport, Ikeja, Lagos.
2. Nnamdi Azikiwe International airport, Abuja.
3. Port Harcourt International Airport, Omagwu.
4. Mallam Aminu Kano International Airport, Kano.
5. Akanu Ibiam International Airport, Enugu.
6. Margaret Ekpo International Airport, Calabar.

Domestic Airports:

1. Sultan Abubakar III Airport, Sokoto, Sokoto State.
2. Yakubu Gowon Airport, Jos, Plateau State.
3. Yola airport, Yola, Adamawa State.
4. Maiduguri Airport, Maiduguri, Borno State.
5. Kaduna Airport, Kaduna State.
6. Benin Airport, Edo State.
7. Minna Airport, Niger State.
8. Ilorin Airport, Kwara State.
9. Akure Airport, Ondo State.
10. Ibadan Airport, Oyo State.
11. Sam Mbakwe Airport, Owerri, Imo State.
12. Katsina Airport, Katsina State.
13. Bauchi Airport, Bauchi State.
14. Makurdi Airport, Benue State.
15. Zaria Airport, Kaduna State (Training).

State-owned/Private Airports:

1. Osubi Airport, Warri. (Owned by Shell.)
2. Asaba International Airport, Asaba. (Owned by Delta State.)
3. Gombe Airport, Gombe. (Owned by Gombe State.)
4. Ibom Airport, Uyo. (Owned by Akwa Ibom State.)

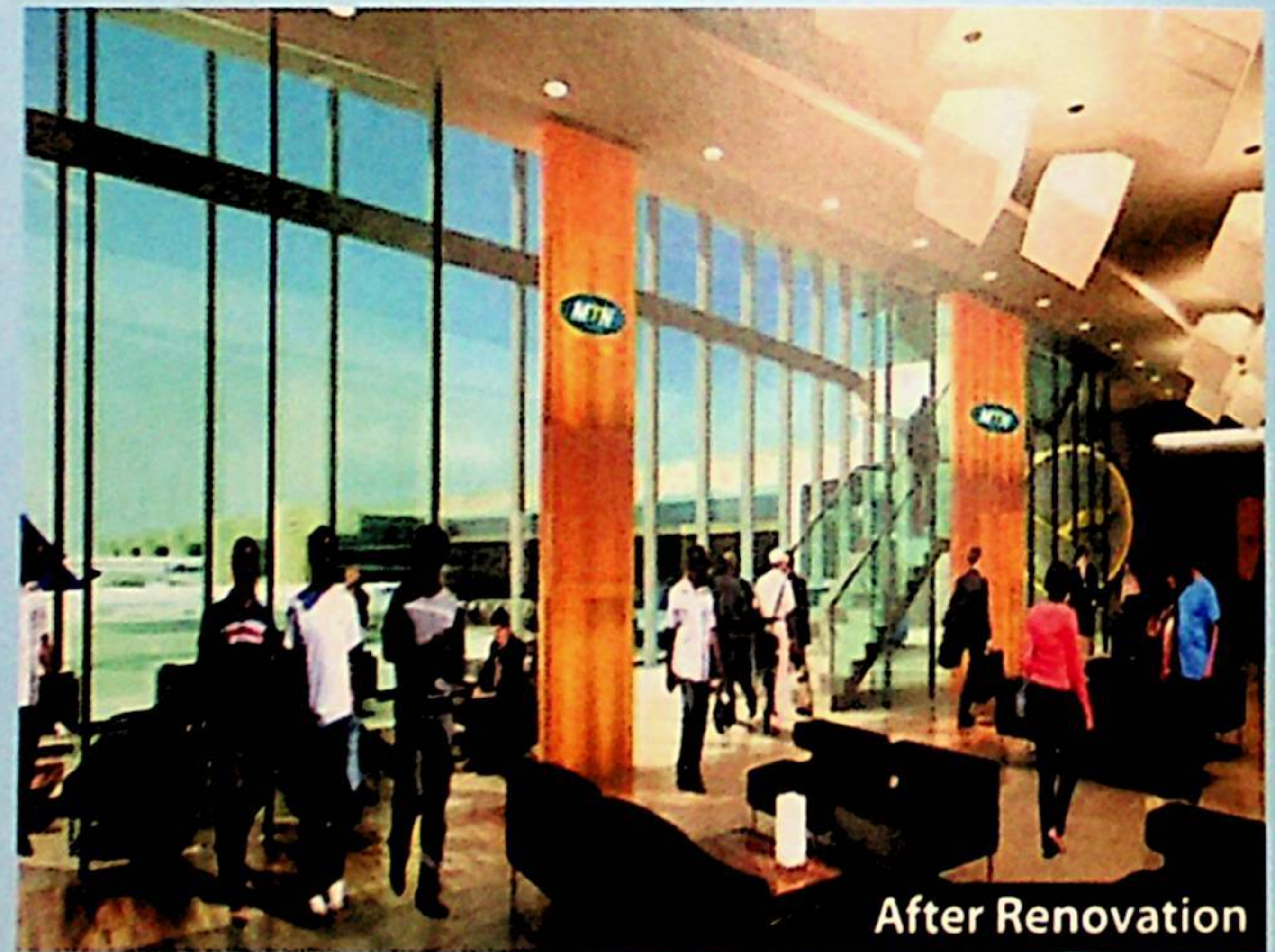


General Cargo Shed, NAIA

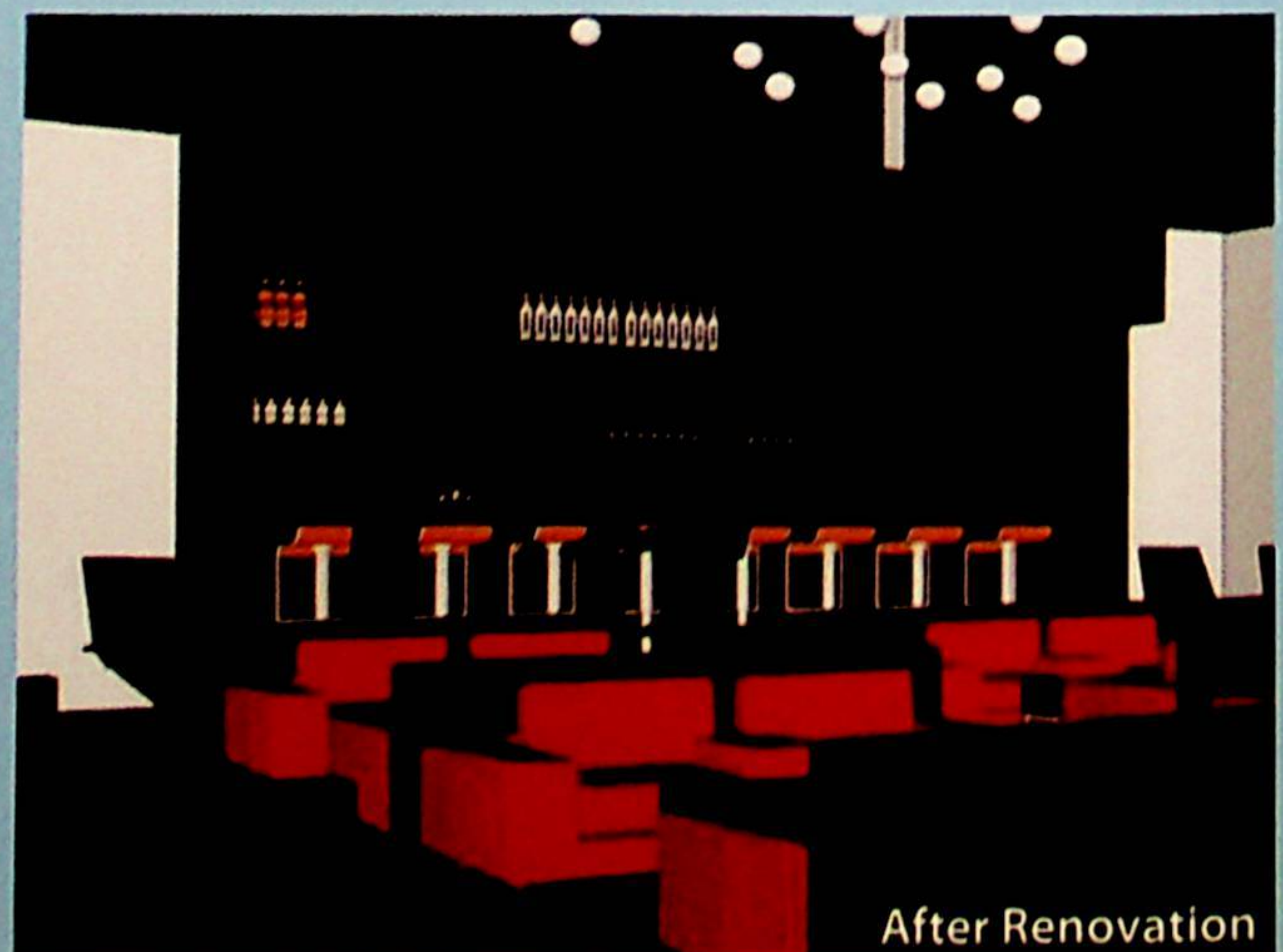
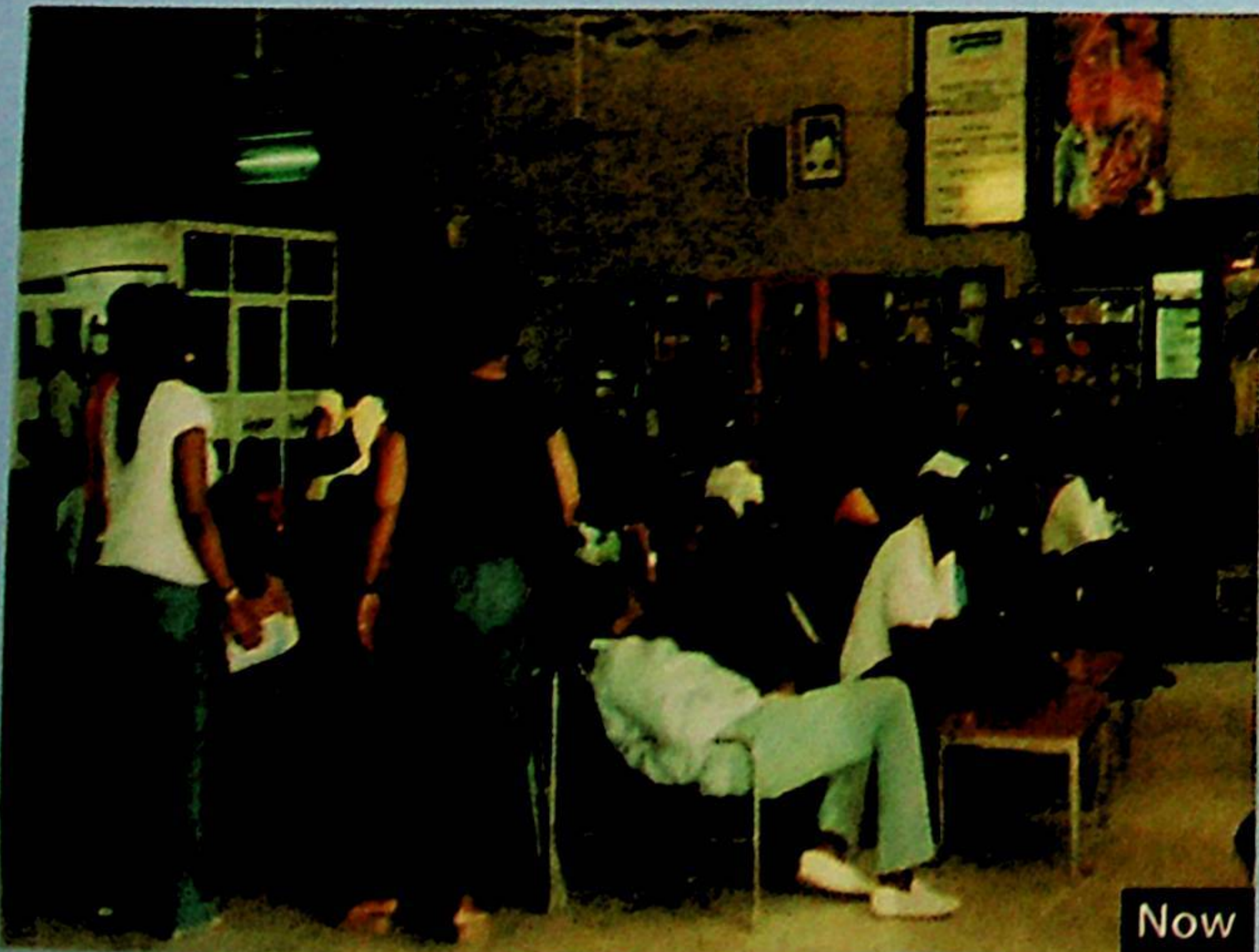
MMA GENERAL AVIATION TERMINAL- DEPARTURE LOUNGE



PORT HARCOURT INTERNATIONAL AIRPORT- DEPARTURE LOUNGE



BENIN AIRPORT- DEPARTURE LOUNGE



ENUGU AIRPORT- FRONT VIEW



CALABAR AIRPORT- FRONT VIEW



MURTALA MUHAMMED INTERNATIONAL AIRPORT GAT - FRONT VIEW



My plan for the a

In this interview, Princess Stella Adaeze Oduah, OON, Honourable Minister of

Aviation Minister Princess Stella Oduah was born on January 5, 1962. She is a daughter of Igwe D. O Oduah, the traditional ruler of Akili-Ozizor in Ogbaru L.G.A of Anambra State. Princess Oduah took her Bachelors and Masters Degrees in Accounting and Business Administration from America institutions. She was employed by the Nigerian National Petroleum Corporation (NNPC) upon her return to Nigeria in 1983.

She left the NNPC in 1992 to establish the Sea Petroleum & Gas Company Limited (SPG), an independent marketer of petroleum products in Nigeria. She is married to the former Minister for Works, Engr. Chris Ogiemwonyi and is blessed with children. She spoke with Chuks Iloegbunam in her Abuja office, outlining her vision of the Nigerian aviation industry and the measures she has been taking to actualise it.

Question: Honourable Minister, as someone who flies a lot I have seen the construction work currently going on in various Nigerian airports. This development could mean a new lease of life for the aviation industry. We are also aware of your just fight against British Airways which charges far higher fares from Nigerian airports to the UK than they charge in other African countries. Not to forget those authorities that arrange aircraft landing slots to Nigeria's disadvantage, and others who hardly pay taxes here in this country.

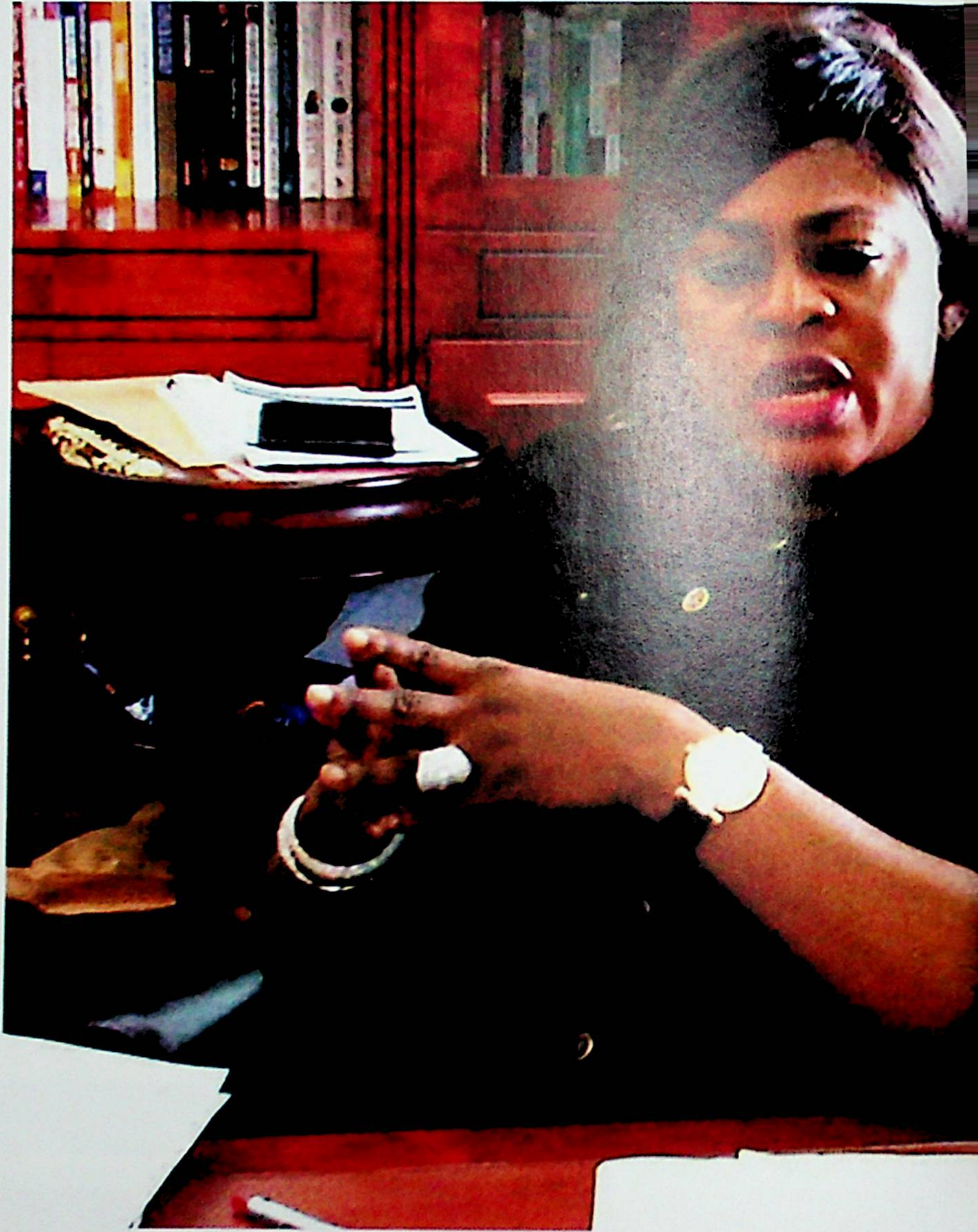
Now, could you tell in your own words, your vision for the aviation industry? What have you been doing and what do you ultimately want to achieve?

Answer: Where would you want me to start?

Question: You may start, for instance, from how you saw the aviation ministry and the industry when you were appointed minister?

Answer: What I saw when we came in was disastrous, to say the least. We saw dilapidate facilities, we saw inadequate facilities, we saw human capacity that is highly untrained and unutilised, we saw aging staff, we saw age and decay in amenities. This is unfortunate because aviation is not a domestic affair. It is an international affair that works only on one standard – that is international standard. For it to work you must be compliant with international standards. More than that, aviation

is the key and the gateway to any country. We must have it represent who we are and who we aspire to be. It must encapsulate how we want the world to perceive us, and unless we do that, it just will not make sense. A critical aspect is the economic potential that aviation has, meaning that we were not only losing out on opportunities, we were also losing on potentials. We decided to look at the system holistically. We found out that the policies were not Ok. Not just that, they were obsolete, some have not been updated or upgraded in



aviation industry

ion speaks of her hope, expectations and the challenges in the aviation sector.



“ Aviation is the key and the gateway to any country. We must have it represent who we are and who we aspire to be. It must encapsulate how we want the world to perceive us”

ahead and standardised procedures to the extent that they can be the leg that will drive the policies. We then initiated institutional changes which require the facility changes. Don't forget that the focus in all of this is transformation. We want our aviation industry to become revenue earning for Nigeria, to be the catalyst to the socio-economic development of Nigeria.

We want to create what we call aerotropolis. This is a mega airport city that will have different clusters; it will have cluster for business, cluster for EPZ, cluster for accommodation, cluster for terminal, cluster for recreation, and so you have a mega city that is evolving out of the airport. You can actually come to the airport and do everything and anything you want to do without having to go to the city at all, the airport being

a city on its own with very huge economy ongoing. The most critical gain out of that is employment. Mind you, everything in aviation is business. We want to leverage on that, make sure that our people benefit. The perishables, which is part of the cargo village we are doing, is a concept that takes food from the farm to the supermarkets. What that does is that it creates huge value chain along the line, where you have huge processing plants coming up, packaging plants, logistics, but the most interesting part is that rural dwellers will have access to international markets, which means your uncles, your cousins in the village can focus on agriculture and have huge life transformation because they will have the economic benefits issuing from their sweat. They will be able to plant pepper for instance, or mango or whatever crop they wish to plant. Agriculture entrepreneurs will be able to take those crops because the FERMA, the Ministry of Works would have made access to that community and from there go straight to the airport and from the airport to the international markets. You cannot have a quicker and a better way to transform rural life and have rural development through agriculture.

Our projection is that in the next three years or so, we will have massive rural transformation using aviation as a catalyst. I personally look forward to that.

Question: To put a follow up question, what are the drawbacks or impediments you have been encountering in trying to actualise your vision for the aviation industry?

Answer: Majority of those that benefitted from the decay in the aviation sector, the culprits, those that have been party to destruction of the industry are up in arms because they have been stopped in their tracks. When you start rectifying and transforming things, you become the enemy of those profiting from the rot. That is the Num-

the past 10 to 15 years. That just cannot work. You do understand that, to build any strong house, it is fundamental to have a strong foundation and so, in institutions, what you do is to make sure you have strong, workable policies that can stand the test of time, policies that will foster and encourage growth and in the process create an enabling environment for economic transformation. With this objective in mind we reviewed all the existing policies. But having a policy without the procedure to draft the policy still won't work, and so we

ber One problem. Other than that, it's change; human beings by their nature resist change. But change happens to be the only thing that is constant and, for us to move forward, we definitely must experience change.

Question: What have you got to say about the delays that air passengers experience? You get to the Ikeja Airport. They tell you that a flight is going to take off at 10am. At 2pm you are still there and nobody tells you what the problem really is, and you don't have any option but to wait in frustration. How have you attempted to redress this anomaly?

Answer: In many ways. The truth of the matter is that aviation is a very dynamic industry. You have airline operators who have difficulties, the major one being the inability access adequate funding. With the poor funding that is their lot, it is a miracle that they are still in business as we speak because you cannot run a very expensive business structure like an airline on short-term loans. Right now, we are restructuring that platform by collaborating with the Central Bank to see how they can inject funds to these companies so that they can have a breather. Number two is to have what we call a Customers and Passengers Bill of Rights, where passengers' rights are protected. It is important because, without passengers, you

are out of business. Passenger comfort is a priority to us. But we don't have sufficient number of aircraft, that is just the truth of the matter. We are hoping that with ABSA, with collaboration and joint venture, and CBN intervention, we will grow our local airlines to the extent that they will have sufficient aircraft to take you where you want to go on time and in a very safe manner.

Question: Are you very comfortable with the fleet of aircraft we have today? I ask because some of them appear to be old and rickety, as if they are flying wheelbarrows instead of aircraft.

Answer: I don't agree with you. Safety-wise our aircraft are safe. Why? Because the regulatory body cannot compromise safety, they must do their due maintenance, they must be checked before they leave and both the maintainers and the owners don't want any calamities. Air crashes kill off airlines. You remember ADC and Belleview airlines of blessed memory; it takes just one crash for an airline to go under, so the operators don't want that to happen and we will not allow that to happen. Our aircraft are safe. Are they sufficient? They are not. Are we doing something to ensure that they are sufficient? Yes, we are.

Question: What about this problem with foreign airlines that charge disparate fares for people flying from Nigeria and for other passengers flying from other parts of the continent, what is the position of that dispute at the moment?

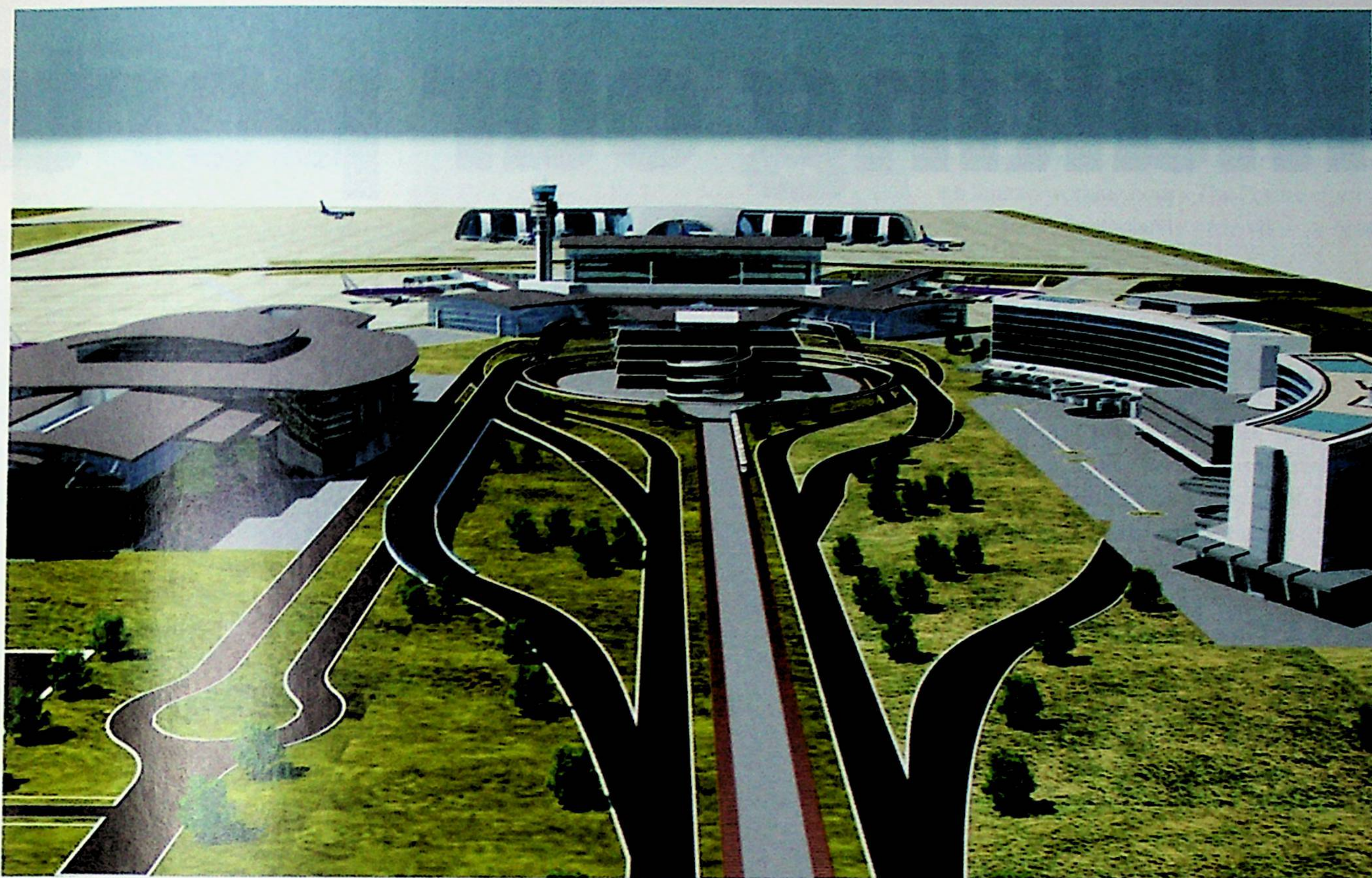
Answer: We are doing our best but it is left for you and I to help make sure that airlines like British Airways don't disrespect us. We can say that enough is enough by not patronising any airline that disrespects us. If an airline is overcharging us and our neighbour across the border is being charged lower, even without government prompting us, we should say "I won't fly you because you don't respect me and my money." Government is doing its best. We have raised an alarm. We are working, we are discussing, we are negotiating, we are waiting for the National Assembly on the outcome of their findings. But, as far as we are concerned, it is a non-negotiable issue, they must reduce the fares and give us parity.

Question: Or probably pay some refunds as they are doing in America today?

Answer: Definitely. The legal process will determine; if they are found guilty they will refund the excess charges in fares.

“ Safety-wise our aircraft are safe. The regulatory body cannot compromise safety, they must do their due maintenance, they must be checked before they leave and both the maintainers and the owners don't want any calamities”





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Making our ports

The Ports Reforms Committee has made giant strides in its attempts to improve conditions in our ports and cleared the traffic gridlocks on roads leading to Lagos ports

Monday May 7, 2012 was an unusual day in Apapa, Lagos. The Oshodi-Apapa expressway that runs by the main gates of the Tin Can Island Port was not clogged with vehicular traffic. All the articulated vehicles, trailers and trucks ostensible headed to and from the ports which made that major road artery impassable were nowhere to be found. That was the way the road should normally be; that is the way the approaches to ports all over the world are. But because the vast, industrial nerve centre of Apapa was, for as long as anyone can remember, blocked by immobile vehicles, it was an unusual but welcome sight to behold the roads cleared of tailbacks, traffic snarls and frustrated ports operators and users.

It used to be sheer hell doing business at Nigerian ports. It used to be a nightmare trying to drive on any of the roads that passes close to the Tin Can and Apapa Ports in Lagos. To ship things out of the country took weeks; to clear imported items took even longer weeks, sometime months. This cost incalculable hours of man labour. It cost the country unquantifiable sums in lost revenues. It made most of those who previously did business through Nigerian ports to relocate to the far more favourable climes of the ports of other



Unusual sight: the Oshodi-Apapa Expressway is rid of traffic gridlock

West African countries. This raised a fundamental question: would it be right to suggest that Nigeria is incapable of practicing the good import and export habits that obtain in most other parts of the world?

An answer came in the person of His Excellency, Dr. Goodluck Ebele Jonathan, the President of the Federal Republic of Nigeria who, in December of 2011, established the Presidential Committee on Ports Reforms. His mandate to the Ports Reforms Committee was precise: Decongest Nigerian ports and put in place a

new regime of operations to ensure that needless delays become a thing of the past, while all port users go about their businesses along lines that are internationally acceptable.

This 17-member Committee has as Chairman Professor Sylvester Monye (MFR), the Special Adviser to the President on Performance Monitoring & Evaluation. It swung into action soon after its composition and inauguration, tackling many challenges head on. First was the vexed issue of the multiplicity of agencies operating at the ports. There were fourteen

work



“ Vehicles will no longer be allowed to use the roads as parking lots. Any such offending vehicles will be impounded, towed away and crushed”

(14) different bodies operating at the ports. This clearly unwieldy number was immediately pruned down to eight (8) namely, The Nigeria Ports Authority (NPA), The Nigerian Maritime And Safety Agency (NIMASA), The Nigerian Customs Service (NCS), The Nigeria Police (Ports Authority Command), The State Security Service (SSS), The National Drug Law Enforcement Agency (NDLEA), The Nigerian Immigration Service (NIS), and The Port Health Authority. All other bodies were warned that they could only operate in the ports on the strength of specific invitation,

otherwise, they would be in contravention of precise presidential directives.

Another issue that the Committee tackled was the operating hours at the ports. It was noted that, following the attempt of an aerial

bombardment of the Apapa Port during the civil war, an order was given to restrict working hours at the ports from 6am to 6pm daily. But the civil war ended in January 1970, yet it never occurred to anyone to rescind the order on limited working hours. The Ports Reforms Committee immediately ordered a 24-hour regime at the ports.

Further, it was established that over 5000 overtime containers littered the Apapa Ports, needlessly occupying space and making it cumbersome for necessary work to be done. An Ikorodu Lighter Terminal was created to which the overtime containers were ordered transferred. More than half of these containers were moved accordingly in three weeks thus creating space for effective ports administration and operations.

Within months of its institution, the Ports Reforms Committee recorded tremendous achievements. Foremost of these successes is that it now takes just seven (7) days, instead of the previous thirty-nine (39) days to clear goods at the ports. Also, consequent upon the 24-hour operational regime at the ports, the terrible traffic jams on roads around the Apapa and Tin Can Island ports eased somewhat.

The import of the successes of the Ports Reforms Committee, both those registered so far and the ones anticipated, cannot be overemphasised. They will boost direct investments and check the huge losses sustained by the country as a result of importers and exporters patronising the ports of neighbouring countries. Besides, the cost of goods will automatically plummet since demurrage charges and other expenses incurred due to previous delays are being eliminated. All this have the overall effect of keeping businesses alive, sustaining existing jobs and creating new ones. It all ties up to the Transformation Agenda of President Goodluck Jonathan at whose directive the ports reforms are being carried out.

Despite the successes registered by the Ports Reforms Committee, the nagging problem of the congested roads around the Lagos ports remained. It required special efforts to ensure that these important arterial roads to and from the ports become permanently free from tailbacks and delays. Professor Monye took a two-pronged approach in tackling the chal-

lenge. First, he returned to the President and obtained specific authority to employ all necessary means to clear the clogged-up roads. Next he booked an appointment and met with His Excellency, Governor Babatunde Fashola of Lagos State, in whose domain the two problematic ports are located. The Ports Reforms chairman reasoned that if his committee and the Lagos Government read from the same page on the ports reforms issue, fixing things would be more smoothly done.

Governor Fashola and his team met with members of the Ports Reforms Committee in his office on Thursday May 3, 2012. It was at this meeting that the method and means of ridding Apapa ports' roads of its chaotic attributes were fine-tuned. The trailer and tanker drivers were given due notice to move their vehicles from the roads. An agreement had earlier been reached with their leadership that they had to move. Adequate force and equipment were deployed for making sure that opposition to the action would be contained. All loose ends were tied up.

At midnight of Monday May 7, 2012, armed men and women of the Police Mobile Force took positions with officers and other ranks of the Lagos State Traffic Management Authority (LASTMA). The operation to clear the roads was effectively on. The remarkable thing about the operation is that absolutely no force was employed. No one was hit; nobody was abused. Vehicles, some of which were broken down and have been on the roads for endless months, were towed off the roads. Motorists who had to use the Mile Two-Tin Can-Apapa expressway, as well as the Creek and Wharf Roads braced themselves for the usual endless gridlocks only to happen at the scenes and drive through with effortless ease. It all worked out like magic!

One thing now remains: sustainability. How does the Ports Reforms Committee ensure that the cleared arterial roads are not sooner clogged up with vehicles? Professor Monye has the answer. "The roads will be manned and patrolled by traffic wardens at all times", he says. "Vehicles will no longer be allowed to use the roads as parking lots. Any such offending vehicles will be impounded, towed away and crushed."

Apapa before



Prof. Monye and Gov. Fashola, seal the agreement on clearing the Apapa-Oshodi traffic gridlock with a handshake



after



A new glorious e



Flourishing palm trees: can Nigeria regain its lost glory in palm oil production?

The Agricultural Transformation Agenda of the Federal Ministry of Agriculture and Rural Development builds directly on President Goodluck Jonathan's Transformation Agenda. Agriculture is an important sector of the economy which creates employment, guarantees food security, enhances foreign exchange earning/saving, and has immense potentials for poverty reduction. But these benefits have been absent due to the dwindling performance of the agricultural sector both domestically and in international trade

over years. As at 1961, Nigeria was the leading exporter of groundnut with a world's share of 42 percent. The country also had 27 percent of the world's palm oil export, 18 percent of cocoa and 1.4 percent of cotton as the major West African cotton exporter.

Sadly, the glorious years of Nigerian agriculture suffered severe decline. The country's dominance in the export of groundnut was eclipsed by Argentina, China and the United States as at 2008. Indonesia and Malaysia took over in palm oil, Côte d'Ivoire and Gha-

na also became the leading exporters of cocoa, while Mali and Burkina Faso assumed dominance in cotton exports. The competitors maintained their dominance due to strong marketing organisations that linked farmers to markets and provided support in the form of improved planting material, fertilizer, credit and rural infrastructure. Consequently it is estimated that Nigeria has lost a US\$10 Billion (N1.6 trillion) annual export opportunity from groundnut, palm oil, cocoa and cotton alone due to continuous declines and stagnations in their exports.

a for agriculture



Low productivity in Nigerian Agriculture over the years compared to leading countries like Malaysia, Thailand, Indonesia and Brazil has been largely due low fertilizer and improved seed utilization, inadequate government expenditure, particularly for research and development (R&D) and rural infrastructural development. Average fertilizer use in Nigeria is 13Kg/hectare compared to the world average of 100Kg/hectare and 150Kg/hectare for Asia. Only 5 percent of the farmers could access improved seeds while

agricultural mechanisation intensity stands at only 10 tractors per 1000 hectares compared to 241 tractors per 1000 hectares in Indonesia, for instance. A direct consequence of the low productivity is the inadequate domestic food production.

Food imports are growing at an unsustainable rate of 11 percent per annum since the decade of the eighties. Nigeria is the world largest importer of United States hard red and white winter wheat, with an annual import of N635 billion. It is also the second largest importer of rice (N356 billion), sugar (N217 billion) and fish (N97 billion). The recent willingness of exporters to ban exports could jeopardise Nigeria's food security. Apart from domestic food availability expected from improved Nigerian agriculture, the problem of increasing unemployment rate, especially among the youths, would also be solved. This is based on the fact that the North Central region (breadbasket) of the country where agriculture is the primary occupation has the lowest employment rate in the country.

Agricultural transformation in China, Vietnam, Brazil and Thailand has led to a dramatic growth in their agricultural sectors over the last three decades with per capita annual growth rates of 2.6, 2.0, 1.8 and 1.4 percent respectively. In effect, a significant impact on poverty reduction was experienced. In Africa, Malawi became self-sufficient in food production within one year by focusing on agricultural transformation. Maize production doubled in 2006 and tripled in 2007 through national input support programme targeted at small holder farmers. Through private sector driven marketing institutions, Kenya attained first position in the global horticulture market, creating eight million jobs in the subsector. An annual per capita growth rate of 1.4 percent in Thailand's agriculture through significant investment led to an annual growth rate of 4.5 percent in the manufacturing sector. The unemployment rate therefore re-

duced drastically from 4.5 percent in 2000 to as low as 1.2 percent in 2011. Nigeria must learn from these experiences. Thus, there is a need for "Value chain coordinator", Infrastructure investments, Private sector leadership, Supportive fiscal policies and accessible Market information systems to the farmers.

“ As at 1961, Nigeria was the leading exporter of groundnut with a world's share of 42 percent. The country also had 27 percent of the world's palm oil export, 18 percent of cocoa and 1.4 percent of cotton as the major West African cotton exporter”

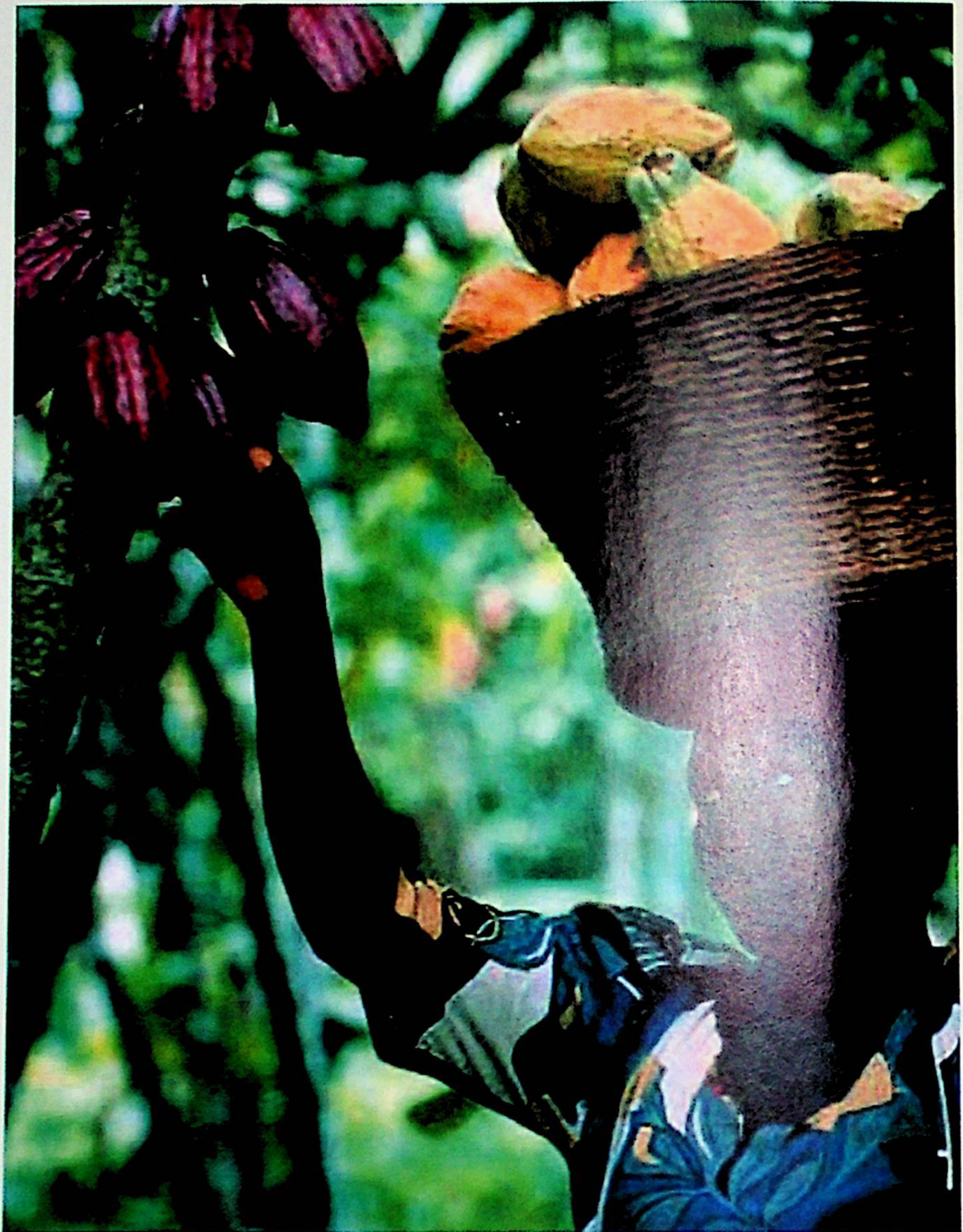
The vision in the transformation strategy is to achieve a hunger-free Nigeria through an agricultural sector that drives income growth, accelerates achievement of food and nutritional security, generates employment and transforms Nigeria into a leading player in global food markets to grow wealth for millions of farmers. In order to achieve this vision, the usual approach to the agricultural sector has got to change. Fertilizer

procurement and distribution, marketing institutions, financial value chains and agricultural investment framework would be restructured. The fertilizer strategy will be to stimulate a thriving private sector fertilizer industry following the wastage of resources and inefficiency that characterised government distribution system.

The subsistence farmers would be moved from their high poverty level through market oriented/market surplus facilitated by Nigerian Incentive-based Risk Sharing for Agricultural Lending (NIRSAL) into a commercialised system that would facilitate trade and competitiveness. This would be achieved through the Growth Enhancement Support (GES) investment that is targeted at 20 million farmers at an estimated cost of N5,000 per farmer each year.

The transformation of the sector would be executed through the Agricultural Transformation Implementation Council (ATIC) with the President/Vice President at the apex and FMARD at the centre stage for coordination. Included implementation groups are Agricultural Investment Transformation Implementation Group (AITEG), Agricultural Value Chain Transformation Implementation Group (AVCTEG), and NIRSAL Implementation Group. Agricultural Industry Advisory Group, however, determines and institutionalises policy support to the agricultural transformation agenda. These different groups have various major roles and responsibilities towards the achievement of the goals of the Transformation Agenda.

Transformation action plan for some priority agricultural commodities will be focused in the six geopolitical zones of the country. The commodities are rice, cassava, sorghum, cocoa, cotton, maize, dairy, beef, leather, poultry, oil palm, fisheries as well as agricultural extension. This would be carried out through the value chains of each of the commodities while recognising roles of the actors/stakeholders along the nodes of the chain, inputs requirements in achieving production targets, constraints faced and expected output. The main target is to grow the agricultural sector through the various commodities



A new boost in cocoa production will raise the nation's revenue earnings

and also to generate employment opportunities.

For instance, the rice transformation plan would involve massive local production of milled rice which will be aimed at substituting parboiled (imported) rice. The expectation is that, with the advent of high quality lower cost milled rice, a significant portion of demand in the domestic rice market will shift from parboiled rice to milled rice. A projected decline in demand for high quality parboiled rice from 1.9M metric tons to 1.3M metric tons between 2011 to 2015, and a shift in demand for milled rice from 0M metric ton in 2011 to 1.1M in 2015 are expected. The crucial inputs are land, improved seeds and fertilizer. The cultivable lowland rice farm will

“ Transformation action plan for some priority agricultural commodities will be focused in the six geopolitical zones of the country”

increase from about 50,000 hectares in 2011 to 1.2M hectares by 2014, while that of irrigated rice farm is estimated to be 300,000 hectares by 2015. Job creation in rice production is expected to be through primary production, plantation establishment and value chain with an estimated one million jobs to be created by 2015.

Similarly, the transformation in cassava is expected to increase the yield of cassava tuber from 12.5 metric tons/hectare as at 2010 to 25 metric tons/hectare by 2015 with 1.2 million jobs. The yield of sorghum would increase from 0.75 metric tons per hectare to 2.5 metric tons per hectare with 150,000 jobs. 360,000 jobs are projected with increment in cocoa yield from 300Kg/ha to 500Kg/ha.

Drought tolerant breeding is a major effort at the National Root Crops Research Institute (NRCRI), funded by Alliance for a Green Revolution in Africa (AGRA). The evolution of drought resistant varieties is a key piece for climate change adaptation in response to increasingly unpredictable rainfall patterns. In cassava, some varieties have been developed that maintain up to 80 percent of their yield at 12 months after planting with water for only the first three months; that is ZERO water after three months. Most varieties deliver only 20-30 percent of yield under these conditions. On drought crop species,

five drought tolerant Sorghum varieties have been developed. Sorghum is one of the best drought tolerant crop species. Also under ATA are policies to push for the production of cooking fuel ethanol from cassava and popularise the stoves which save us cutting down trees and strengthen efforts to slow down desertification. In effect, ATA has a strong collection of climate change mitigation (crop production intensification per unit area, as opposed to clearing of virgin land to increase production) and adaptation (development of drought tolerant crop varieties) strategies, which may be built on in the coming years with further research and development.

Towards achieving a successful agricultural transformation, policies regarding agriculture, financial services, industry, and market development need review. For instance, in terms of fiscal policies, there should be zero tariffs (custom, excise and value added) for import of agricultural and agro-processing equipment. Expected initial impact from the transformation include the provision of over 3.5 million jobs within five value chains – rice, cassava, sorghum, cocoa and cotton, and over N300 billion (US\$2 Billion) additional income in the hands of Nigerian farmers, and food security by increasing production of key food staples by 20 Million metric tons.

“Towards achieving a successful agricultural transformation, policies regarding agriculture, financial services, industry, and market development need review.”



Groundnut pyramids disappeared ages ago

Agriculture is s



Adesina: "We now have mills that are producing rice of high quality that beats any rice whether from China or India."

Dr. Akinwumi Adesina is a distinguished scholar of African agriculture, economics and development. An agricultural economist, with over 20 years of professional experience in African agriculture, he has a PhD in agricultural economics from Purdue University, USA. Dr. Adesina was Associate Direc-

tor for food security at the Rockefeller Foundation, New York, for more than a decade. Having worked in many other fields of world agriculture, he was appointed Minister of Agriculture and Rural Development in July 2011. In this interview with Chuks Iloegbunam, he details his strategy and efforts to transform Nigerian agriculture

Question: Honourable Minister. Let's start from the fundamental. What is the state of the Nigerian agricultural sector today?

Answer: Well let me start off by really talking about the importance of the agricultural sector for the economy. The agricultural sector accounts for about 40 percent of our GDP and 70 percent of our employment, so it is a very critical sector for Nigeria. It is a sector we rely on in particular to make sure that we are not

spending too much money on importing food from outside. The agricultural sector performance at the time I took over was not as good as one would have expected. The reason is that Nigeria has a lot of potential in agriculture. We have land, roughly 84 million hectares of land. We have a lot of water, we have cheap labour, but we are one of the largest importers of food in the world. Nigeria is the largest importer of wheat in the world. Some 85-90 percent of the wheat exports of the United States come to

Nigeria, and we were spending N635 billion on wheat imports every year. If you look at rice, we have become the largest importer of rice in the world. Just on rice, wheat, fish and sugar, we are spending over \$10 billion importing these commodities annually. So the President said that Nigeria is a giant but a sleeping one which needed to wake up and if there was one sector where Nigeria needs to wake up and tap its potential, it is the agricultural sector. Thus, the agricultural sector is undergoing a lot of

strictly business



reforms in Nigeria. We are repositioning this sector to increase its performance, to reduce our dependency on food imports, to increase our foreign exchange earnings from foreign exports and in particular, the President has said that we have to focus on three things: jobs, jobs and jobs. So in the agricultural sector we are focusing on creating quite a lot of jobs, up to three million jobs by 2015. That is where the situation is. The President wants to diversify the economy, you know we have a uni-modal economy now, oil and gas. But nobody eats

these, nobody drinks gas, people eat food. We want to diversify the economy and focus on particular commodities in agriculture where we have traditionally had comparative advantage, and we can build on that.

Just to give you a sense of what that is, Nigeria used to be the largest exporter of groundnut in the world in the 60s, we accounted for 27 percent of all exports of groundnuts in the world. Today we are at zero. If you take a look at it in terms of cocoa production, Nigeria was 18 percent of global exports. Today, we are down to 8 percent. If you look in terms of oil palm production, in the 60s we were at 27 percent of all exports of oil palm in the world, today we are at zero. If you look at cotton, we were number one in its export. Today we are actually almost nowhere because we have lost it to Mali, Niger, Burkina Faso and so on, so what we are saying is that, there is absolutely no reason for Nigeria to be a food import dependent country, none at all, and also there's no reason why Nigeria cannot and should not reclaim its glory in agricultural, both in regional and export markets.

To do that, we are focused on a major reform which holds that agriculture is no longer a development programme; agriculture is a strict business, and we are going to be productive, competitive and efficient in order to grow this sector, because the size of the sector today is roughly \$99 billion. We want to grow that to \$230 billion annually as a sector. That is the state in which we met the agricultural sector and what we are trying to do to turn it around.

Question: Let's look at the area of training. Whatever you do in the agric sector, it is assumed that you will have people trained to implement the policies and programmes. What are you doing in this respect?

Answer: Before taking the issue of training, I think it is important to first set the trajectory of what we are trying to achieve. That trajectory is as follows: under the President's direction for the next four years, we plan to add to

our domestic food supply 20 million metric tons of food. Secondly, we are focusing on creating 3.5 million jobs in the sector. We are going to add income to our farmers in the country, roughly \$2 billion by reducing our own dependence on food imports. That means that we will go back to our own farmers, as opposed to going to farmers of other countries. We are focusing on replacing or substituting some of the wheat we are presently importing. Today we are spending N635 billion annually importing wheat, but Nigeria is also the largest producer of cassava in the world. We produce 40 billion metric tons of cassava each year, but we don't add any value to it, so we are focused on replacing up to 40 percent of the amount of wheat we are currently importing by using high quality cassava flour to substitute for wheat flour in many things – in bread, confectioneries, also in using it in the juice industry to get sugar, fructose, livestock feed and so on.

We also are focusing on particular value chains; we are focusing on rice, cassava, sorghum, oil palm, fisheries, live stock, dairy, and also cotton production in the north. Take the example of rice. We spend about N356 billion annually to import rice into this country. Yet all the way from Sokoto, to Kaduna, Katsina, down to Niger even down south, to Bayelsa in the mangrove area, we can grow rice all around this country. The reason why Nigerians are not eating local rice is because they complain about the issues of colour, odour and brokenness. We have changed all that in the last six months. We now have mills that are producing rice of high quality that beats any rice whether from China or India. Now this was done because the government put into the Bank of Industry the facility for private sector to get access to loans to set up these mills. We have also attracted an investor to invest \$40 million in Taraba State. They are called Dominion Farms, the largest producer of rice in Kenya. They have started in Taraba State. In the next 12 months, that facility in Taraba will be the largest producer of rice in Nigeria and in Africa as a whole. It is going to



Adesina: "My job is to produce food, make sure we are self sufficient, and also export."

be producing 300,000 metric tons of rice on 30,000 hectares of land. That alone will allow us to meet 15 percent of all the rice we are currently importing into this country. In addition to that, the President asked us to look for ways of ensuring that we can produce all the rice we need. I went to China and met with their Minister of Economy. We concluded arrangements to bring in 100 large scale integrated rice mills from China. All those rice mills are going to produce 2.1 million metric tons of milled rice. Now if we didn't do that, it will mean that those producing rice will not have people to process or mill them, and they will be losing money. By the time these mills are all on ground in 24 months, it will be the first time in the history of this country that we have the full milling capacity for all the rice we are producing, and the capacity is not just for any kind of rice but for high quality rice, so that we shall even become an exporter of rice. Take a look at this rice here. It is called Ebony Rice. It is produced here in Nigeria, the best rice you can get. The President eats it all the time. I eat it all the time. We can't keep up with the demand for this Ebony Rice. That's why we say

it's Proudly Nigerian. People will tell you that local rice is not good, but you can see this Ebony Rice that is made in Nigeria. Take it, cook it and tell me.

We also have the cassava bread which we did as an experimental project. The President ate and was pleased. He, therefore, directed us to commercialise it. We went to work with the private sector, and by February this year, that is about three months after the President's directive, we produced the first commercialised bread, by UTC. Not by government, but by the private sector. Just two weeks ago, the President also launched a commercialised bread by two of the largest bakeries in this country, UTC and Food Concepts, who produce the Butterfield bread. Between them, they produce three million loaves per day. They are going to actually help us to ramp up the production of this cassava bread across the country. We are working with master bakers. The President said we should give them new incentives for them to be able to have new equipment, and other things they need. Recently, when the President had dinner with his Malawian

“ We also have the cassava bread which we did as an experimental project. The President ate it and was pleased. He, therefore, directed us to commercialise it”

counterpart, he invited me. Over dinner, the bread that was served was the Nigerian cassava bread, and while eating I asked Madam President of Malawi how she found the bread she was eating? She replied that it was fantastic. I then said I was sure that my President would tell her that she was eating the cassava bread he launched the previous day. She said it was impossible. When the President confirmed that it was cassava bread, she said it was the first time she was learning that bread could be made from cassava. She took back to Malawi some of the bread and told the President that she would like Nigeria to help them in Malawi to also produce cassava composites to be able to make flour and reduce their own expenses on wheat importation. Already Ghana, Cote d'Ivoire, Liberia and Kenya have approached Nigeria, all wanting to know how they can use high quality cassava flour in making bread. Nigeria is certainly the leader and it is fantastic. But let me also say that that bread, for the family loaf, the 400gram, costs N100 per loaf, which is cheaper than the wheat bread which costs N150. Cassava bread stores longer. It is widely available, and it is creating a lot of jobs. That is as far as the use of cassava in

making bread is concerned.

I know there are the naysayers that always oppose government. Their interest is to make money for farmers of other countries, their interest is not to make money for farmers of this country. When the President appointed me Minister of Agriculture, he did not put in my job description that my job is to do food import. My job is to produce food, make sure we are self-sufficient and then we can export, and that is exactly what we are doing. Now let's move to the issue of other things we have done for cassava in the last few months. Starting from this month in May, Nigeria will do the first major export of cassava chips in our history; we are going to be exporting 1 million metric tons of dried cassava chips to China. Again that alone is going to earn us N40 billion. It is starting this month. I am going to flag it off myself, all arrangements having been made. that gives you an idea of why we are doing processing, adding value to reduce losses, to create market, to create jobs and incentives for farmers. Now if you go to look at the issue of the perishables, take for example tomatoes and citrus, in Kadawa valley in Kano we were producing 630,000 metric tons of tomatoes before. Today it is about 200,000 metric tons. Why? Because most of it is lost; there's no processing, they rot away. But we are working with the private sector; the Dangote Group is putting up a processing plant for the tomato in the Kano area which should be ready before the end of the year. On the fruits we have - mango, citrus, etc, again there is no market to process them. This is where the Transcorp Group was very critical in putting up a factory

to process and produce the juice we have in our country. Everything we are doing basically is processing, adding value, creating new products and getting agriculture to produce jobs significantly.

Another part of the agricultural transformation plan is to produce two million metric tons of table-ready fish and we are also replacing the amount of fish feed that we are importing. We presently import about 300,000 metric tons of fish feed, but we have already developed local alternatives to replace those feeds. Now we are working with state governments especially in the South South where fish is very important; we are producing our own fingerlings at the moment and we are also doing quite a lot to provide ponds and fish farming estates for the farmers. In addition, part of our work is to improve the processing of fish in terms of cold storage, in terms of smoking, in terms

“ Now we are working with state governments especially in the South South where fish is very important ”

of processing fish. We have set up a number of fish farm estates that are doing that. Now if you go to livestock, Nigeria today depends on import of powdered milk. We import literally about of a billion litres equivalent of milk in powdered milk, evaporated milk. We have set up a livestock transformation strategy to replace some of that milk gradually; we've started working with WAPCO, the milk company, on that, as we improve the quality of our own dairy cows, as we do artificial insemination, and as we organise how our daily supply systems are done. Also, we are working right now on revamping some of the facilities that have been abandoned. If you go to Imo State, there is a farm there called Avutu Poultry Farm. It was the largest in Africa in the '80s, from the '90s. It was abandoned, but the facilities are still fantastic, the roads are there, the houses are there, the feeding trucks are there, everything is there. I have met with the Governor of Imo State and we have come up with a strategy to totally revamp the Avutu Poultry Estate to make it once again a top-notch, world-class poultry farm. We have already secured a private investor in Nigeria to put in money in revamping that poultry farm, and finally what we are doing also on the livestock side is in terms of leather. We have a leather transformation plan to improve the quality of leather produced in Nigeria, and we are also working very actively on the issues of grandparent stocks, if you are doing poultry you need parents stocks and grandparent stocks. Nigeria always imported these things, but we have our own poultry research institute here in Nigeria which has produced what we call Chickabrav,



Interview

which is a very good parent stock for day old chicks and we are helping them to do that.

Just as it is in the commodities, we are doing exactly the same in livestock and fishery. When the river basin authorities were established all across the country, there were about 17 of them, it was for them to be able to do irrigation. It was funded by the World Bank, but once the World Bank funding was withdrawn everything went down. The same thing happened to the Agricultural Development Projects. When I took office, I found out that in this country they did not have a functioning extension system. As a result, less than 5 percent of farmers are using hybrid seeds. Our fertilizer use is only about 13kg per hectare which is ten times lower than global average. Now one of the reforms we have put in place is that we are establishing for the first time in the history of this country, a Federal Department of Agricultural Extension, and we are also going to be working with the states to create state-level agricultural extension which will mirror what the federal is doing. Secondly, we are working with the River Basins to get some of the lands and lease them to private sector, because government is not in the business of producing anything. I will give you two concrete examples of what we've done in this regard. Take the case of Taraba State where the private sector is going to be producing roughly about 300,000 metric tons of rice. The land belongs to the River Basin Authority there, it has been given under concession to the private sector to use and produce rice. Let's go to Anambra State. In Anambra there is a rice project called the Omoh Rice Project. It was one of the projects that government did. They set it up 10 years ago. It has been abandoned. In 10 years it worked for 10 hours, but since we took office we have been working with the state government. The state government has privatised the mill; they gave it to the private sector. We have just finalised plans for roughly N2.3 billion to revamp the irrigation systems there, with the Lower Anambra River Basin Authority, to improve road access to the mill, to provide power for irrigation and also to power the mill and to revamp it. It will transform all the Abakaliki area where rice is produced. The point I am trying to make is this, as a government we are taking some of the infrastructure that were there before, operating them and privatising them for many of these things to work, so that is where we are for the river basins.

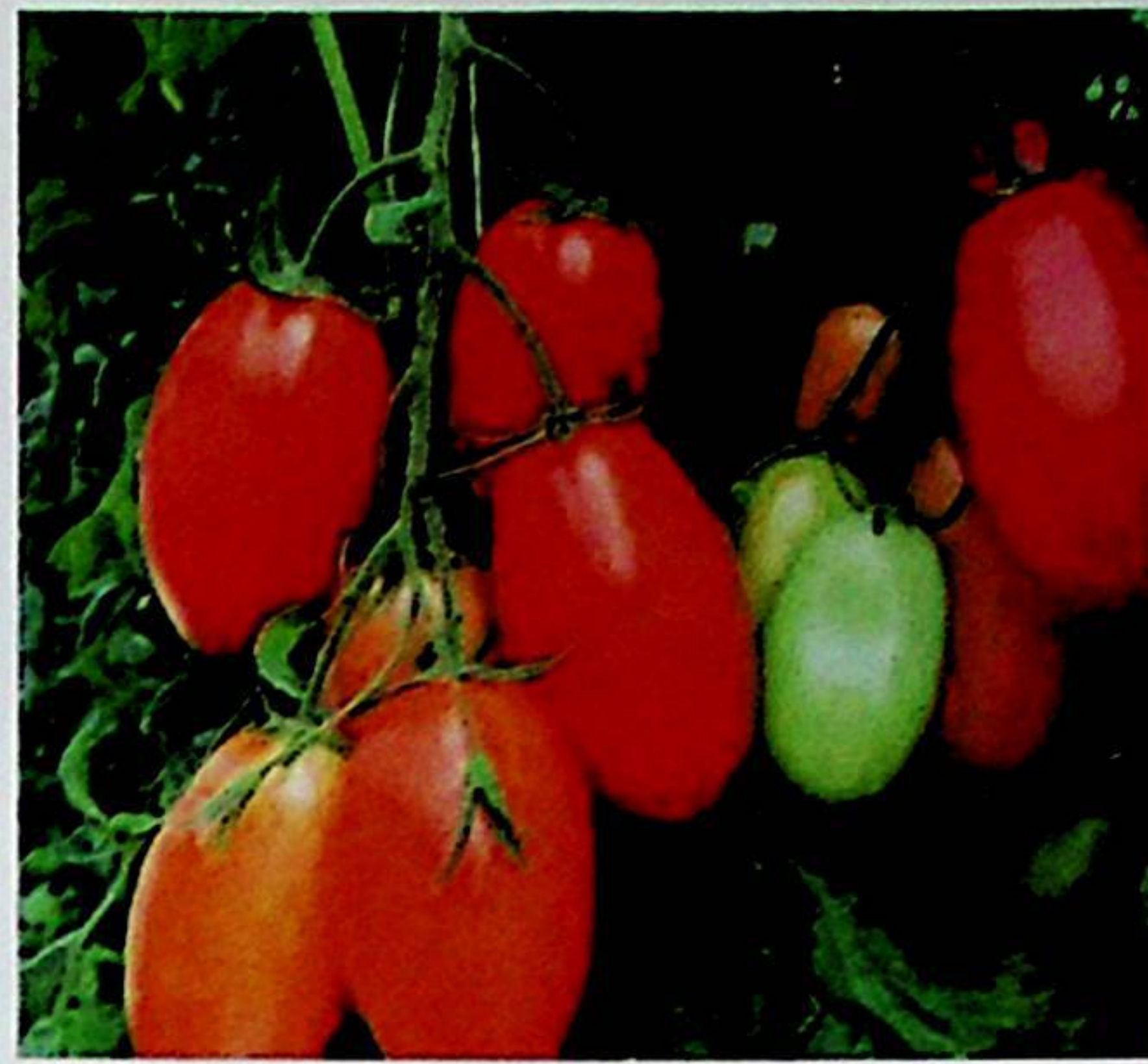


Iloegbunam, Adesina and Monye, showing off Ebony rice, produced in Nigeria

When I took over here – I have been working on fertilizer in Nigeria since 1984 – I found out that only 11 percent of farmers in Nigeria get the government procured fertilizer. The rest goes to political farmers; some go through corruption into the open market. Some also sell it to other countries like Niger, Mali, Burkina Faso, Cameroon, Togo and Benin. It was a very corrupt system; it was not delivering value and it was harming the private sector. Therefore, the President directed that we have to clean up that mess and we have. It took us 90

days to clean up that mess of decades in this country. Within 90 days of this administration we took the Federal Government totally out of procurement and distribution of fertilizers, and the reason is economic. First of all it is not the role of government to buy fertilizers, it is the role of government to provide incentives to the private sector to do it. This year we have done that. We took the government out and allowed the private sector to do it, and this year we have been able to raise N30 billion to finance the total seed and fertilizer supply for

this country from the private sector without one naira of government. The President is not interested in making public statements because that is the easiest thing to do. It is like a surgeon; a surgeon takes you and puts you on the surgical table, sometimes you feel a little bit of pain, but if you don't change that situation the patient will die. For this reason I am very grateful to the President because a number of the reforms we are doing are very bold reforms and without his support we could not do them. His directive was clear. He said, "I want you to grow the size of the Nigerian agricultural sector for me; go and put in place the institutional reforms, the incentives, the infrastructure we need to be able to get there."



Question: We were recently in Makurdi with the Governor of Benue State . He talked about the State's partnership with Transcorp for the production of concentrates from mango, oranges and other fruits. You are working towards the increment of food production in Nigeria, what about preservation? What about processing? If you have the whole place laden with cassava and they are neither preserved or processed, won't they go to waste? In other words, what about other aspects of agric business that preserves those things that are produced?

Answer: Ok, let me start first from the production side and then the preservation side. Let's take concrete things, let's take rice. Rice in this country – as I mentioned earlier, we are spending about N356 billion on rice – yet all the way from Sokoto, to Kaduna, Katsina, down to Niger even down south to Bayelsa in the mangrove area, we can grow rice all around this country, but the reason why Nigerians are not eating local rice is because they complain about the issue of colour, odour, brokenness, and they complain about the fact that it has stones and all that. In the last six months we have changed that. First and foremost, we have in the last six months completed three large-scale integrated rice mills, one in Kebbi, one in Kano and one in Ebonyi State. These three mills are producing 90,000 metric tons of rice. These mills are now turning out rice of high quality that beats any rice whether from China or India. The super markets can't keep up with the demand, so we have to produce quite a lot more. Now this was done because the government put into the Bank of industry

“ We have in the last six months completed three large-scale integrated rice mills, one in Kebbi, one in Kano and one in Ebonyi”

a facility for the private sector to get access to loans to set up these integrated rice mills. Now, we have also attracted an investor to invest \$40 million in Taraba State, they are called Dominion Farms, they are the largest producer of rice in Kenya, they have started in Taraba State. In 12 months that facility in Taraba will be the largest producer of rice in Nigeria and in Africa. It is going to be producing 300, 000 metric tons of rice on 30,000 hectares of land, that alone will allow us to meet 15 percent of all the rice we are currently importing in this country. In addition to that, the President asked us to look for ways to ensure we can mill all the rice we are producing. So I went to China and met with their Minister of the Economy. We concluded arrangements to bring in 100 large scale integrated rice mills

from China. All those rice mills are going to process 2.1 million metric tons of milled rice. Now, if we didn't do that, it will mean that all the rice we are producing won't be processed or milled. Rice producers will be losing money. By the time the mill are all on ground in 24 months, it will be the first time in the history of this country that we have the full milling capacity for all the rice we are producing, and the capacity is not just for any kind of rice, it is for high quality rice. We could become even an exporter of rice. Take a look at this rice here, it's called Ebony Rice, it's produced here in Nigeria, it's the best rice you can get, the President eats it all the time, I eat it all the time, we can't keep up with demand, that's why we say it's Proudly Nigerian. People will tell you that local rice is not good, but you can see it, this is made in Nigeria, take it, cook it and tell me.

Now let's pick the case of cassava, right now our farmers that are producing cassava in this country, the amount of money they are spending to harvest the cassava far exceeds how much they are getting. That is because we never created any market for cassava. Nigeria is the largest producer of cassava in the world but we account for zero percent of value added globally. Yet Thailand accounts for only 10 percent of production but they account for 80 percent of global value because they add value to cassava.

Just to give you an idea of how this government works. Last November 30, I presented to the President-in-Council the 40 percent of high quality cassava bread. It was at that point basically an experimental thing, but we showed we could break that barrier because people said we could not do it. The President ate it, everybody ate it in Council. The President directed that we should commercialise this bread, so we went to work with the private sector, and by February this year, that is about three months after the President's directive, we have produced the first commercialised bread by UTC, not by government. Recently the President also launched a commercialised bread by two of the largest bakeries in this country, UTC and Food Concepts who produce the Butterfield bread. Between both of them they produce three million loaves per day, so they are going to actually help us to ramp up the production of this cassava bread across the country. We are working with Master bakers. The President asked that we give

them new incentives for them to be able to have new equipment, and other things they need. Recently also the President had dinner with his Malawian counterpart and he invited me. Over dinner, the bread that was served was the Nigerian cassava bread. I asked Madam President of Malawi, how she liked the bread she was eating? And she replied that it was fantastic. I then said I was sure that my President would tell her that it was the cassava bread he launched commercially the previous day that she was eating. She said it was impossible.

The President confirmed that we were eating cassava bread. She confessed that it was the first time ever that she was tasting cassava bread, that it was very good. She took some of the bread back to Malawi and told our President that she would like Nigeria to help them in Malawi to also produce cassava composites for flour and reduce their own expenses on wheat importation. Already Ghana, Cote d'Ivoire, Liberia and Kenya have approached Nigeria, all wanting to know how they can use high quality cassava flour in making bread. Nigeria is the leader in this regard and it is fantastic. Let me also say that a family loaf of cassava bread, the 400grams loaf, costs N100, which is cheaper than the wheat bread which costs N150 a loaf. Cassava bread stores longer, is going to be widely available, and will be creating a lot of jobs. That is as far as the use of cassava in making bread is concerned.

I know there are the naysayers that always oppose government. Their interest is to make money for farmers of other countries, not to make money for farmers of this country. When the President appointed me Minister of Agriculture, he did not put in my job description the importation of food. My job is to produce food, to make sure we are self-sufficient and then we can export, and that is exactly what we are doing. Now let's move to the issue of other things we have done for cassava in the last few months, starting from this month of May, Nigeria will do the first major export of cassava chips in our history. We are going to be exporting 1 million metric tons of dried cassava chips to China. Again, that alone is going to earn us N40 billion. It is starting this month; I am going to flag it off myself, all arrangements having been concluded. It is the first time ever that this country is doing it, so we are creat-



Adesina: "It took us 90 days to clean up the fertilizer mess."

ing markets for our farmers. The other thing we have done with cassava is to use it to make high fructose cassava syrup to replace some of the sugar that we are currently importing in the juice industry. We are importing 200,000 metric tons of sugar. With high fructose cassava syrup we can replace up to 100,000 metric tons of sugar and we have started. Coca-Cola, as I am talking to you, is already finalising plans to set up plants to produce high fructose cassava syrup in Nigeria, which will reduce the amount of money we are spending on sugar imports. Finally, we are also working towards using our cassava in the livestock industry. In this respect we always relied on maize and sorghum, but we have produced what we call high grade cassava grids that will replace the maize that we use for livestock feeds. From this year all our poultry farms are going to be buying the high grade cassava grids.

Question: Has it been tried elsewhere in the world?

Answer: Oh yes. In fact, the research on that was done at the University of Ife. It would have been perfected but it never left the shelves of the research institute, so we brought together members of the the Poultry Association of

Nigeria. They are producing the grids at the moment, so that gives you an idea of why we are doing processing, adding value to reduce losses, to create markets, to create jobs and incentives for farmers. Now, look at the issue of the perishables by taking the example tomatoes and citrus. In Kadawa Valley in Kano, we were producing 630,000 metric tons of tomatoes before. Today it is about 200,000. Why? Because most of it is lost; there's no processing, they rot away. We are working with the private sector – the Dangote Group is putting up a processing plant for the tomato in the Kano area, which should be ready before the end of the year. Of the fruits we have, mango, citrus, etc., again there's no market to process them. But now the Transcorp Group has played a critical role in putting up the Teragro factory to process and produce the juice concentrates in Benue State. Everything we are doing basically is processing, adding value, creating new products and getting agriculture to produce jobs significantly.

Question: Sir, what you said for cassava and rice, can you say the same for fish?

Answer: Absolutely, let me pick the livestock industry and tell you what we are doing with

it. Let's take fish for instance. The demand for fish is rising, particularly because of aquaculture. We have an aquaculture transformation plan. That plan is to produce two million metric tons of table-ready fish and we are also replacing the amount of fish feed that we are importing. We presently import about 300,000 metric tons of fish feed, but we have already developed local alternatives to replace those feeds. Now we are working with state governments especially in the South South where fish is very important. We are producing our own fingerlings at the moment and we are also doing quite a lot to provide ponds and fish farming estates for the farmers. In addition, part of our work is to improve the processing of fish in terms of cold storage, in terms of smoking, in terms of processing fish. We have set up a number of fish farm estates that are doing that. If you go to livestock, Nigeria today depends on import of powdered milk. We import literally about of a billion litres equivalent of milk in powdered, evaporated milk. We have set up a Livestock Transformation Strategy to replace some of that imported milk gradually. We have started working with WAPCO in that regard. We are working to improve the quality of our own dairy cows, as we do artificial insemination, as we organise how our daily supply systems are done. Also, we are working right now on revamping some of the facilities that have been abandoned. If you go to Imo State, there is a farm there called Avutu, Poultry Farm. It was the largest in Africa in the '80s. But, from the '90s till now, it was abandoned. The facilities there are still fantastic, the roads are there, the houses are there, the feeding trucks are there, everything is there. I have met with the Governor of Imo State and we have come up with a strategy to totally revamp the Avutu Poultry Estate and make it once again a top-notch, world-class poultry farm run by the private sector. We have already secured a private investor in Nigeria to put in money in revamping that poultry farm, and finally what we are doing also on the livestock side is in terms of leather. We have a Leather Transformation Plan to improve the quality of leather produced in Nigeria, and for exports of the leather, and we are also working very actively on the issues of grandparent stocks. If you are doing poultry you need parent stocks and grandparent stocks., Nigeria always imported these things, but we have our own Poultry Research Institute here in Nigeria which has

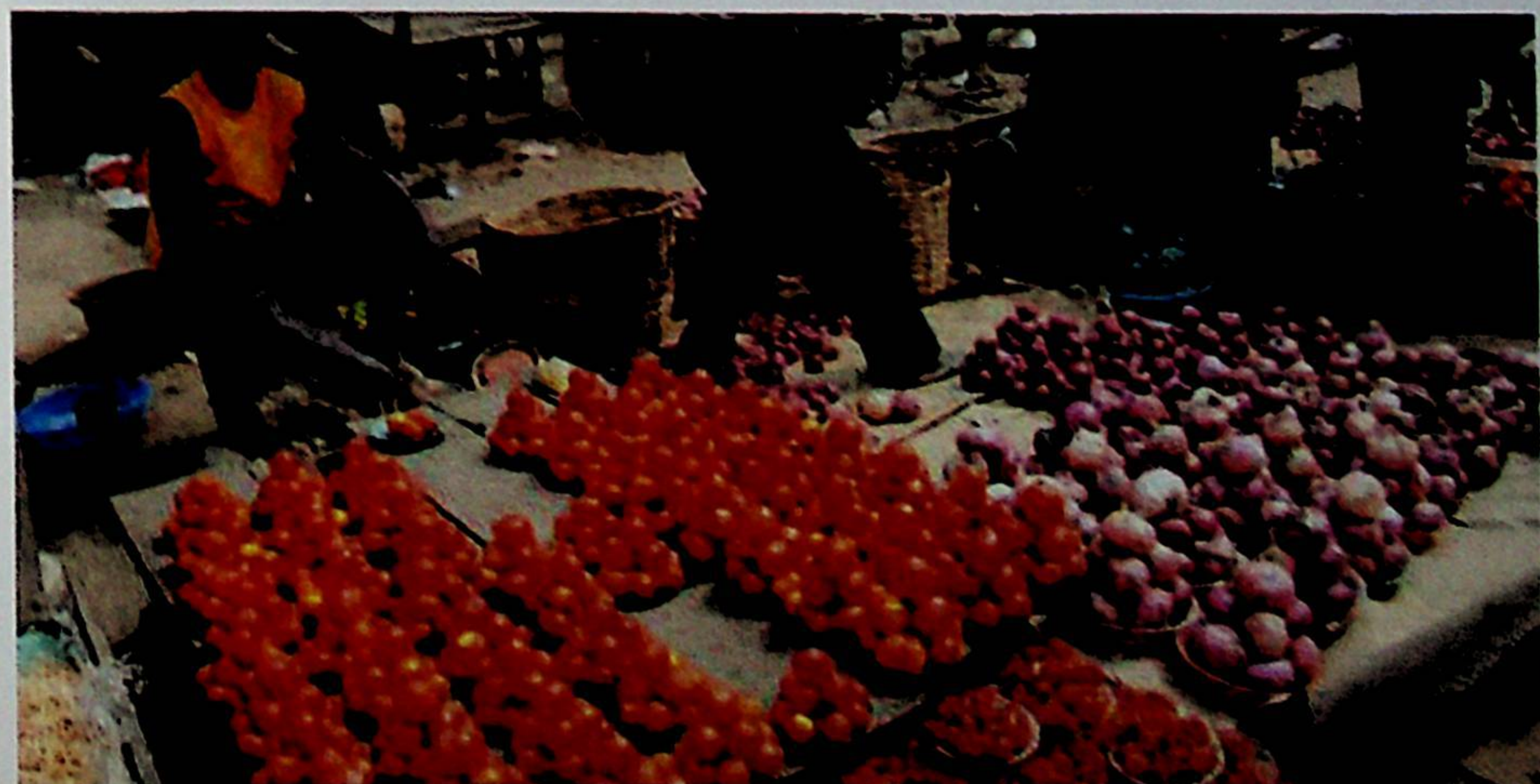
“ Nigeria lost its way as far as agriculture is concerned. Nigeria found oil and then totally abandoned agriculture and expenditures by the public sector on agriculture plummeted. Agriculture wasn't getting any attention”

produced what we call Chickabrown, which is a very good parent stock for day-old chicks and we are helping them to do that.

Question: Can I ask what became of the River Basin Authorities?

Answer: Your question touches on two things: one is irrigation and extension. When the

River Basin Authorities were established all across the country, there were about 17 of them, it was for them to be able to do irrigation, have a lot of land to do double cropping of production. But they were funded by the World Bank, and once the World Bank funding was withdrawn everything went down. The same thing happened with the Agricultural Development Projects. When I took office I found out that, in this country, they actually did not have a functioning extension system. As a result, less than 5 percent of farmers are using hybrid seeds, our fertilizer use is only about 13kg per hectare which is ten times lower than global average. Therefore, one of the reforms we have put in place is that we are establishing for the first time in the history of this country, a Federal Department of Agricultural Extension, and we are also going to be working with the states to create state level agricultural extension which will mirror what the Federal level is doing. Secondly, we are working with the River Basins to get some of their lands and lease them to the private sector, because government is not in the business of producing anything. I will give you two concrete examples of what we have done in that. Take the case of Taraba where the private sector is going to be producing roughly about 300,000 metric tons of rice. That land belongs to the River Basin Authority there. It has been given under concession to a private sector company to use and produce rice. Let's go to Anambra State. There is a rice project in Omoh. In this project, again it was one of those things that government did, they set it up 10 years ago. It has been abandoned, in 10 years it worked for 10 hours. But since we took office we have actually started that, we are working with the state government which has priva-



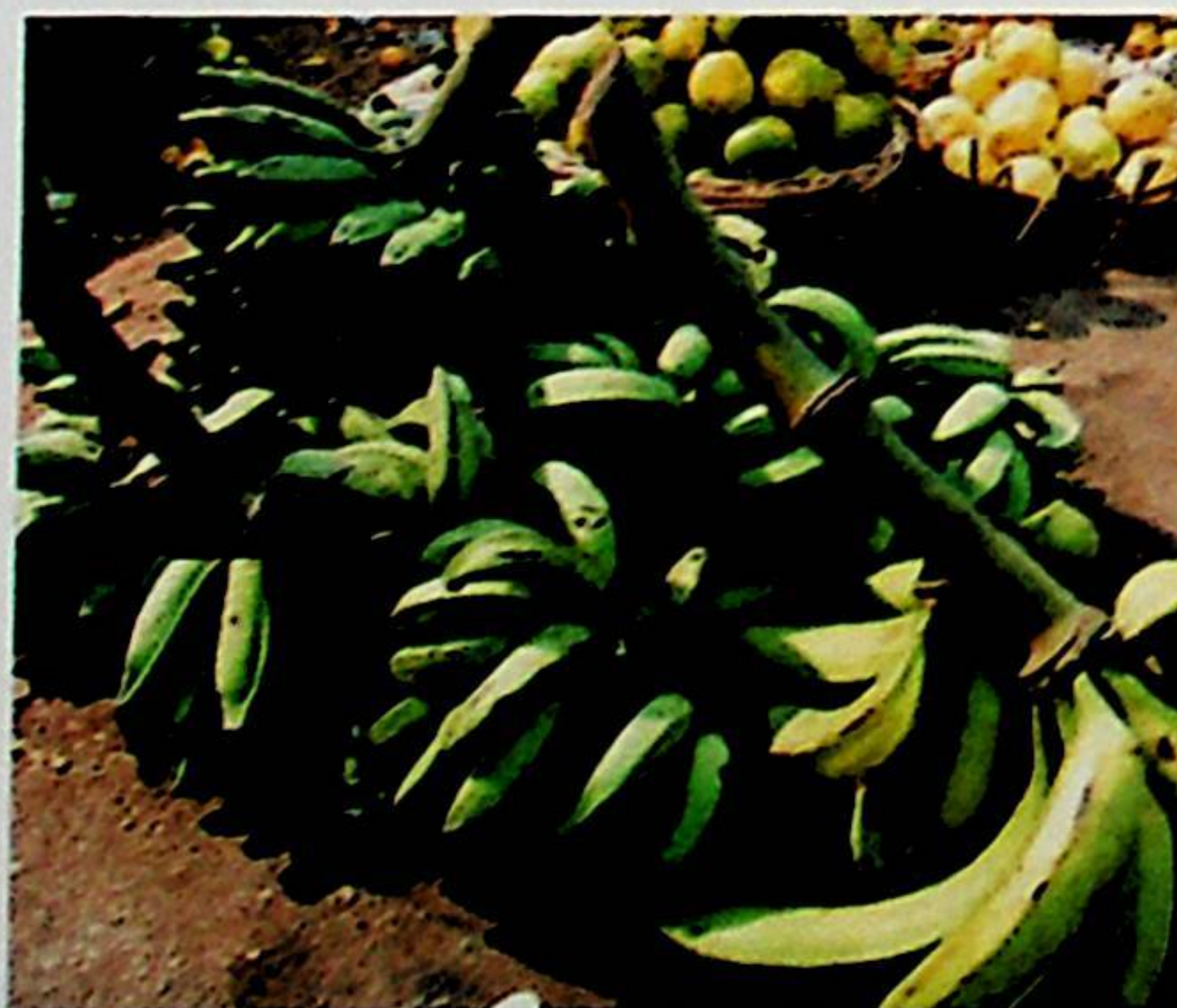
A local vegetables market

tised the mill. We have just finalised plans of roughly N2.3 billion to revamp the irrigation systems there with the Lower Anambra River Basin Authority, to improve road access to the mill, to provide power for irrigation and also to power the mill and to revamp it. It will transform rice production in the area. The point I am trying to make is this: as a government we are taking some of the infrastructure that were there before, upgrading them and privatising them for many of these things to work. That is where we are for the River Basins. Further, the President made provisions for us to complete some of the dams and some of the irrigation facilities we have. We have done all that.

Question: When you sit back and think of this country which had the groundnut pyramids, which exported cocoa, palm oil and so on but has degenerated into nothingness, what do you think could have led to this sorry state of things?

Answer: First of all, Nigeria just lost its way as far as agriculture is concerned. Nigeria found oil and then totally abandoned agriculture and expenditures by the public sector on agriculture plummeted. Agriculture wasn't getting any attention. That explains why we moved from being an exporter to a net food importing country and that is always a problem that nations had. When they found oil, they abandon all other sectors, particularly agriculture. Second is that the institutions to make agriculture work collapsed. Take the Marketing Boards, for instance. We had in the '60s marketing boards for cocoa, for cotton, for grains. All those marketing boards provided farmers' incentives, they organised farmers, they raised their standards, they stabilised prices, they provided infrastructure, and they provided credit. Once those things were taken out by the structural adjustment programmes in the '80s, nothing replaced them. When I took office here I found out that there is not a single marketing institution around any commodity in Nigeria, in the whole country, none. In my close to 30 years of working in agriculture I have never found any country that abandoned marketing institutions. That is why farmers in Nigeria find it difficult to find markets, the prices are always going up and down, we didn't have grades and standard systems, even export became difficult because we couldn't meet grades and standards of the exports buyers, and we couldn't get financing

“ The President directed that we should clean up the mess which we have done. It took us 90 days to clean up that mess of decades in this country; within 90 days of this administration we took the Federal Government totally out of procurement and distribution of fertilizers”



for farmers because there was no coordination. That is why, as a government, we decided that we will get things like value chains, we go from production to processing value adding, and export. We have started putting in place new institutions to take care of that failure, so this year we will be establishing six marketing corporations. They are not co-operatives, they are corporations that will perform the functions that those marketing boards were performing, except that they will be run by the private sector and not government, but they will be supported by government. We are

going to start off with cocoa. We are very advanced in the setting up of a Cocoa Market and Trade Corporation, Cotton Market and Trade Corporation. We are going for grains market and trade corporation, cassava market and trade corporation, and we are going to deal on fish, as well as horticulture produce. This will allow us for the first time since the '60s to put back proper institutions around our agricultural sector.

The other thing that went wrong with our agriculture was the fact that we had not put in place proper financing for agriculture. If you look at public expenditure on agriculture, today about 3 percent of the national budget is being spent on agriculture. That is very low. If you look at other countries, if you look like Mali, Niger, Burkina Faso, Ethiopia and Rwanda, about 15-18 percent of their budget is being spent on agriculture and African governments all agreed in 2005 in what is called the Maputo Declaration to put in at least 10 percent of their resources into agriculture, given how crucial it is to employment and also to the GDP. Now, the President has started off so well this year and I am sure that we will see an increase in public expenditure on agriculture because agriculture is key in diversifying the economy and in creating jobs. We are going to turn things around during this administration, I am confident about that.

Answer: Did you say that just 3 percent of the nation's budget goes to agriculture?

Answer: Yes, in fact we are one of the lowest in Africa and that's one of the things that I want to discuss with you, because when you look at Mali, Mali is about 18 percent, Rwanda 19 percent, Ethiopia 17 percent, Kenya 13 percent, Tanzania about 15 percent. We really need to get it back in alignment because that is where we have the most people, and I can tell you that agriculture has four times the power of any sector to create jobs, both farm and nonfarm jobs, so there needs to be a re-alignment of the budget process behind agriculture, otherwise the other countries are going to go ahead.

Question: What's your policy on fertilizer?

Answer: This country has always subsidised fertilizer, but the Federal Government will procure fertilizer and the Federal and State governments will distribute them. That has

been the policy for forever in this country, but that arrangement is not a good arrangement because when I took over here I found out that – of course I have been working on fertilizer in Nigeria since 1984 – I found out that only 11 percent of farmers in Nigeria get the government-procured fertilizer.

Question: So, where does the rest go?

Answer: The rest goes to political farmers, some go to out through corruption into the open market, some also sell it to other countries like Niger, Mali, Burkina Faso, Cameroon, Togo and Benin. The system was a very corrupt. It was not delivering value and it was harming the private sector. The President directed that we should clean up the mess which we have done. It took us 90 days to clean up that mess of decades in this country; within 90 days of this administration we took the Federal Government totally out of procurement and distribution of fertilizers, and the reason is economic. First of all, it is not the role of government to buy and distribute anything; it is the role of government to provide incentives to the private sector to do it. This year we have done that, we took the government out, we allowed the private sector to do it, and this year we have been able to raise N30 billion to finance the total seed and fertilizer supply for this country from the private sector without

one Naira of government. It has never happened in the history of this country. The Minister of Finance and Coordinating Minister of the Economy put up a guarantee facility for all the banks; my Ministry put up N2.7 billion to reduce the interest rate from 15 to 7 percent and we supplied seed and fertilizer to the country without government. That is one of the big reforms that the President has brought, it has never been done before. Second is that we are targeting our farmers better, we have completed a national database of farmers, we have identified the farmers and we have now moved into what we call electronic wallets, i.e. using mobile phones to reach farmers. We are starting with five million farmers this year. Remember that before, no more than 500,000 farmers were getting government fertilizer, we started with five million this year, we will do five million every year, up to 20 million by 2015. The electronic wallet which the President launched allows farmers to get their subsidies on seed and fertilizer via their own cell phones. There is nobody in between them and their fertilizer. So we have improved delivery, we have improved private sector participation, we have improved the number of farmers getting fertilizer and we have lowered the cost of fertilizer because we have taken all the chains out through direct supply to the farmer and we have also provided capital for the fertilizer and seed companies.

Let me just add that for the first time in this country seed companies received N2.7 billion of financing from banks. Banks were never lending to them before because they would buy seed and bring to government warehouse, sometimes the seed is not good seed, sometimes you think that what they brought is fertilizer but it is sand, so all that is cleaned up, and that is what we have done and I think it is the major reform that this administration under the President has done. I would like to say that on the electronic wallet using mobile phones, Nigeria is the first country in Africa to do that and other countries have already started to copy from what Nigeria is doing. The President said we must improve how business is done – service delivery, accountability, transparency, and that is exactly what we are doing. Since I have been here I have not signed a single contract on fertilizer, I will not sign any until my term is over because that is not the role of government; the role of government is incentives and we are just shifting the incentive systems.

Question: It is obvious that you are working with the President's total support. Are you in a position to say that those on whom your policies directly impact are totally in support of what you are doing. In other words, what are the personal challenges you are facing in trying to deliver on the President's Transformation Agenda?

“ We will be working together with the Ministry of Water, the Ministry of Transport, the Ministry of Works, the Ministry of Aviation and the Ministry of Power”



Adesina: "I will not sign any fertilizer contracts."



Mechanised farming is now the vogue

Answer: I am honoured to work under the President. I came to this country with only two things in mind: one is to help the President succeed and second is to make sure that we transform the agriculture sector. Now, the President is not a man interested in public statements because that is the easiest thing to do. It is just like a surgeon; a surgeon puts a patient on the surgical table and performs the necessary procedure. The patient may feel a little bit of pain, but if the surgeon doesn't do his job, the patient will die. I am very grateful to the President because a number of the reforms we are doing are very bold reforms and without his support we could not do them. The President has been very clear. He said: "I want you to grow the size of the Nigerian agricultural sector for me; go and put in place the institutional reforms, the incentives, the infrastructure we need to be able to get there." We are not working on populist things. When you are into reforms there are winners and there are going to be losers, but at the heart of the reforms we are doing, the greatest winners are Nigerians, farmers, not the little people that have held the economy to ransom. Take for example the wheat sector, we have a very small group who are rent seekers that have continued to put the economy down by constantly making sure that government policy doesn't work to substitute wheat, as a result we are spending \$4-\$5 billion every to import wheat. As we do that, we put pressure on the Naira, the Naira gets devalued and the economy is losing. So it is not about the rent seekers, it is about the economy. It is about the country. It is about our farmers, so we are taking

“ The President has been very clear. He said: “I want you to grow the size of the Nigerian agricultural sector for me”

our agricultural sector back from the traders who are rent seekers and I have told Nigerians that I don't care about those ones, I care about the economy and in making sure that agriculture can contribute to the economy. The other thing is that the President actually is setting up an Agricultural Transformation Council, which is going to help us drive collectively Nigeria's effort to regain its glory in agriculture. This council will be chaired by the President, all the transformation work on agriculture will be presented and discussed with the President. It will have a number of areas because we need to have infrastructure like roads, power and water. We need to deal with the issue of investment, what incentives should we give to private investors, foreign direct investors to invest in agriculture, and also it will have another arm to deal with getting our banks to lend to agriculture, led by the Central Bank. So from the investment side, infrastructure side, the value chain we are developing and

the Central Bank, we will be working together with the Ministry of Agriculture, the Ministry of Water, the Ministry of Transport, the Ministry of Works, the Ministry of Aviation and the Ministry of Power, to make sure that agriculture gets all the necessary public goods needed to work. It is going to be an inter-ministerial focus group, but the focus is very simple: grow the size of the agricultural sector, create jobs, make Nigeria more competitive and stop food imports. That is where the President is taking the bull by the horn and I think you will see an aggressive President in pushing new institutional reforms, new incentives and new regulations for us to do that.

I have said that this President, by the end of this term, I am confident by God's grace that we will get it right in agriculture because we are moving it out of the development domain into the business, result-oriented domain. Now I know you haven't asked that question but I should let you know what we are doing in cocoa and cotton which is quite revolutionary. Let me take some time just to tell you about the cocoa thing. When the President started his term, the total cocoa production was 250,000 metric tons. We have set a cocoa transformation agenda to blow that to 500,000 metric tons by 2015. However, in November last year we launched in Nigeria, eight new cocoa hybrids. These cocoa hybrids, people tell us globally, is the best thing to happen to cocoa in Africa in over 40 years. They were developed by the Nigerian Cocoa Research Institute. These cocoa varieties give you a yield of 2.2 tons per hectare, the current yield is 350kg per hectare. We are talking about almost at least five times the yield of the current varieties. A couple of varieties mature in two years instead of five years of traditional varieties, so we believe that Nigeria should join the league of million metric ton producers like Cote d'Ivoire and Ghana. To make this happen, there is a revolution going on in the cocoa sector in Nigeria as I speak to you, we are doing a massive distribution of the new cocoa hybrids to farmers. We started this year, focusing on 65,000 farmers all across the 14 cocoa growing states. We are distributing 3.5 million pods of the hybrid to farmers, and we are distributing it to farmers for free. We are doing this because we have to recapitalise the cocoa stock because our trees are old, some of them are 20 years, some are 30 years. They were not replaced. The President has given us full support.

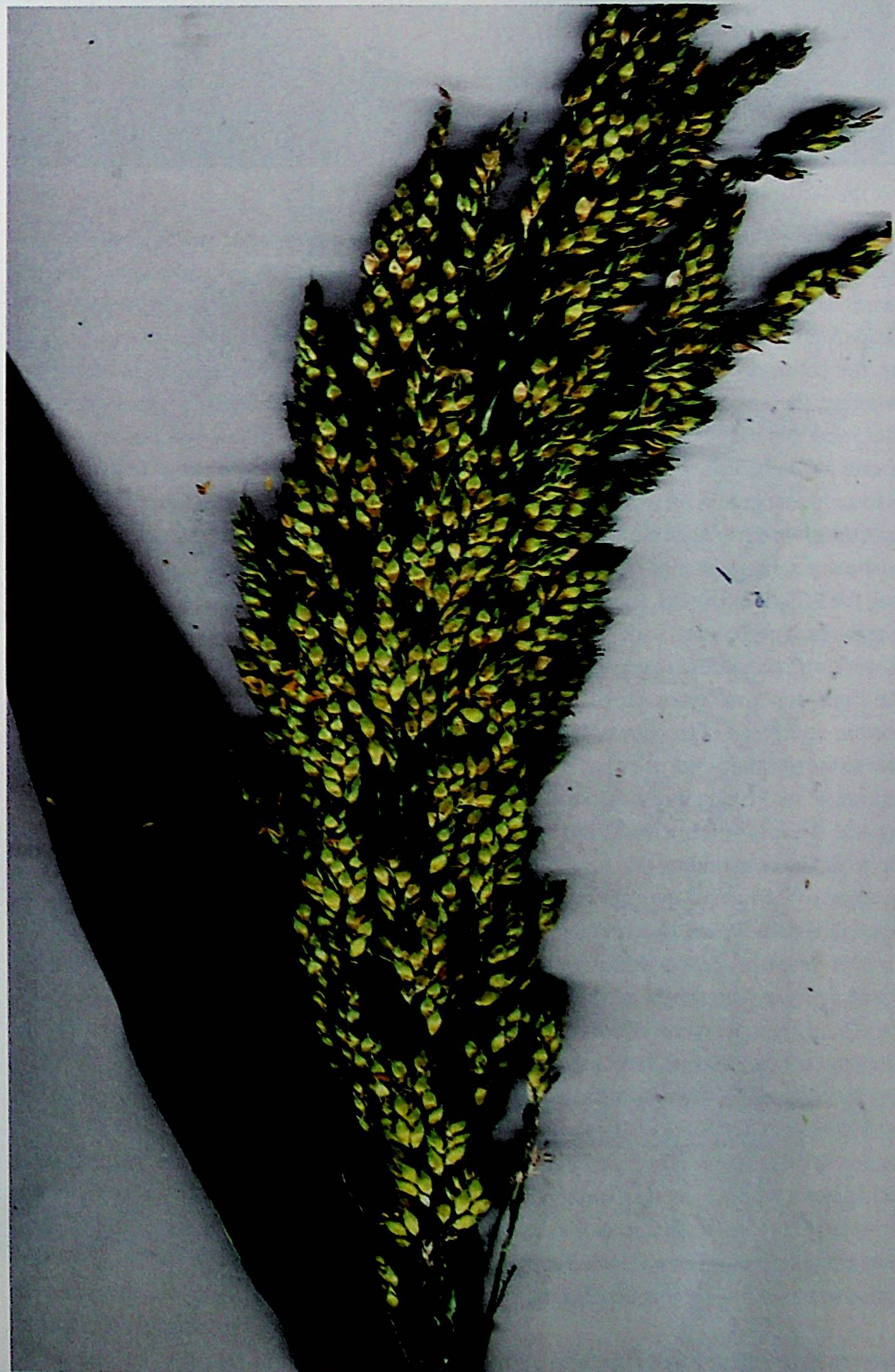
Now we have also gone to cotton in the north. The cotton sector in the north used to employ about 200,000 people annually, the textile industry was working and there was employment everywhere. Now, when we took over we found out that the total number of jobs in the textile industry in the north is now only 20,000, because the textile mills have collapsed and we found out that Nigeria did not even have seed of cotton. We had to be begging Burkina Faso, Niger and Benin Republic to give us seed. We did not have any, but we have dealt with that, we brought in WACOT, the African cotton company now producing for us the cotton seed that we need in the country. I recently announced that the distribution of the new cotton varieties all across the country will be done for free to all the farmers that are growing cotton in the country. The reason is because we want to get our cotton production up again. We are revamping some of the mills in the north and we are going to work with the Trade and Investment Ministry to put in place the right incentives for the textile industry to work again in Nigeria.

The third area is sorghum in the north because you know we have to balance commodity and geopolitical zones. In the north there's another revolution happening in sorghum, that revolution is based again on technology. Towards the end of last year we released three new hybrids of sorghum. These hybrids of sorghum yield roughly five tons per hectare, the average yield of sorghum right now is 500kg, so that means we are going to revolutionise sorghum production in the north. Now here is the problem. If we produce all that sorghum, who is going to buy it? As part of our sorghum transformation plan, first, we are working with the Aba Malting Plant to set up two new plants in the north, one in the northwest and the other in the northeast, not for beer but for malt. Secondly we have got the private sector in Nigeria to put up a plant to produce high energy foods, which means they will combine maize, sorghum and soybeans to make high energy foods for school feeding programmes. Thirdly, the President has been a leader in the region in solving conflicts and providing support for our neighbours that have problems of food supply, Niger and so on, Even this year, he approved 30,000 metric tons of sorghum to be released to Niger Republic, but you see, we cannot continue to release raw grain. America does not release raw grain, it sends high en-

ergy foods to World Food Programme, so they make some money, create some market while they are doing good. We are going to do exactly that. The high energy food plant we are setting up in the north is with that in mind. We have discussed with the World Food Program that we are going to mop up our maize, sorghum and soybeans in the north and process high energy food that we will sell on very concessional basis to the World Food Programme. What that does to us is that it creates a market for the grains that we are producing in the northern parts of the country. So I think

that you will find that in everything I have discussed with you, it's a value chain thing that we've taken and we've looked at how to get the thing to work.

One last thing I would like to say about the reforms that we have been able to relate to my Ministry. The President said it is about service delivery and Professor Monye is working on Performance Management, which means, are we meeting targets? Are we more efficient? Are we delivering value? Now, when I took over in this Ministry, I found out that this ministry is



A sorghum revolution based on technology is on



“ We decentralised the Federal Ministry of Agriculture to the states, appointing 36 directors and one for the FCT”

heavily centralised, everything is done from here. It is a Federal Ministry but the farmers are down in the states and contracts are being made from here. You couldn't monitor whether the contracts were actually being done, whether the states were involved, whether the local governments were involved. We, therefore, embarked on a major institutional reform to change how we work ourselves. The first thing we did is decentralise the Ministry to the states. I appointed 36 new directors and one for FCT. We have six regional directors, one for each geopolitical zone. This allows us to work with the states in a very different way. We built our investment programme from bottom up instead of top down. We are also able to monitor and evaluate what is done on ground, so we have a more credible monitoring and evaluation framework. Recently, all the 36 directors including one for FCT were deployed to the various states, plus the six regional directors. We are also revamping even our own system of accountability. We are setting up a new website where all the contracts of the Ministry – the name of the contractor, the amount of the contract, the location of the project, the amount of money released so far for the project – everything will be on the website, and so if the states or the stakeholders are not happy with the project they can report on the website. Professor Monye is also doing something like that and we will include upload of photographs by the project beneficiary.

That way, government is not a black box, gov-

ernment is open with how business is done and if anybody has any complaint, there will be a hot line with which to register their complaint. All that I have explained to you does not mean that there are no challenges facing us. I think the major challenge continues to be that the speed with which things get done in the public service should be improved; there are capacity gaps that we have to build, but I am proud to say that when I took over in this ministry before the reforms were started it was tough because I was bringing in very tough reforms, changing how things were done. Of course there are those that were very skeptical, there are those that tried to block the way, and I am somebody that once I decide the direction I am going and it's in the interest of the country, I go straight for it. I am very lucky that the President has strongly supported us and in everything we are doing we are making progress in most of them, which has affected the Ministry. The staff of the Ministry are now better aligned with what we are doing. We constantly are making changes to be more efficient in what we do. I believe that the Agricultural Transformation Council will even bring in greater pressure, not only on us but on other ministries like Power, Water, Transport, Trade and Investment, to be sure that it is a collective effort to grow the sector. I am excited about how far we have gone.

Question: One final question. Shouldn't it be a cause for bother that such a revolution is taking place in this Ministry and the coun-

try doesn't even know about it and people go about saying that the President is doing nothing. Work is being done and the masses don't know about it, isn't it a cause for bother that there is a disconnect between what is being done and the perception of the people?

Answer: The thing I always bear in mind is that talk is cheap, that you keep working on things and when you have things to show, then you start talking about them. We have a lot of things to show. In fact, we are working now aggressively on a media campaign which is at three levels: one is going to be a very serious campaign that will be on television, in newspapers and so on, with the Ministry of Information and other strategic media firms. Second is that we are engaging the services of a global media firm that will help also to position these things that Nigeria is doing in the global media for the President. We recently met on that and have advertised for it to be done. The third thing we will do is start a nationwide agricultural transformation tour in which we are going to get our traditional rulers and a lot of the youth involved in a mass mobilisation around what we are doing.

The point is that Ministries are not set up for communication. I have actually set up a strategic media team now to help us with that. We want to reposition our agriculture globally, regionally and nationally, for people to know what is going on. We are going to do a lot of things.

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Transforming



The new Government House in Makurdi

Benue State Governor,
Dr. Gabriel Suswam

Benue State

A look at the progressive leadership of Governor Gabriel Suswam

Gabriel Torwua Suswam was born on November 15, 1964 in Anyiin local government area of Benue State. An alumnus of the University of Lagos where he obtained an LL.B degree in 1989, he earned the BL Certificate from the Nigerian Law School a year later when he was called to the Nigerian Bar. He worked for a number of law firms until 1994 when he established his own chambers. Governor Suswam holds a PhD from the Benue State University.

He launched his political career in 1999, following the inception of the fourth Republic, winning election into the Federal House of Representatives where he represented the Katsina-Ala/Ukum/Logo Federal Constituency until 2007. He was elected Governor of Benue State in April 2007 and took the Oath of Office on May 29, 2007. Suswam ran for re-election on April 26, 2011 poll on the PDP platform, scoring 590,776 votes and beating runner-up Professor Torkuma Ugba of the Action Congress of Nigeria (ACN) who got 499,319 votes.

Governor Suswam was interviewed in Makurdi, the Benue State capital, by Chuks Iloegbunam.

Question: Your Excellency the first question I want to put to you is this: this Government House is magnificent. Benue State is known not to be one of the very rich states. So, how were you able to fund this building, especially as it is said that Benue State didn't previously have a Government House that was worth the name?

Governor Suswan: Well first, you must be convinced and convicted about what you want to do if you decide to campaign for an elective position as high as that of a State Governor. I had a conviction that I needed to make some positive change to our state. I was born here and grew up here, so I appreciate and understand the issues. One of them was fundamentally the fact that we lack infrastructures in Benue and pe ople

will easily dismiss Benue as a village state. And so, when by the grace of God I got elected, I had to face the challenges from Day One and if you decide to face challenges you must engage in sacrifice and that is what I have done in the area of resource application. I've been very prudent in the application of resources and also very committed in making sure that there are results arising from these resources that are committed, and so I started this project which some people termed "too ambitious". It is actually just one of the projects and it is the least expensive in the list of projects which maybe you will see one or two of them in the capital here. I decided that, at least, the Chief Executive of our State should have a conducive environment where we can sit down, think and operate. I observed that in Benue State, as the Chief Executive, I did



not have a place. If you go to where I was staying you will not believe that a Chief Executive can be staying there, but I decided that I will stay there and put up something so that subsequent governors do not go through what I have gone through. I was convicted and convinced that I was going to put up a structure befitting of a Chief Executive of a state and that is why I put up the structure.

they present it. I don't want to do that, I wanted actual projects, I didn't want to present three dimensional pictures on the pages of newspapers. So in summary, commitment and prudent application of resources are what have taken us to where we are today.

Question: Thank you. Let's go to health which is said to be wealth. You have built

in the world, you have Nigerians even at the slightest headache rushing abroad for check up. It's because we've lost confidence in the healthcare system and so for us to build back their confidence, at the level of leadership, we must take decisive steps and that is exactly what it I did.

If you go there, some of the best medical professors in Benue are the ones



Out-patient department of the Benue State University Teaching Hospital

There are quite a number of projects, maybe as we go along in the interview I will be touching on them, but like I said, in the list of projects I have done this is the least expensive, and so there are quite a number of big projects that have been completed and commissioned, in fact when the President came here he couldn't commission all the projects. He said they were too many, so they decided to select a few projects for him to commission. That clearly indicates that there is commitment on the part of government, there's commitment on my own part to make sure that we don't just pay lip service. I heard people criticizing governors and they said when they bring buildings on paper that they adopt a three dimension style, that they take one building from different angles and

a teaching hospital as I understand. Can you lead us through the vision that informed it and the processes and challenges you faced in the completion of the project?

Answer: Yes, my predecessor, Senator George Akume first started the Medical School which he completed. He also started the teaching hospital which he couldn't take on because time was not on his side and also the fact that it was quite expensive. When I came in I looked at it, I considered the cost implication and I said that we must have our complete teaching hospital. If you go there, it's something that you will admire. It's now functional, we've started using it, we are happy, the people are happy. First, as you rightly said, the issue of healthcare delivery in our country is one of the worst

manning the hospital. No one can go there and say that it's just structures. It is well-manned with qualified personnel that can hold their own anywhere in the world, and so we were determined, like I said it's also determination, and so the cost of the teaching hospital is almost thrice the cost of this Government House, but we've gone through it, they've finished it, it's functional. All those people who have been going to India can now come here for expert medical attention. We have even started a process of partnering with some hospitals in India and elsewhere to allow some experts in specific medical fields to come here and carry out specialist procedures and operations and go back to their bases. The money it will cost you to go to In-

dia you can spend much less by coming here and still have the same quality of care and treatment. These are actually what informed my commitment in making sure that the teaching hospital become a reality and today, by the grace of God, it is a reality.

Question: As a follow up to that one, I've heard it reported in the media that there

it, and so it became quite an issue, so we decided that we must face it squarely. In partnership with the Clinton Foundation, and the American Government, there are quite a lot of NGOs that are working in Benue, and then of course, the national body saddled with this responsibility is also working together with the agency at the state level. My wife has clinics that are specifically saddled with the responsibil-



“ I've been very prudent in the application of resources and also very committed in making sure that there are results arising from these resources that are committed”

is high incidence of HIV AIDS in this state. What are the specific things you can mention to me that the state is doing to combat this terrible scourge?

Answer: When I assumed office, one of the biggest challenges I faced was the issue of HIV/AIDS. My wife, as a mother, decided to take that challenge head on. We formed an agency which is specifically saddled with the responsibility of addressing HIV/AIDS and educating the people as to how they can handle themselves if they discover they are HIV positive; and for people who are not positive, what they need to do to protect themselves. It is a big problem because HIV now transcends ages. They used to say that it's mostly common among the youthful ages, but surprisingly you have people in their 70s contracting

ity of making sure that mothers who are positive do not transmit it to their babies, and women go round taking drugs from these centers that my wife has established across the length and breadth of this state. We've taken that issue quite seriously and what I do to encourage people to know their status is that, once there's an opportunity, I publicly present myself to be tested and that is to give people encouragement to come forward because it's better that you know earlier that you are HIV positive so that you can treat it, than you not knowing or pretending not to know, so that has helped a lot. On the other side, we are also educating people to know that those who are positive are not lepers, and so they can still function, they can still live a normal life and so should not be discriminated against, and

“ The incidence of HIV is actually reducing. It will take time but I believe that with high level of education and what we are doing in terms of supply of drugs, we will gradually reduce it significantly”

people are getting to know and appreciate that. Now you have even known HIV people who are working and doing their job and nobody is discriminating against them. We've done quite a lot in that area, but you know, when culture is concerned, we are Africans, and so when you go to villages and ask somebody in the village to wear a condom to sleep with his wife or whoever it is, they can't understand, they think that there must be something wrong with you, but we are working on that because people are dying and they are seeing it. Death is now a deterrent so when you talk to them now they listen, otherwise it was very difficult for them to listen to you, but now they see people die of HIV/AIDS and they know that the deaths can be prevented through precaution, The incidence of HIV is actually reducing. It will take time but I believe that with high level of education and what we are doing in terms of supply of drugs, we will gradually reduce it significantly.

Question: Thanks, Your Excellency. I will return to infrastructure, but let me talk on something which is also in the social sector. It has to do with education. You

are a PhD, and you probably were a lecturer from the analysis you have been giving. Previously it was said that from Benue State you had a big segment of the grown population veering into the military, could you please tell us the direction in which your efforts are moving towards diversifying the education of this state in terms of moving to the various professions and occupations?

Answer: Incidentally education is the only viable industry in Benue at the moment. Benue, not being a cosmopolitan state, and not being a state that is buoyant, has three universities; we have the Federal University of Agriculture, we have the Benue State University and we have a private university owned by the missionaries. All of these universities are doing very well and so the only thriving industry in Benue State is education. Yes, it is true that before and during the war, most of the people that fought on the part of the Federal Government from the Middle Belt were from Benue. But that was then. After that a lot of people have gone to different areas of education. We have professors, we have very qualified Benue indigenes who have



Ministry of Science and Technology, Makurdi

diversified completely in different areas; I believe there's no area of education that you will not find a Benue son or daughter in.

What I have done again is to specifically open up pure science and tech secondary schools. I have three of them, one per senatorial district, that can train middle level people who do not necessarily want to proceed to the university or higher level but are able to use their own hands, with the skill they have acquired in the science and tech secondary school, be able to earn a living in life. We are creating these mid-level skilled people who could be welders, carpenters or whatever, that is what we are doing now. For any country to develop you know that you need science; a country does not develop only with people that are knowledgeable in political science or sociology, but you need people who have science background to be able to engage in innovation and come out with inventions that can bring development to the country. So I am targeting that in the next 10 to 20 years most of the scientists in Nigeria should be coming from Benue.

“ When I assumed office, among the biggest challenges I faced was the issue of HIV/AIDS. I, and my wife, as a mother, decided to take that head on”



Anyiin – Ugba – Amaafu Road

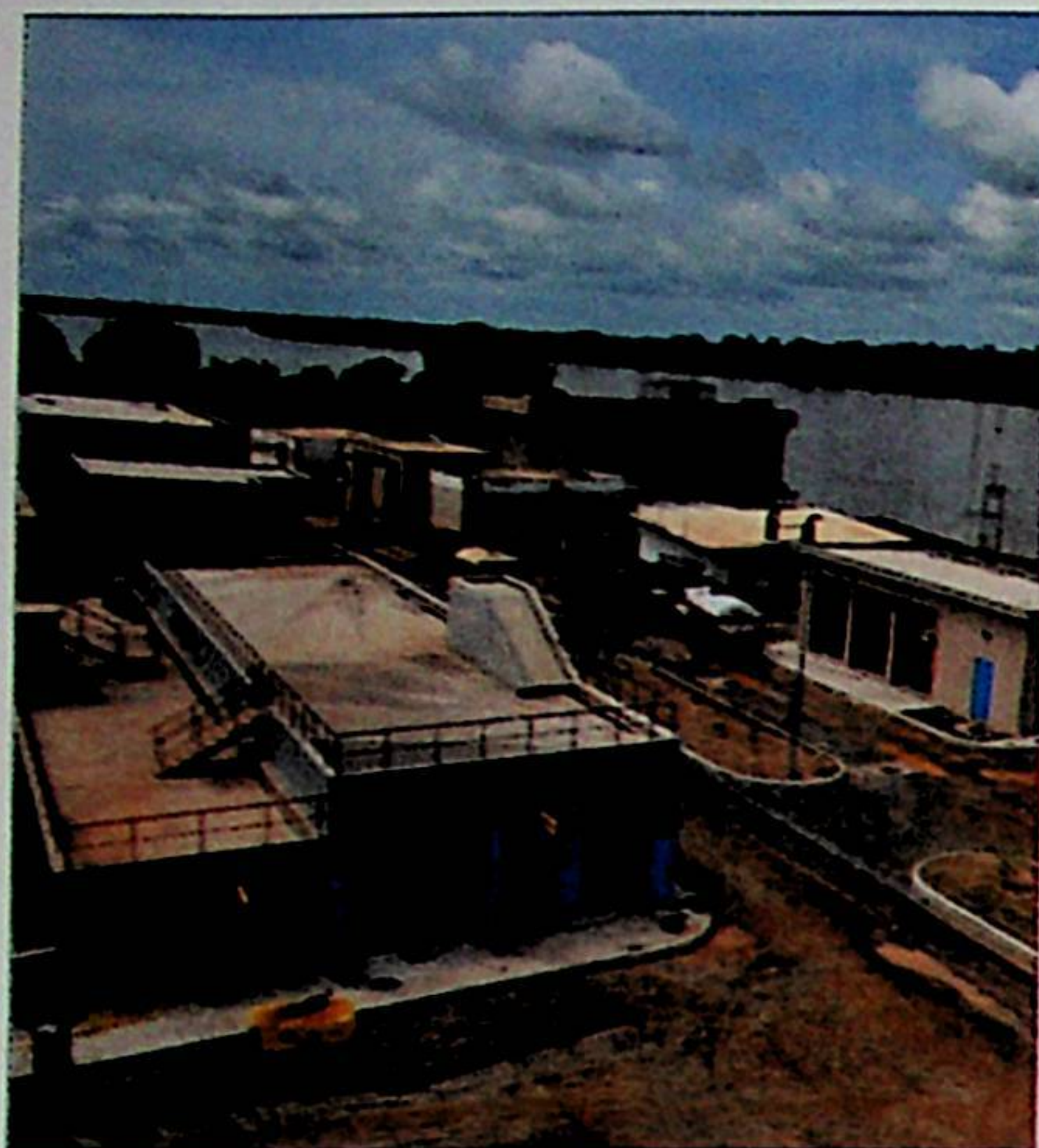


Inner Ring Road, Makurdi

Question: Now let's return to infrastructure. Benue State, in terms of land mass, is huge. My understanding is that when the President came here to commission some projects, there were so many roads and there wasn't enough time to commission them all. Could you tell us some of these roads, what they cost and their distances and what determined the particular roads that were chosen to be constructed?

Answer: You see, in politics you need to be equitable in distributing state resources, be it in state, local or federal government. Here we take state character into consideration. We have Zone A, Zone B and Zone

C. These are the three senatorial districts we have, and so for anything I am doing, I take them into consideration. I have roads that are in Zone A, for instance the Abaji-Amafugba Road which is about 78 kilometers long. It was commissioned by the President. It was constructed by Dantata & Sawoe. We have another one from Adikpo to Jatoka which is about 60 kilometers long, also done by Dantata & Sawoe and was commissioned by the President. We have yet another one from Gbeji to Zakeria. It runs through the area that produces most of the yams that we send across the country. Then there is the road from Vandekia. Vandekia is one of the oldest local governments, created in 1976.



From Gbaka to Adikpo to another local government, all of these roads cut across more than one local government, some two local governments, some three local governments. That one is being done by A G Vision, a reputable construction company. Then I have another one from Songwo to Konshisha which are different local governments. What I am trying to do is to link the entire of Benue State with good roads so you have these roads interlinked among local governments, that one is being done by Tilley Gyado Construction Company which is an indigenous company in Benue.

Then when you move to here, in Zone B where we are now, I am doing a road from Tarakwo which is in Gwer local government to Nata-Agagbe which is Gwer West local government, that one is being done by P.W, and also Hajal Construction Company is doing the one from Daudu which is in Makurdi here to Gwajugba which is another local government in the hinterland, that is going on.

Then in Zone C, I have completed the road from Apa to Oshogbodo. Apa is in another local government and Oshogbodo is in Adatu local government, that is one of the first roads I completed. Then you have another road that is being constructed from Oturkpo to Ado local government. That road is also almost completed. Then you have two other roads which the President couldn't commission in Zone C, it moves from Utonkon in Ado local government through to Okpokwu local government to Ogbadikpo local government. This covers three local governments and they are two roads, then we have another that is going on by CCCEC, a Chinese company, from Oju local government through to Ado local government, also cuts across two local governments, so all of these roads are going on, I think about 70 percent of them are already completed. The President could only commission two. These other ones I am hoping that by December we would have completed anything that has to do with roads, but I still have about three major roads that I intend to award and complete by the grace of God before my tenure runs out in 2015. So I took rural accessibility as something that is a prior-

ity and I faced it squarely and now everybody is happy. People in the villages also don't lack anything because I've also done a lot of rural electrification. I think that one thing I've done more than any other thing is rural electrification.

Question: Let's have a lowdown on your rural electrification projects.

Answer: In rural electrification I surveyed about 115 villages; we've done about 85 percent of rural electrification with light. Once there's light from PHCN they will have light, so if you go to these villages you have some emerging businesses like people selling ice cubes, barbing salons springing up. They are watching television, so they have no need to migrate to some of the urban centers. I've done that more than any other thing.

Question: Ok, Your Excellency, let me put this question: Given Benue's position as a State that has a major road artery to Abuja and given its added position as a bread basket, doesn't it bother you that the road from here to Abuja is just a single lane?

Answer: We've been talking about that for a long period of time. If you know the high number of lives that this road has consumed, you will carry placards and go to the Federal Government for them to dualise it. We've been talking about it for a very long time, not just the stretch from Abuja to here, the worst part of it is from here down to the East, to Enugu. The road is impassable. It is so bad and that is a major road, all the commerce that takes place between the South East and South South and the north makes use of the road, so there's every need that the Federal Government makes sure that the road is not just passable but that it is dualised, so that it can accommodate the traffic that goes on the road on a daily basis.

Question: Thank you. I promised that I wasn't going to take much of your time since you are very busy. But there is an important aspect of your work in the state that I would like us to talk about. It has to do with the Benue State Government and Transcorp. How did it get initi-

“ The road from here to Enugu is impassable. All the commerce that takes place between the South East and South South and the north makes use of the road, so there's every need that the Federal Government makes sure that the road is not just passable but that it is dualised”



Gov. Suswam and Prof. Monye inspecting completed projects in Makurdi

ated, because it's not often you see a state government go into partnership with a private corporation for this kind of thing. How was the process initiated, what are the accruable benefits?

Answer: We built a fruit juice factory but discovered that we couldn't manage it because, once people know that it's government company, their attitude will be different. We looked for serious investors and Transcorp came and took up the offer on a long lease. If you go there, you will be happy. In fact, when the President visited, the management told him that they were unable to meet with local and foreign demand. They have asked us to give them land to expand the factory be-

cause, as you know, the raw materials of oranges and mangoes are in abundance in Benue. They are producing concentrate which, I think, is the benefit of this Public Private Partnership or PPP arrangement. The state is providing the enabling environment for the private investors. Transcorp has taken over our fruit juice factory and they are doing very well. They started production about two months ago and already they want to expand because the demand is so much. I want to encourage other investors because we have quite a lot in Benue. We are an agricultural state. My predecessor started a tomato juice factory that we are going to complete. I am also looking for potential investors who

will take that over and manage it and run it profitably. Now the advantage to the state is that first, we now have Transcorp producing Teragro concentrate. Benue is on the map so, anywhere you go, they are buying concentrate. There are foreigners that are looking for it. Benue sons and daughters are employed in that place; there is commercial activity going on and so there's creation of wealth and by extension reduction of poverty. There are lots of advantages that the takeover of the factory by Transcorp is bringing to the state.

Question: What gives you sleepless nights?

Answer: When I am unable to cope with the pressures of what I need to do to im-

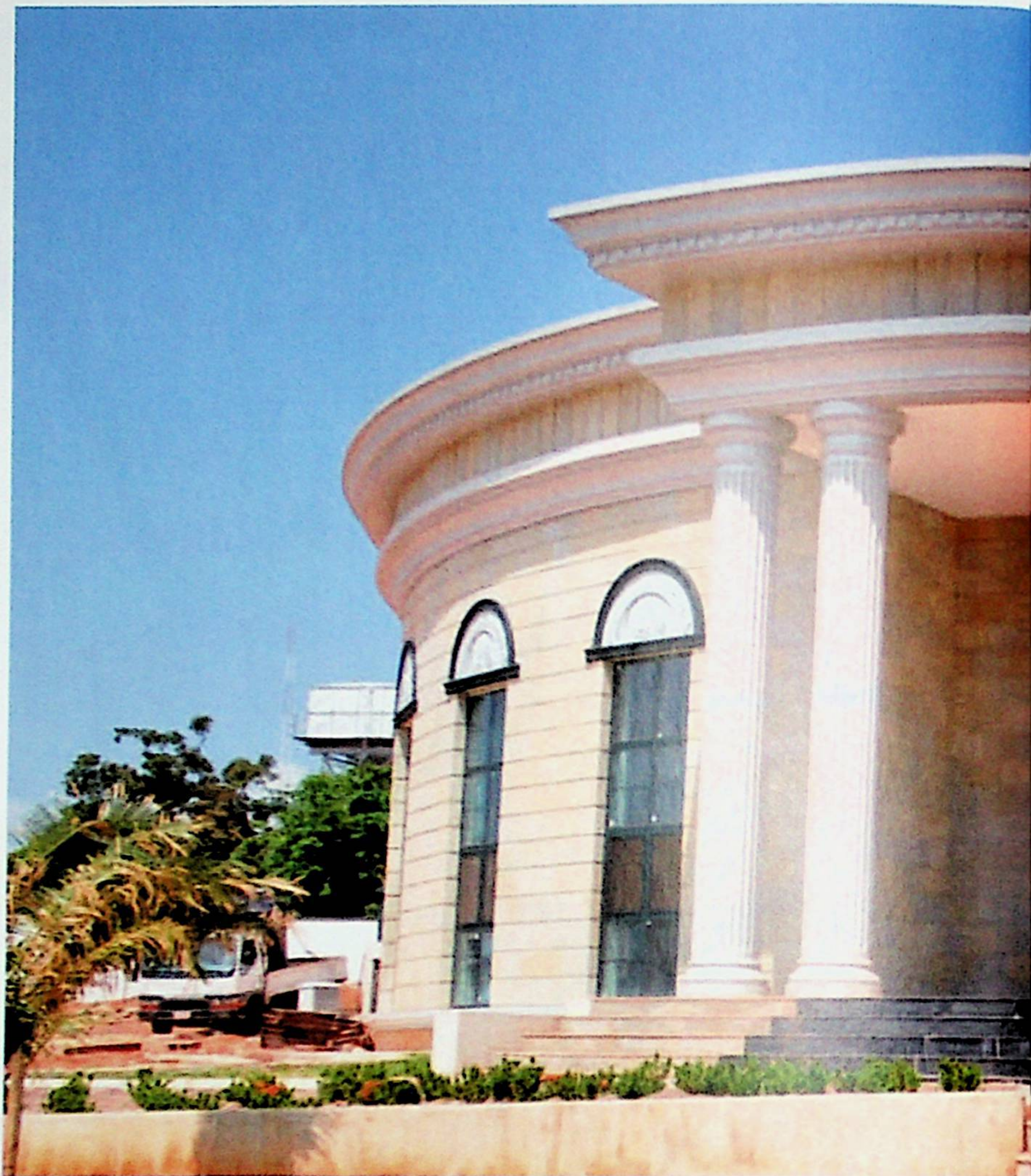
prove the wellbeing of my people, that gives me sleepless nights. There is a lot to do but the resources are limited. In applying the resources, sometimes you stay up in the middle of the night and then you are wondering how can I do this? Because all of your projects are very important and you have limited resources, you have to think and think. That keeps me up at night.

Question: Let me give you a final question. Our people say that it's a man who is alive that eats pounded yam. Life is very important. What is the security situation in Benue State today?

Answer: Well, it is one of the areas that I take seriously; when I assumed office in 2007, I met a deplorable security situation in the state. But today, in the entire northern states, it's only in Benue that you have a robust night life. You are here. My Information Adviser can take you round. It's 24 hours, it's not a joke, it's only here you have that because we have created an environment that reduces security issues to the barest minimum. You can't eradicate it completely, that is not possible. But it's just once in a while that we have security challenges but on the whole we have done our best to make sure that Benue State is secure. I applied to the then president, late President Yar'Adua, who allowed me to form my own security task force which is in operation up till today. They have been very effective and I have been highly responsive towards security issues and that has helped a lot. I have security briefing from the SSS on a daily basis and I respond to them immediately. That has helped us in the area of security. Relatively, Benue State is more secure than a whole lot of states in this country.

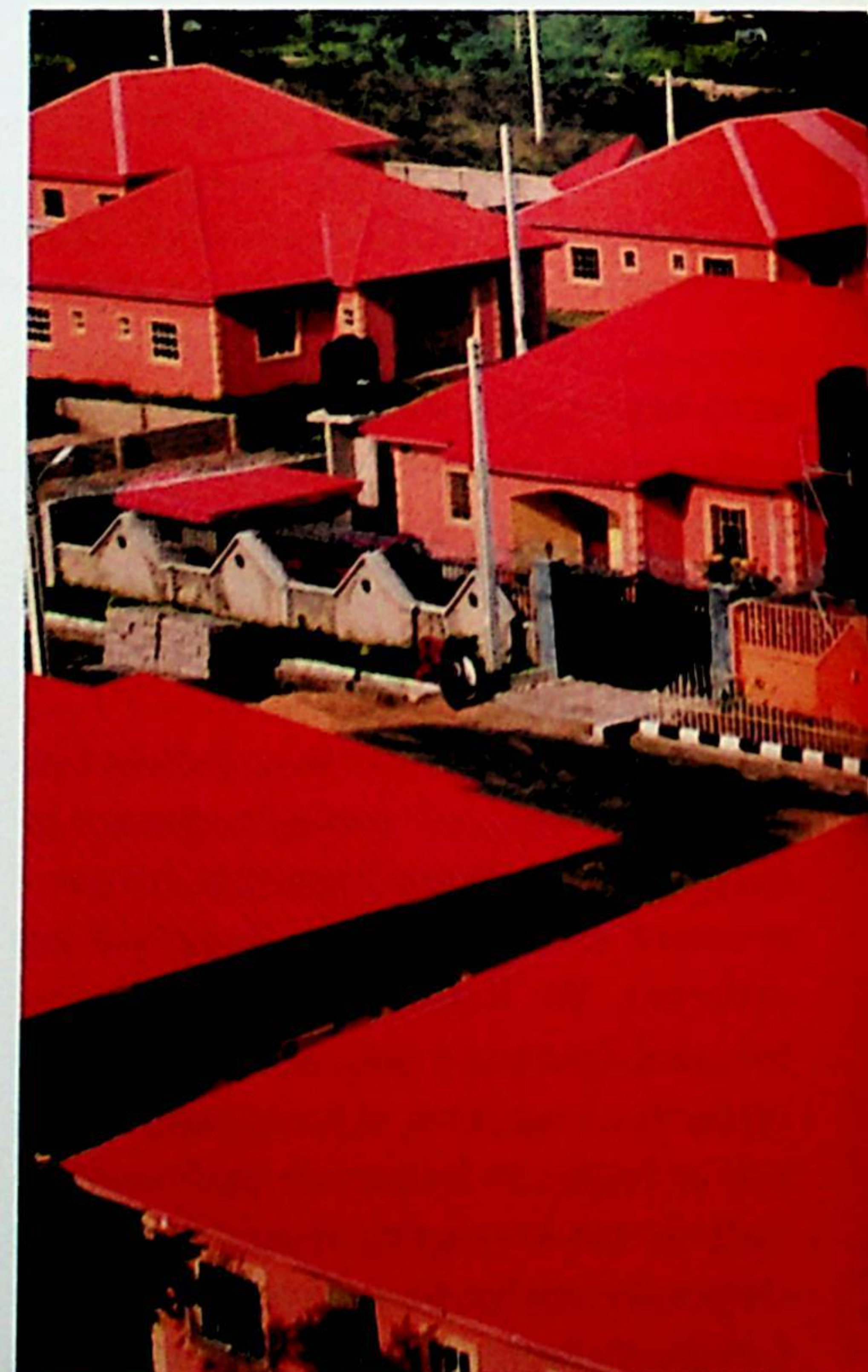
Question: Well I have to thank you for your time; it's gracious of you to grant us this audience at very short notice. Thank you very much, Sir.

Answer: You are welcome.

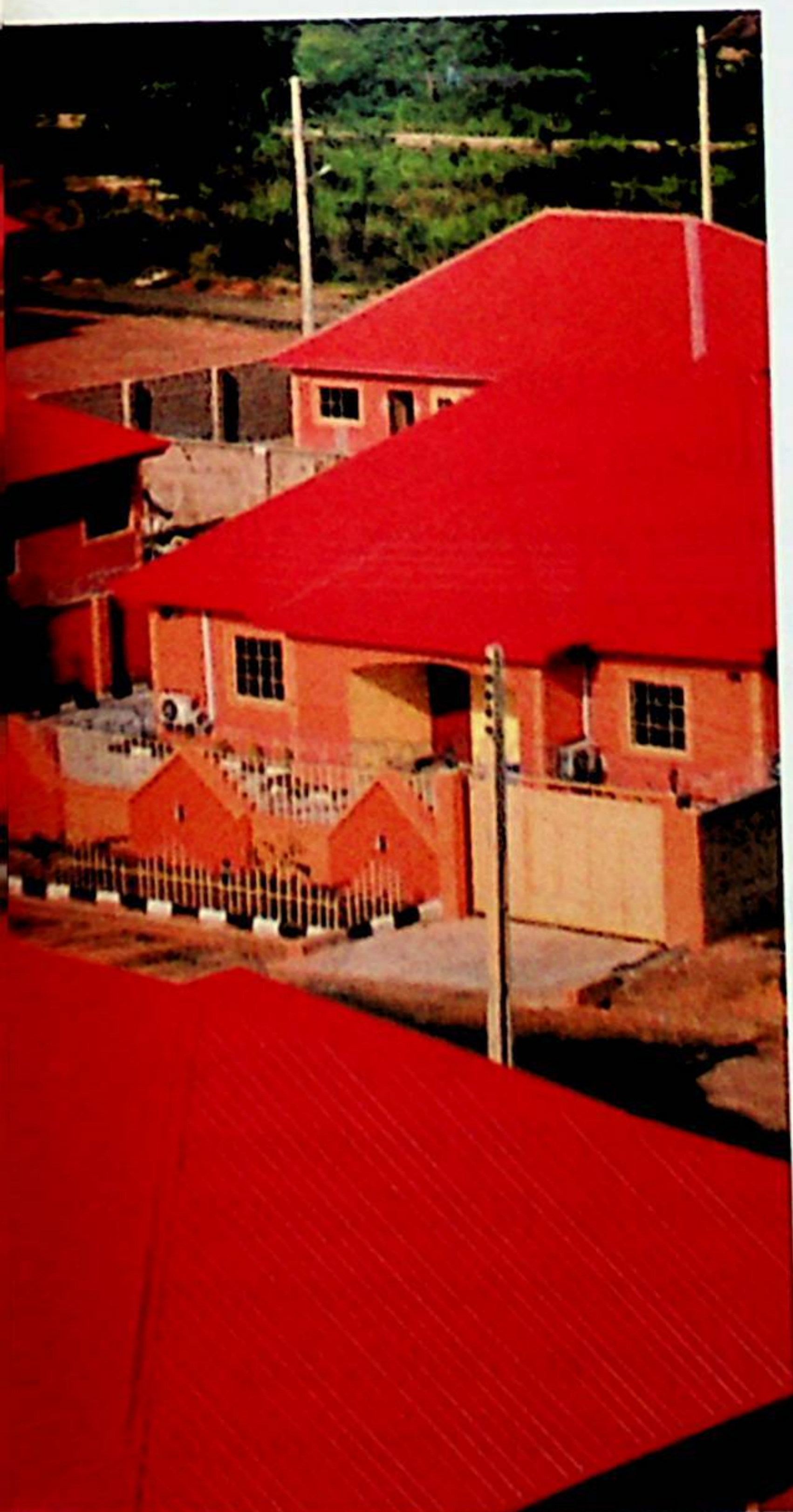


New Banquet Hall of Government House

“ I want to encourage other investors because we have quite a lot in Benue. We are an agricultural state. My predecessor started tomato juice factory that we are going to complete”



Aper Aku Housing Estate



Greater Makurdi Water Works



DEBT MANAGEMENT OFFICE NIGERIA

STATUS REPORT ON THE IMPLEMENTATION OF THE TEMPLATE FOR THE ESTABLISHMENT OF DEBT MANAGEMENT DEPARTMENTS IN THE 36 STATES OF THE FEDERATION

INTRODUCTION

As part of its strategic plan to strengthen Sub-national Debt Management capacities, the Debt Management Office (DMO), in collaboration with the States, *developed a Template for the Establishment of Debt Management Departments* (DMDs) in the 36 States of the Federation. The Template outlines the Legal, Institutional, Human and Material requirements, as well as an Operations Manual for a functional DMD in a State. A first draft was presented to State delegates from relevant State Ministries, Departments and Agencies in technical meetings organized by the DMO in the six geopolitical zones. Following the incorporation of very useful inputs from the States during the programmed technical sessions, the Template was adopted for implementation by all the 36 States of the Federation in November 2007. This paper outlines the progress made by States in the implementation of the Template as at May 2012. It covers the following performance indicators:

- Buy-in to the Sub-national Debt Management initiative;
- Establishment of Debt Management Departments;
- Passage of Legal Framework;
- Capacity Building for States DMDs;
- Debt Data Reconstruction (DDR) Exercise; and,
- Post Debt Data Reconstruction Exercise.

PROGRESS MADE BY DMDS

With technical and administrative support from the DMO, all 36 States of the federation are at various stages of implementing the Template. A summary of

the status of implementation of the key areas identified above is provided hereunder:

- All 36 States have bought into the Sub-national Debt Management Initiative;
- All 36 States of the federation have established Debt Management Departments (DMDs) either by Law or Administratively;
- So far 17 States have passed either the Public Debt Management Law (PDML) or the Fiscal Responsibility Law (FRL), to give legal teeth to the operations of the DMDs. The other 19 States are at various stages of passing the legislation;
- The DMO has organized various capacity building programmes for the DMDs. Amongst these are Fiscal Responsibility Clinics, various Workshops on Use of MS-Excel for Debt Data Recording and Reporting at the Sub-national level, as well as several attachment and training programmes. All these were aimed at developing capabilities for effective debt management practices at the sub-national level.

DEBT DATA RECONSTRUCTION EXERCISE

- As at May 2012, Debt Data Reconstruction exercises have been conducted in 33 States, while plans are at advanced stages of conducting the exercise in the 3 remaining States and the FCT. The DDR programme assists the States with the compilation, recording, analyzing and reporting of debt data, all crucial elements of effective debt management at the sub-national level. The DDR is a two-week exercise, the key objectives of which are:

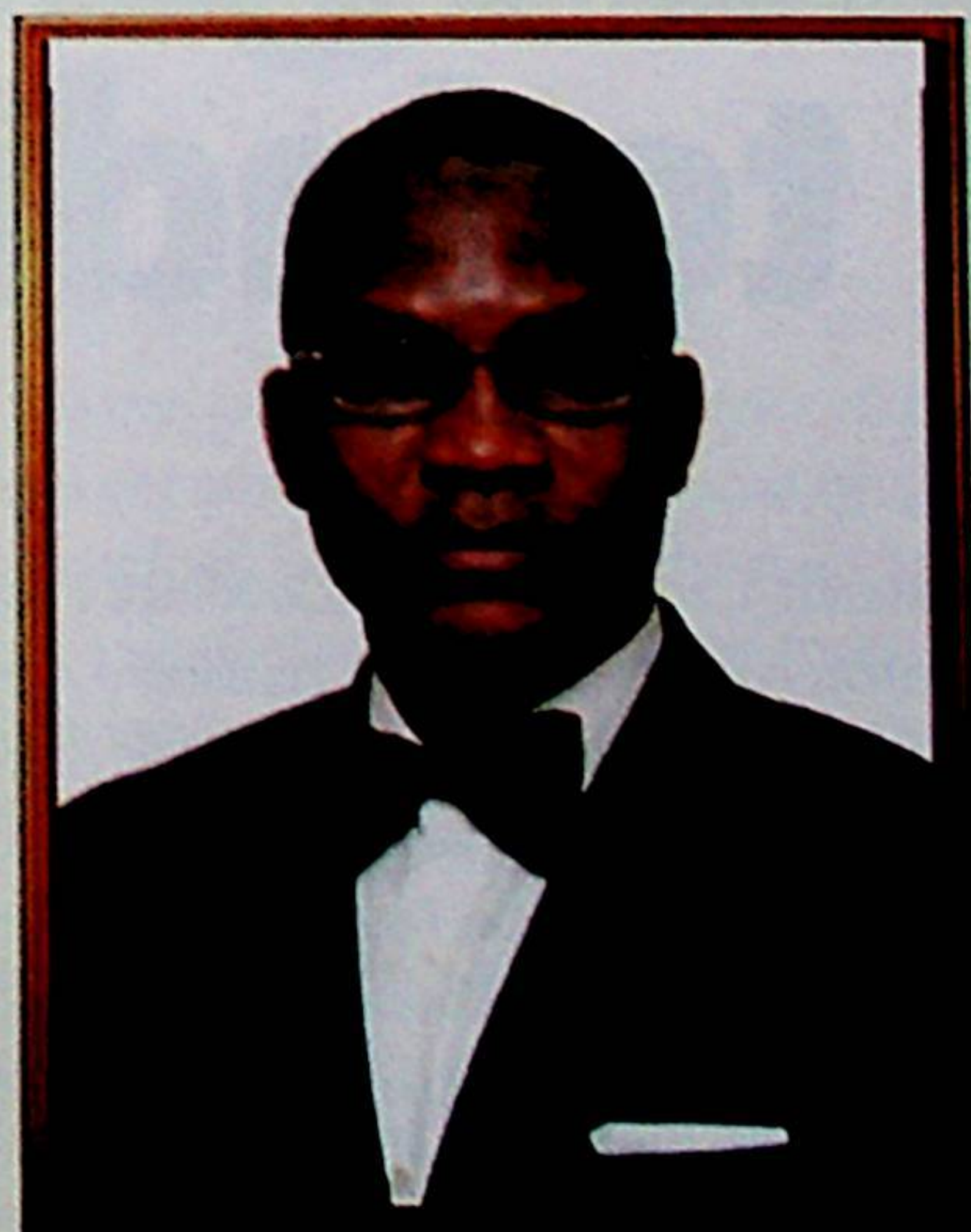
- To identify, collect, collate, document and computerize State's debt data in an appropriate format.
- Enhance the capacity of sub-national governments to maintain and update comprehensive and reliable debt database for reporting, analysis and policy formulation.
- Facilitate the possible conduct of a debt sustainability analysis by the participating State to evaluate the State's capacity to service its debt stock over a period of time, using historical and projected debt data, thus enhancing strategic planning activities.
- The outcome of the DDR will facilitate the incorporation of sub-national debt sustainability analysis in the overall national Debt Sustainability Analysis (DSA).
- The categories of domestic debt identified across all the States include: Contractors' Arrears; Arrears on Pensions and Gratuities; Arrears on Salaries and other Staff Claims; Commercial Bank debts; State Bonds; and Other Liabilities including Judgment debts.
- The thirty three (33) States, which have completed the DDR Exercise to date are: Abia, Adamawa, Akwa-Ibom, Anambra, Bauchi, Benue, Cross River, Delta, Ebonyi, Edo, Ekiti, Enugu, Gombe, Imo, Jigawa, Kaduna, Kano, Katsina, Kebbi, Kogi, Kwara, Lagos, Nasarawa, Niger, Ogun, Ondo, Osun, Oyo, Rivers, Sokoto, Taraba, Yobe and Zamfara. Work is going on with the remaining 3 States and their DDR exercises will be completed in the next few months.

POST DEBT DATA RECONSTRUCTION

- The DMO also initiated the Post DDR evaluation exercise, to be conducted six months after the DDR exercise, in order to determine the capacity of DMD staff to interpret loan agreements and ensure the promptness of the DMDs in debt data collection from Ministries, Departments and Agencies (MDAs). The exercise also evaluates the safeguards applied for the protection of the reconstructed databases, assesses the level of compliance with international best practices in debt recording and reporting as set out in the Template for the Establishment of DMDs, as well as addresses other challenges limiting the DMD from performing its functions effectively. The States will be revisited at various frequencies thereafter, until they gain proficiency in all functions of debt management.
- As at May 2012, eighteen (18) States had been visited for the post DDR exercise. They are: Abia, Akwa-Ibom, Bauchi, Cross River, Edo, Ekiti, Imo, Jigawa, Kaduna, Kano, Kebbi, Kogi, Niger, Ondo, Ogun, Osun, Sokoto and Zamfara.

CONCLUSION

Substantial progress has been made by most of the States in implementing the Template on Establishment of Debt Management Departments. The DMO is intensifying its efforts towards ensuring that all 36 States of the federation fully implement all the elements of the Template before the end of 2012.



Dr. Abraham Nwankwo
Director General, Debt Management Office



The President commissions the Teragro factory while Gov. Suswam, Mr. Tony Elumelu and Senator David Mark look on

Benue and Transcorp pa good life to indigenes

Transnational Corporation of Nigeria Plc (Transcorp) is a diversified conglomerate quoted on the Nigerian Stock Exchange with strategic investments in the hospitality, agribusiness and energy sectors. The Group's assets include oil exploration assets in Nigeria operated by Transcorp Energy; the Transcorp Hilton Hotel in Abuja; Transcorp Metropolitan Hotel in Calabar; and Teragro, an agricultural processing operator based in Benue State, Nigeria.

On March 9, 2012, President Goodluck Ebele Jonathan commissioned the Transcorp Agribusiness (Teragro Ltd) plant in Benue State. The plant is the first orange and mango juice concentrate production facility in the country. Dr. Gabriel Torwua Suswam, the Governor of Benue State, was the able host as President commissioned the fruit juice plant while.

The event also hosted distinguished personalities including Mr. Steven Lawani, Deputy Governor of Benue State; Dr. Akinwumi Ad-

esina, the Honourable Minister of Agriculture and Rural Development; Mr. David Mark, the Senate President; Mr. Jonah Jang, the Governor of Plateau State; and Mrs. Bolanle Onagoruwa, the Director-General of the Bureau of Public Enterprises. Others present included Mr. Usman Saidu Nasamu Dakingari, former Governor of Kebbi State; Dr. (Mrs.) Ajoritsedere Awosika, Permanent Secretary, Federal Ministry of Science & Technology; as well as representatives from the World Economic Forum, the UK's Department for Inter-



2002. Consequently, Nigeria has become a major market for juice and a major importer of juice concentrates as none was previously produced in the country. The need to import all concentrates has resulted in increasing the cost of production for manufacturers and reduced value being created in Nigeria. Yet while juice concentrate is being imported into the country, a significant percentage of locally produced fruit spoils – its value destroyed.

“The agreement between Transcorp and the Benue State Government that brought about the Teragro plant was executed in May 2011”

Teragro has now stepped in to fill this gap – the fruit juice concentrate produced at the plant will provide a more cost effective alternative for local manufacturers, and should also translate to more affordable fruit juice prices for consumers. Further, by sourcing directly from Benue’s own small and medium fruit growers, the plant will provide reliable income streams to rural farmers and contribute meaningfully to rural economic transformation and job creation. Additionally, by processing domestically grown fruits, thousands of Nigerian fruit producers will enjoy long-term increases in their standards of living, making a contribution to rural economic transformation and job creation. This is impact investing – investments that result in both financial and social returns to the investors and the nation as a whole.

President Jonathan said, “We want to come up with policies and programmes that will create the enabling environment for the private sector to blossom in Nigeria, and that is the key driving force of our transformation agenda. We believe that all the states of the federation have products

ner to bring the

national Development (DFID), and the Tony Blair Africa Governance Initiative. The event featured guided tours, and gave guests the opportunity to view the entire fruit juice concentrate production process.

The agreement between Transcorp and the Benue State Government that brought about the Teragro plant was executed in May 2011, marking Transcorp’s first foray into the country’s agriculture space. The plant, which has an annual capacity of 26,500 metric tonnes, is located on one hectare of land in the Makurdi Industrial Estate and has the capacity to produce orange, mango and pineapple fruit juice

concentrates. Currently, Benue State produces over one million metric tonnes of citrus fruits per annum, mostly produced by small and medium scale growers in the state. However, a significant amount of these fruits routinely waste away due to the lack of processing facilities in the agriculture chain.

According to a United States Department of Agriculture (USDA) report, an upwardly mobile population, an expanding middle class, and increasing health awareness are factors driving the fruit juice market in Nigeria. Fruit juice consumption in the country has grown by approximately 10 percent every year since



“ This plant commissioning would not have been possible if Governor Suswam did not create the enabling environment”

Benue state for maintaining the peace in this state that is attracting the private sector to come and do what Transcorp has just done.”

Governor Suswam expressed his joy at the commissioning of Transcorp Agribusiness (Teragro Ltd). He re-emphasised his commitment to Public Private Partnerships such as the one that exists between Transcorp and Benue State.

“My visits to the Teragro plant have been impressive. I have visited the plant and seen truckloads of oranges and mangoes and upon my return in under two hours, the fruits have been processed. Over 60 percent of the fruits in Benue waste every year. Transcorp, through the Teragro Juice Concentrate Plant will put this to an end and ensure that we put to better use, some of the vast resources of our state.”

Tony O. Elumelu, MFR, the Chairman of Transcorp, reiterated the company’s mission to build a conglomerate of strategic businesses underpinned by excellence, execution and entrepreneurship. He said, “This plant aligns with the President’s economic transformation agenda, with agriculture being a key pillar. This first-of-its-kind juice concentrate plant, with the capacity to produce 26,500 metric tonnes of concentrate, will not only contribute to the economic development of Benue State but the Nigerian nation by creating employment, boosting farmers’ productivity, conserving foreign exchange, and providing food

security. This plant commissioning would not have been possible if Governor Suswam did not create the enabling environment. This public-private partnership is what Transcorp would like to extend to other sectors and other states.”

“Today’s commissioning is a significant step in the direction that we have been headed for some time now – making investments in strategic sectors that hold the future for our country’s economic development:

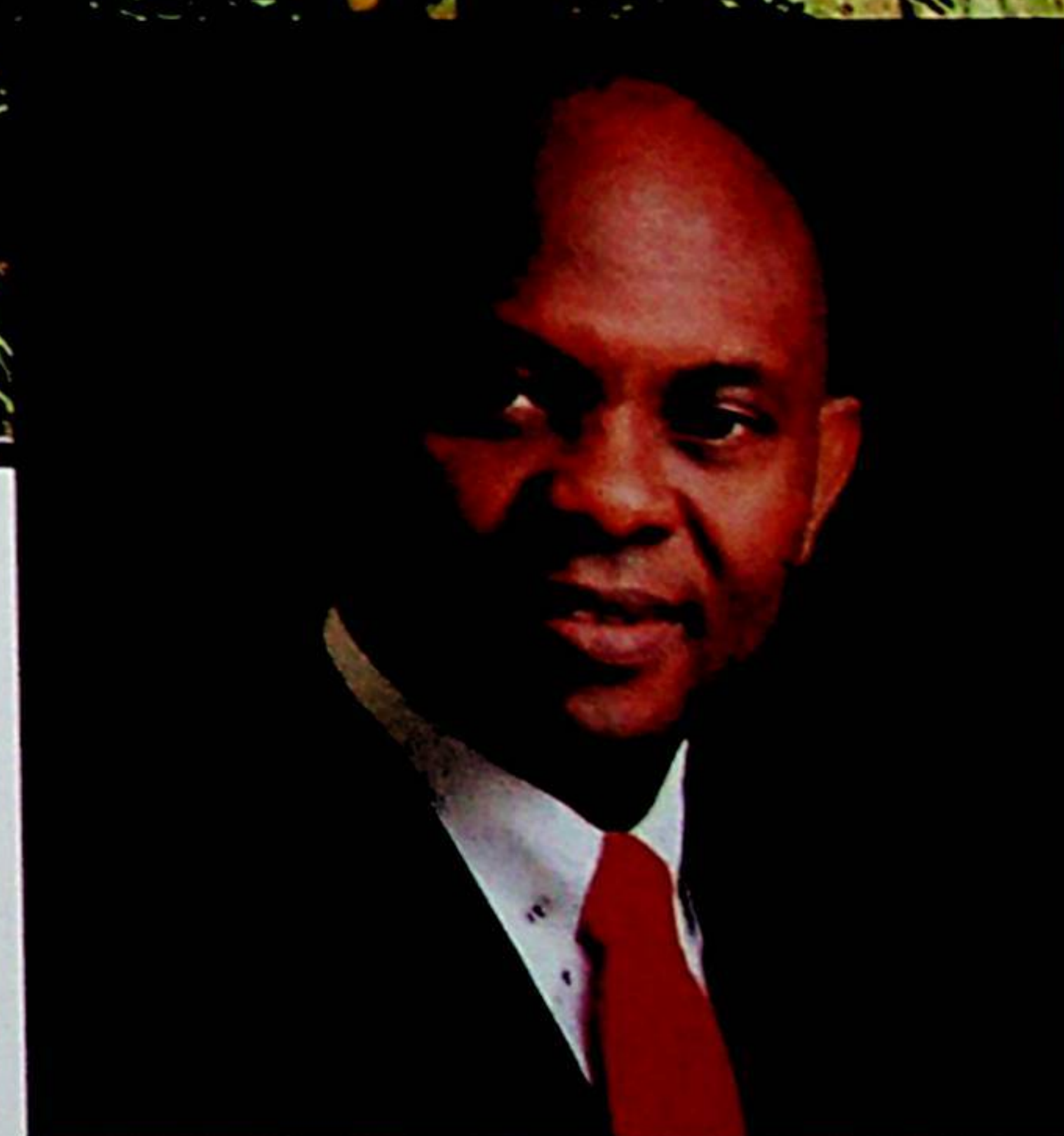
- **Energy (Power/Oil & Gas)**
- **Agro & Fertiliser Business**
- **Hospitality & Tourism**

Transcorp’s investment in Teragro Juice Concentrate Plant underscores our philosophy of investing in Nigeria and Africa in a way that creates both economic prosperity and social wealth. We are very excited at this partnership with the abundantly-endowed state of Benue and the great people of Nigeria.”

Teragro goes to Benue



In March 2012, Transnational Corporation of Nigeria (Transcorp) – a publicly quoted conglomerate with strategic investments and core interests in the hospitality, agribusiness and energy sectors – commissioned the Teragro Fruit Juice Concentrate Plant in collaboration with the Benue State Government in Makurdi. The plant was commissioned by President Goodluck Ebele Jonathan, GCFR. In the interview below, Tony O. Elumelu, MFR, Chairman of Transcorp, discusses the conglomerate’s foray into agribusiness, Nigeria’s agriculture value chain and how Transcorp is adding value to the country’s economy.



Tony Elumelu MFR, Chairman Transcorp Plc

Question: You became Chairman of Transcorp last year; please describe the company under your leadership.

TOE: Since the new board, which I chair, took over in September 2011, we have been focused on two major fronts – embracing and enthroneing the highest levels of global best practices and governance standards in our operations and businesses, and a commitment to growing shareholder value

through the disciplined execution of our business strategies.

We have realigned the business focus of the company and have positioned it along three platforms. The first is energy, with our oil block, OPL 281 and our entry into the power sector; the second is hospitality, with the Transcorp Hilton Abuja and Transcorp Metropolitan Calabar hotels

as well as our expansion plans across the country; and the third is agribusiness, via our entry into the fruit juice concentrate business.

We are beginning to see the benefits of these changes. Transcorp will pay dividends – the first since the company’s in-



ception about seven years ago – to our over 300,000 shareholders at the end of this financial year. But beyond paying dividends, we have taken significant actions that have put Transcorp on the right path to sustainable growth.

Question: What informed Transcorp’s entry into agribusiness?

TOE: We did a significant amount of research and discovered that agriculture holds huge potential for Transcorp and also for improving the wealth of Nigeria. According to a United States Department of Agriculture (USDA) report, fruit juice consumption in the country has grown by approximately 10 percent every year since 2002. As a result, Nigeria has become a major market for juice and a major importer of juice concentrates, as none was previously produced in the country. The need to im-

port concentrates has resulted in increasing the cost of production for manufacturers and reduced value being created in Nigeria.

Now there is another side to this story. Nigeria produces more fruit than we can consume. Benue State alone produces over one million metric tonnes of citrus fruits per annum, mostly produced by small and medium scale growers in the state. However, a significant amount of these fruits waste yearly due to the lack of processing facilities in the agriculture value chain. This is why Transcorp is advancing into this space with the Teragro Fruit Juice Concentrate Plant in Makurdi. The plant is the first orange, mango and pineapple juice concentrate production facility of its kind in the country, with an annual capacity of 26,500 metric tonnes. Our goal is to provide a more cost effective alternative for local fruit juice manufacturers that will also translate into

“ Nigeria became a major market for juice and a major importer of juice concentrates, as none was previously produced in the country. The need to import concentrates resulted in increasing the cost of production”



“ In the agribusiness sector, we plan to go into rice and cassava processing, and possibly tomato paste production”

ronment for the private sector to thrive. Governor Gabriel Suswam has been an incredible and energetic partner in the journey to commissioning this plant. He visited the site regularly before the commissioning and ensured that the necessary infrastructure was put into place. The Teragro Fruit Juice Concentrate Plant represents optimism – it is a project that is seeing the public and private sectors collaborating to fill a huge void in the country in the area of juice concentrate processing – creating direct employment and providing economic hope to citizens of the state.

Question: How would you describe the acquisition of the Teragro plant and what it means to Transcorp?

TOE: We are pleased to have worked with Governor Suswam and Benue State on this project. It is a very significant investment in the agribusiness sector in Nigeria. We look forward to building our relationship with Benue State to support our growth plans in Nigeria, as well the Transcorp’s planned expansion to other welcoming states in Nigeria. This transaction underlines our faith and hope in the Nigerian economy and its vast potential to attract global investment. In partnership with Benue State, Transcorp identified a unique opportunity to enter the agribusiness market. We continuously strive to identify opportunities that will allow us to achieve optimal results, while contributing effectively to the economy.



Question: How will the Teragro Fruit Juice Concentrate Plant benefit Benue State and Nigeria?

TOE: Benue State is considered the food basket of the nation. You can also call it the nation’s fruit basket. As I mentioned earlier, Benue State produces over one million metric tonnes of citrus fruits per annum, mostly produced by small and medium scale growers in the state. By sourcing directly from these small and medium fruit growers, the plant will provide reliable income streams to rural farmers and contribute immensely (meaningfully) to rural economic transformation and job creation. Additionally, by processing domestically grown fruits, thousands of Nigerian fruit producers will enjoy long-term increases in their standards of living, making a contribution to rural economic transformation and job creation. These all tie into my philosophy of Africapitalism – the private sector’s commitment to the economic transformation of Africa through long term investments that create both economic prosperity and social wealth. The acquisition of Teragro demonstrates Transcorp’s commitment to the Nigerian market and reflects our confidence in its growth prospects.



Question: Five, 10 years from now, what does Transcorp hope to have achieved?

TOE: I am very optimistic about the future of Transcorp. One of our priorities is to create value for our shareholders. In addition to that, we also want to create economic prosperity and

more affordable fruit juice prices for consumers. We will also create markets for the local farmers thereby encouraging them to grow more and thereby increasing our national productivity.

Question: How did the partnership with Benue State come about?

TOE: The plant was initially built by Benue State but it was not in operation for many years. After careful analysis – and we conducted surveys in different states – Transcorp secured a long-term lease to revitalise and operate the plant. The government provided an access road for the industrial estate in which we are located and we consider this an encouragement to investors to come in and set up or manage available factories. This is an example of government creating an enabling envi-

quarters. So, we started with the 12 zonal commands and the headquarters and after that, we went to the 36 state commands. We connected them via VSAT and today we have 350 VSATs, connecting the whole commands – the largest public sector area-wide network. Because we didn't have the necessary manpower in-house, we went on recruitment in 2008 of computer engineers, people with engineering backgrounds. That, in itself, created a pool of young people that we now use to monitor and manage these systems.

Then we decided to do a total revamp of the drivers' licensing system and vehicle population. We didn't know how many vehicles we had in Nigeria. We didn't have a database of drivers. The last update in the system they had was done in 2004. We had to actually hack into that system to see what was inside because it had been locked down for a long time. So after that, we hired consultants – Price Waterhouse Coopers. We looked at the system as it was, did a global benchmarking and decided on a new drivers' license. That took us almost four years of active work. Invariably, the results started coming in over time.

We were able to redress the issue of promotion within the system under the staff welfare scheme. We started clearing out the backlog of promotions. We created new commands. We did an upgrade of most of our systems, brought in new vehicles, bought ambulances. Before then we only had 17 ambulances in the whole country. We bought 26 in 2008. Then we set up a call centre where the public can call us and we would be able to connect our various commands to react to road crashes. That led us to get what is called a closed user group on the Glo network. So all our staff, all our patrol teams, all our commanding officers have telephone numbers on the Glo network and we pay N1000 per month and we make unlimited calls between staff members. In that way, communication became easy and cheap for us.

We began to see the impact on the work we were doing. From 2008 we began to record a gradual decline in number of road crashes. By 2010, we registered a 30 percent decline in road crashes in Nigeria. We also recorded a commensurate decline in the percentage in fatalities from road crashes. Because of the fact that that we now have internet access in all the commands, we receive daily information



Osita Chidoka is the Chief Executive Officer and Corps Marshal of the Federal Road Safety Corps (FRSC)

“ We set up a safety engineering department that is able to conduct road safety audits and be able to advise government agencies like the Ministry of Works, and FERMA”

on road crashes and weekly reports; we know how to intervene in various areas to improve what we saw as weaknesses in some areas. So in leveraging technology, we have been able to modify behaviour internally and begin to affect the Nigerian public positively in many respects:

- We reprinted the highway code,
- We started the road transport standardisation scheme which created a minimum safety standard for fleet operators.
- We created the driving school standardisation scheme which created minimum

standards qualification to run driving schools. Today in Nigeria, we have about 260 driving schools that are approved.

- We decided to bring a policy on tankers and trailers – guidelines on maintenance levels, how to manage them and all that.
- We brought up a school bus policy (Effective January 2012). School buses must be painted in a particular colour; the buses must have some safety devices attached to them. We believe that this will greatly improve the safe movement of children, which is part of the challenges we have in road crashes.
- We set up a safety engineering department that is able to conduct road safety audits and be able to advise government agencies like the Ministry of Works, and FERMA on the nature of the roads, and get them to undertake remedial action.
- We began to do accident investigation. We got a university in the US to train our people on how to conduct accident investigations.
- We set up a performance management system in the FRSC. We have one of the IT's quite admired system of performance management. We conduct extensive monitoring of all our sectors and commands. And at the end of every quarter, we publish a result of the ranking of the departments and zonal commands. The heads of the departments that come first win for themselves the opportunity to be trained in a specific area of our operations for a period of one week at

Harvard. Letters of commendation are given to those in the high-performing departments, for being able to achieve our goals.

So now, we set up yearly targets – what we want to achieve, and we monitor these on a month-by-month basis. In areas where we are lagging behind we improve; in those we are moving forward, we consolidate. We have modified our annual performance system, to reflect regular meetings between staff and supervisors. All the operations of a given period are documented, to confirm what was done or not done.

We decided that in order to make this transformation to take root, we needed to document all our processes and allow for a third party audit. So we decided to go for ISO9001 certification.

Question: What does ISO means?

Answer: International Standards Organisation quality management system. We now have in place a quality management system here, the audits are currently going on, the first round of audits. Hopefully before the end of the first quarter of 2012, we should have been able to have been certified as an ISO9001 organisation, making us the second, probably the third agency in government to have that and the second law-enforcement agency in the world to have a quality management system. It all means that all our processes are documented; someone would have to come in at the appropriate time to audit whether or not we are working in line with our own policies.

Question: What's your own personal background? What's the impetus for the work you have done so far, because you didn't walk in from drinking in a bar to

have this insight? The people who will read this interview will want to know what motivates you, what kind of training have you been through? What literature did you read? Or is it in your sleep that you dream up what to do?

Answer: Maybe I belong in the number of those Chinua Achebe says their nuts were cracked for them by benevolent spirits. But, really, my academic life took me from the University of Nigeria, Nsukka, where I earned my first degree, to the National University of Singapore, where I did my graduate diploma in Maritime and Ports Management. I have a Masters degree in transportation and logistics from the George Mason University in Virginia in the United States.

Question: That's what I wanted to check – that you've got the right kind of background for the job.

Answer: When I started my career, I worked for the Federal Capital Territory Administration. I was an NYSC award winner and was automatically employed into the FCTA. I worked there. Then I served as Personal Assistant to the Minister of State for Works, and the Minister of Transport, Chief Ojo Maduweke at various times. That was before I left for the US for further studies. Upon my return from the US I joined Exxon Mobil, the oil company. I was working for Exxon Mobil at the time I was appointed Corps Marshal.

Question: Here or there?

Answer: I was working here in Nigeria. I was employed in the US, but I was transferred to Nigeria. Exxon Mobil is a performance-driven organisation.

Question: Here is a report by a colleague

of mine. A few weeks ago, a commercial vehicle travelling from Port Harcourt to Abuja was involved in an accident at Lokoja, a place notorious for its high rate of vehicular accidents.

The vehicle somersaulted a number of times and flung its passengers into the bushes. Fortunately, no one died. The wounded were taken to various hospitals. By then, they had already had some of their personal effects stolen by those who purported to be helping them. When they got to the hospitals, they were not treated until they paid. Those unable to pay were denied treatment in these hospitals. According to the story a FRSC vehicle turned up but could not transfer them from one hospital to another because they said they didn't have fuel in their road safety vehicle. Now, is it not in your place to see whether there is a way to ensure that people who are damaged in accidents are treated without the hospitals and doctors asking for payment from people who may not have the money. Secondly, how do you fuel your vehicles? Would it not be possible for you to have an arrangement in which you have a card and

“ We believe crash victims deserve immediate treatment before payment is even asked for. But some of these hospitals are privately owned, so we are trying to resolve that with the Nigerian Medical Association on how their members should behave”



Road Safety officers arrive a crash site



Vehicles, motorcycles, everything is thrown in Road Safety

any vehicle of yours that enters a fuel station automatically has its tank filled with the bills sorted out at a different level? I am relying on the story I heard, but it sounds strange that a vehicle belonging to this Commission will have a problem of lack of fuel.

Answer: The two issues you raised are, for me, administrative and some of them are out of my control. I don't own hospitals and some of them are private hospitals. We advise them to treat accident victims and collect payment later, but there is no national health insurance in Nigeria. So if the doctors commit their resources in treating you and you decide not to pay, I don't know how they will recover their money.

We believe crash victims deserve immediate treatment before payment is even asked for. But some of these hospitals are privately owned, so we are try to resolve that with the Nigerian Medical Association on how their members should behave.

The issue of fuelling is this. No matter how much fuel you buy in a day, if you're moving up and down, it get's finished and there is a limited budget for fuelling every month. The Federal Government doesn't give us a blank cheque to buy fuel. Every command has a limited amount of money every month for fuel. Whether it's enough is a different thing – that's why I said I don't want to discuss challenges. Nigeria is already inundated with enough challenges that if I start telling what the amount of money we get translates to, it

would be depressing to most Nigerians. But in spite of those obstacles – that is the story of the FRSC that I want to tell, that in spite of those obstacles, despite all these issues, you can still focus on the organisation to deliver at least on its mandate. It may not be on the same level that your colleagues in Malaysia or in Singapore or in the US are doing, but it basically shows what is possible. So I believe very firmly that what is critical is that within four years, we've been able to get an organisation that is at the cutting edge of technology, the same way that you would find in many countries.

We have a drivers' license system that is world class, as it is today. We have a plate numbering system that we hope and pray would greatly improve the way and manner we keep tabs on vehicles, because looking at it today, vehicles have become instruments of terror, such that when bombing incidents occur, the first question is, "who owns the vehicle"? You find out that you don't even have the data. So we are courageously moving on, not minding that they keep on saying that recurrent expenditure needs to come down. But it's not in all areas. We are not a capital expenditure organisation. The more vehicles you buy for us, the more recurrent expenditure we will have. Vehicles have to be maintained, the fuel has to be bought, so it's something that has to be brought into context.

But let me again tell you about something that may be important to other agencies who keep wondering, how does FRSC do this, about civil servants, issue of capacity building? Part of what we do is continuous capacity building.

“ We redressed the issue of promotion within the system under the staff welfare scheme. We created new commands. We did an upgrade of most of our systems, brought in new vehicles, bought ambulances. Before then we only had 17 ambulances in the whole country”

When we have staff in various places locally and internationally going for one course or the other. We are already focusing on the IFRS – International Financial Reporting Standards, to make sure we are in line with it before government agencies are required to do so. We have developed a mass of data. What is really lacking in Nigeria is that decisions are taken without data, without supporting information. There is no evidence-based public policy making.

So we are an evidence-based organisation. We know the number of crashes. We know the roads where they occur. We know the time of day, we know the types of vehicles that are causing the greatest number of crashes and that helps us to take decisions. And for us to be able to gather this information, we had to invest in what we call a business intelligence unit. It's a team of young officers here whose job is to collate all this mass of data that we have and make sense out of it and be able to provide us with actionable intelligence that we can use to make public policy. If you want to monitor performance, one of the key things you need to have is data. You need to have information. You need to be able to say this is where we are, this is where we are going to. And you need to, at every point in time, benchmark to know where you are. And that, in itself, is a lot of work, but we've been able to successfully do it here, because we have invested heavily in technology, in people and in process.

“What people are witnessing in Abuja is down to improper training of drivers and poor enforcement. At the slightest traffic congestion, people try to find ways to pass”

Question: I worked in Lagos at a time when it was hell, but you still had to travel around Lagos. I'm surprised to arrive Abuja and discover that there are traffic jams all over the place. I'm not an expert, but most of these traffic jams are caused by the traffic lights that are always off. Traffic controllers don't have that symmetry that you find with traffic lights. That's one part of the point I'm trying to make. Two, going to work today I found about ten of your men on duty around the City Gate. In 15 minutes I found myself at my office. Would the traffic situation in Abuja improve if you had men and women of the FRSC on the key highways? Is it not tied to road safety in a way? Because when you have traffic jams, you see people developing further lines.

Where you have two lanes they create another two lanes. Do you see the point I'm making now? The jams were absent today because your men were out in full force.

Answer: We are not a traffic control agency. We help. The Yellow Fever is designed to do traffic control. We have expertise, we have knowledge. The traffic jams in Abuja are partly because of driver misbehaviour and partly because of growth in the city. Anybody that didn't envisage that traffic jams would come into Abuja means that they didn't envisage that Abuja would grow. There's traffic jam in Washington DC. There's traffic jam in London.

Question: I lived in the United States. I also lived in London. Traffic moves in those places.

Answer: The issue of order is for traffic control agencies. What people are witnessing in Abuja is down to improper training of drivers and poor enforcement. At the slightest traffic congestion, people try to find ways to pass. The truth is that traffic congestion would have to happen in Abuja if it's a growing city, unless the city is a decayed city. Once a city fails, one of the things you see is the absence of traffic. If you go to inside Delaware, if you go to inside of Detroit, you can't find traffic. You find traffic where there is economic activity. There's bound to be traffic, so what we need to do in Abuja is to increase the level of enforcement. The Minister of the Federal Capital Territory and I have collaborated. Why you saw FRSC personnel on the roads today is that we are having a special mission in the next one month to restore sanity – just to support the FCTA to bring sanity here and if it works out, we want to sustain it for a longer time.

Question: What would you say is the staff strength of the FRSC nationwide?

Answer: About 17,000.

Question: In terms of the size of the country and movement, both vehicular and non-vehicular, 17,000 would look like small!

Answer: I don't think the Federal Government should bear the whole brunt of taking care of traffic. I think the state governments should



Motorist are tutored on proper driving habits

set up traffic agencies. You can't just quantify it only with the Federal Government's investment. I think all tiers of government have to participate somehow in traffic control, so I think that will increase the number of people on the beat.

Question: Now let me talk about integrity among your workers. During the late 1970s, there was this fatal road crash that involved a member of the famous Ekwueme family. The crash victim had a lot of money in his vehicle. The Federal Road Safety Commission that went to the accident scene collected the whole money and handed every kobo over to the victim's family. Would you say that of your personnel today?

Answer: Of course, that's what we are known for. The public voted us as the least corrupt public agency. Some N10 million naira was given back last year, so many millions, to various families.

Question: Now, let's look at the issue of arbitrariness. There is something that happened in Awka recently while I held a political office in Anambra State and it was brought to my attention. There was this widow who bought a bus. The way they do these things, this bus was registered in the name of a big transport company but the widow ran the bus service herself. The bus and its driver were arrested by the FRSC. A fine of N80,000 was imposed for all sorts of traffic offence charges. I went to your Awka offices to ask why a fine should be imposed without a trial, without any formal procedure to certify traffic offence or the right of appeal. I got told that once you are stopped and fined, you don't have an appeal. You must pay it. If you visited your Awka offices today you would find the entire place full of impounded vehicles.

Answer: Sorry, I still insist that this is not the focus of this interview. These issues, I have dealt with them severally. It's not correct. When we charge you for an offence, you can go to court. We give you a form to decide you want to sort it out in the court. Some of these are illiterate views expressed by people. Our offence booklet says, "If you do not agree with this, you're free to take

“ I don't think the Federal Government should bear the whole brunt of taking care of traffic. I think the state governments should set up traffic agencies”

it to magistrate court.” And you can bring your lawyers and defend yourself.

Question: What if I told you that I was the guy who went there and was told.....

Answer: It's because you didn't look at the offence sheet. If you looked at it, there is a caveat that says "If you do not accept this, then court". Our booking is on strict liability - if you agree that you did it. Then you just pay a fine and you move on. But if you say I did not do it and my people say you did it, then you go to a magistrate's court. This year alone, how many people have been charged

by mobile courts? They have charged over 10,000 who have been to court. So all Nigerians need to do is to look at the paper they have and of course you have the right to appeal to the higher authorities of FRSC.

Question: Let's look again at the question of safety. There is this road linking the Murtala Mohammed Way to the Umaru Musa Yar'Adua Way. Along this road are estates such as Trademore, Covenant Garden, Lokogoma, Sunnyvale and Sun City. It is an expressway, you know? Two vehicles going this way and two going in the opposite direction. But from all of these estates you find tiny roads jutting into the expressway. Every morning, every evening, it's one hell. The whole stretch blocks up. They block the expressway. Accidents occur. You really can't go in, you can't go out. Is it not your place to ensure that proper road safety signs are put there?

Answer: The FCT said they have not finished the road, that's why.

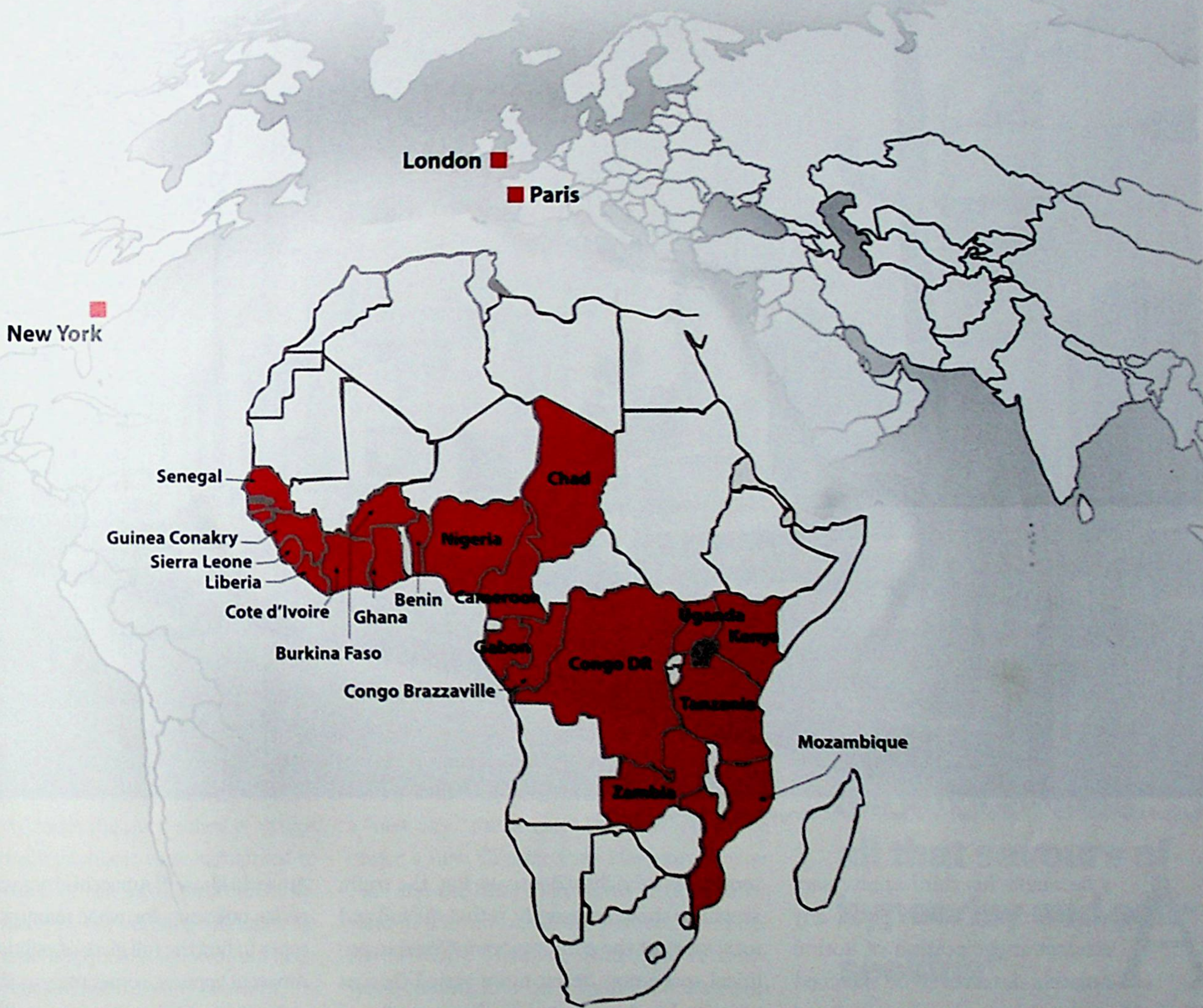
Question: The expressway is finished. There are no traffic lights.

Answer: They said they have not finished the road. They have not furnished it. They have not completed it. So, until completion, there should actually be no access to the expressway from those estates. When they complete it, there will be access.



President Jonathan, Senator Mark with FRSC officials

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Rotimi Amaechi's

By Yemi Ogunbiyi



The Port Harcourt monorail project will ease traffic congestion in the capital city

As he marks his third anniversary as governor of Rivers State, any attempt at the portrait of Rotimi Amaechi deserves to be sketched with bold strokes because he has, without question, done well as governor. But then also, one has to be careful, (for Amaechi's sake!) because, within the framework of the political party to which he belongs, we are in a season of prejudice against ego-hood and individuality!

But the truth is that there is a story to be told about Amaechi's achievements, partly also, because it is, in some ways, an unusual story. Unfortunately, the powerful Lagos-Ibadan media axis has not paid him as candid an at-

attention as he rightly deserves. But, the truth, as will be shown presently, is that the full and total story of the contemporary Nigerian political space may be far more varied than as perceived and presented by the press. Based on demonstrable evidence, it is arguable whether any other current Nigerian state governor has embarked on as much massive reconstruction of his environment as Governor Amaechi; that is, "naira-for-naira", and "bag of cement for bag of cement"! It is unlikely that any other, within an equally transparent and open framework, has done so much, in so little time.

Ironically, part of the problem derives from

Amaechi himself! Amaechi is not your usual Nigerian politician; for, while many politicians are eager to hug the full glare of political limelight, Amaechi appears, sometimes, to shun "publicity", concerned always to get on with the job. As many of his colleagues have discovered, his ways are more direct and frontal, which contrasts sharply with the subtler ways of politicians and diplomats. And this explains, in part, why, even though he served as Speaker of the House of Assembly for eight years, he has never succumbed to the apathies of bureaucratic machinery. Ideally, this informality inspires trust. But, then it also vitiates against the vibrancy of a story that needs to be told boldly, that of his achievements these past three years.

quiet revolution

A humanist by training, it was clear from the beginning that Amaechi was headed for a career in politics. Between taking degrees in English Literature from the University of Port Harcourt in 1987 and a subsequent higher degree, he found himself elected National President of the National Union of Rivers State Students (NURSS), a platform from where he organised and coordinated the affairs of Rivers State students in all tertiary institutions, nationwide. By the time he ran for the state's House of Assembly, under the watchful eyes of his former boss, Dr. Peter Odili, it was clear that he was cut for greater things, way beyond merely being Speaker of the House of Assembly. The rest is history, a plain history of doggedness, courage, determination, performance and achievements.

Forgetting for now, the unusual circumstances under which he became governor; let us concentrate on his achievements in office so far. That record is outstanding. Take education sector for instance: upon resumption of office in October 2007, he was compelled to declare a state of emergency in education and commenced an entire revamp of the sector. By last week, 250 new model primary schools complete with fully-equipped libraries, auditoriums and extensive staff facilities had been constructed. Under the same scheme, 27 new model secondary schools were earmarked to be built in each of the local government areas of the state. By the end of September, 20 of these model secondary schools had been completed, each of them, by any standard, the size of medium-sized university campuses, again, complete with fully-equipped science laboratories, theatres, dormitories, cricket-size sports fields and demonstration farms. In another unprecedented move, under the free education scheme, books and school uniforms were freely distributed to students, and to ensure that there was enough manpower to cope with this exponential growth in the sector, some 12,000 well-paid and well-motivated teachers (whose salaries, by the way, are now paid by the state government) were retrained

in conjunction with the British Council and Cambridge University.

This immense intervention is being duplicated in the health sector, where the government had completed, by last September, 65 of the designated 160 new, fully-equipped primary healthcare centres, designed to cope with a new free health programme for certain categories of minors and senior citizens. Again, as in the case of the education sector, the government embarked on a mass recruitment of manpower to cope with the expansion.

But it is the infrastructure projects that are, for obvious reasons, the most visible, transforming Rivers State, as it were, into one giant construction site! In the short space of three years, the Amaechi government has completed a total of 46 major roads, that is, apart from a maze of an extensive road dualisation network throughout the Port Harcourt metropolis. This works out to a little over a road a month in three years! This does not include the construction of 10 new bridges, four new flyovers, seven major land reclamation/shore protection projects and an unprecedented network of rural roads in all 23 local government areas. Side-by-side with these massive constructions projects is the development of a "new city," the Greater Port Harcourt City, under a new Greater Port Harcourt Master Plan and the future site of an ultra modern, state-of-the art, referral Justice Adolphus Karibi-Whyte Hospital. And only recently, work commenced on a mono-rail transport system, designed to help solve Port Harcourt's mammoth transportation problem. It would be the first, I believe, of its kind on the African continent.

It is, obviously, impossible, in a short piece such as this to delve into other areas where, in three years, substantial difference has been made by Amaechi in the lives of ordinary citizens of the state, betraying in the process an undeniable welfarist credential that is predicated firmly on the assumption that the prime

“ Amaechi can be devastatingly abrupt and blunt and uses a ferocious candour like a surgeon's knife, ruthlessly cutting away from his environment all that savours of hypocrisy and self-seeking”

purpose of government is truly the prosperity of the people. Such areas include housing, provision of water, poverty alleviation and a variety of empowerment schemes for young people and women, again, striking in the process, a responsive chord in the appreciative populace. Not since the days of the then Navy Commodore Alfred Diète-Spiff, when Rivers State was created by Decree 17 in 1967 and literally “reinvented” from scratch, has anything of this magnitude been seen. There is nothing short of a revolution.

Yet, the most unquantifiable achievement might well be in the area of peace and stability which the Amaechi administration has brought to bear in the state. Since our memories are very short about these details, it would be pertinent to recall that before Amaechi took office in 2007, Port Harcourt was literally under siege. Night life was non-existent and the sight of people walking around with their hands raised above their heads in compliance with the orders of nervous, gun-trotting policemen was common. Women and children were kidnapped in broad-day light, before their families. Today, it is a different story and already, nostalgic memories of the “garden city” are beginning to come back.

Predictably, Amaechi’s critics have accused him of doing too much, too quickly and of not installing durable structures that can sustain his seemingly obsessional infrastructural drive. And although no one has yet openly pointed fingers at him for mismanagement of resources, some have accused him of budgetary irresponsibility by operating outside the approved statutory budget. He has countered by insisting that every project that has been embarked upon in the past three years was budgeted for and that structures like the Primary Healthcare Commission, the Traffic Management Agency, the Social Services Contributory Levy Law and the Due Process Commission are in place to guarantee sustainability. However, the controversy surrounding the threatened demolition of the Waterfront has refused to go away. But again, Governor Amaechi’s counter on the matter is difficult to fault, at least, in the long-term. For not only are the structures (many of which were illegal structures in the first place) unsafe and filthy for habitation, the area is

a haven for criminals. So that while in the short-term the government’s action may appear insensitive, in the long-run, the state stands to gain a lot from a redesigned, modern waterfront project that would give the city a much needed face-lift. Besides, full, commercial compensation is being paid for every structure demolished.

It is instructive to note that these achievements have occurred, in certain respects, quietly, without much fanfare or chest-beating; without external borrowings, or recourse to huge debts or the compromise of efficient, transparent world-class management standards. Nor is this merely a case of having plenty of money to throw at unviable and ill-conceived projects. Amazingly, the state’s liquidity remains very strong, compelling the Global Rating Agency, Standard and Poor, to revise upwards its ratings of Rivers State from “stable” to positive. As at the end of July 2010, Rivers State enjoyed a comfortable liquidity position of over N43.9 billion and \$11 million in US dollars. These are no mean achievements, considering that many other states are reeling under the weights of debt, mismanagement and outright corruption. Essentially, because of its willingness to make good disclosure of its activities and financial management, Rivers State remains the first and only state in Nigeria with an international credit rating. In September last year, it was rated B+ by Fitch Agency with “stable” long term financial outlook and A- for domestic rating.

Another common accusation against Amaechi is about his character and style, about the fact that he has a quirk for being impulsive and hasty. True, Amaechi can be devastatingly abrupt and blunt and uses a ferocious candour like a surgeon’s knife, ruthlessly cutting away from his environment all that savours of hypocrisy and self-seeking. But those who survive the operation find him an always, supremely loyal, exhilarating and warm-hearted friend. This unusual combination of extremes gives to his character a startling variety and in a society where sycophancy has become a virtue; his impatience with sanctimonious double-facedness may well be the biggest of virtues!

At 45, Rotimi Amaechi is, by any political calculation, quite young. Obviously, a lot



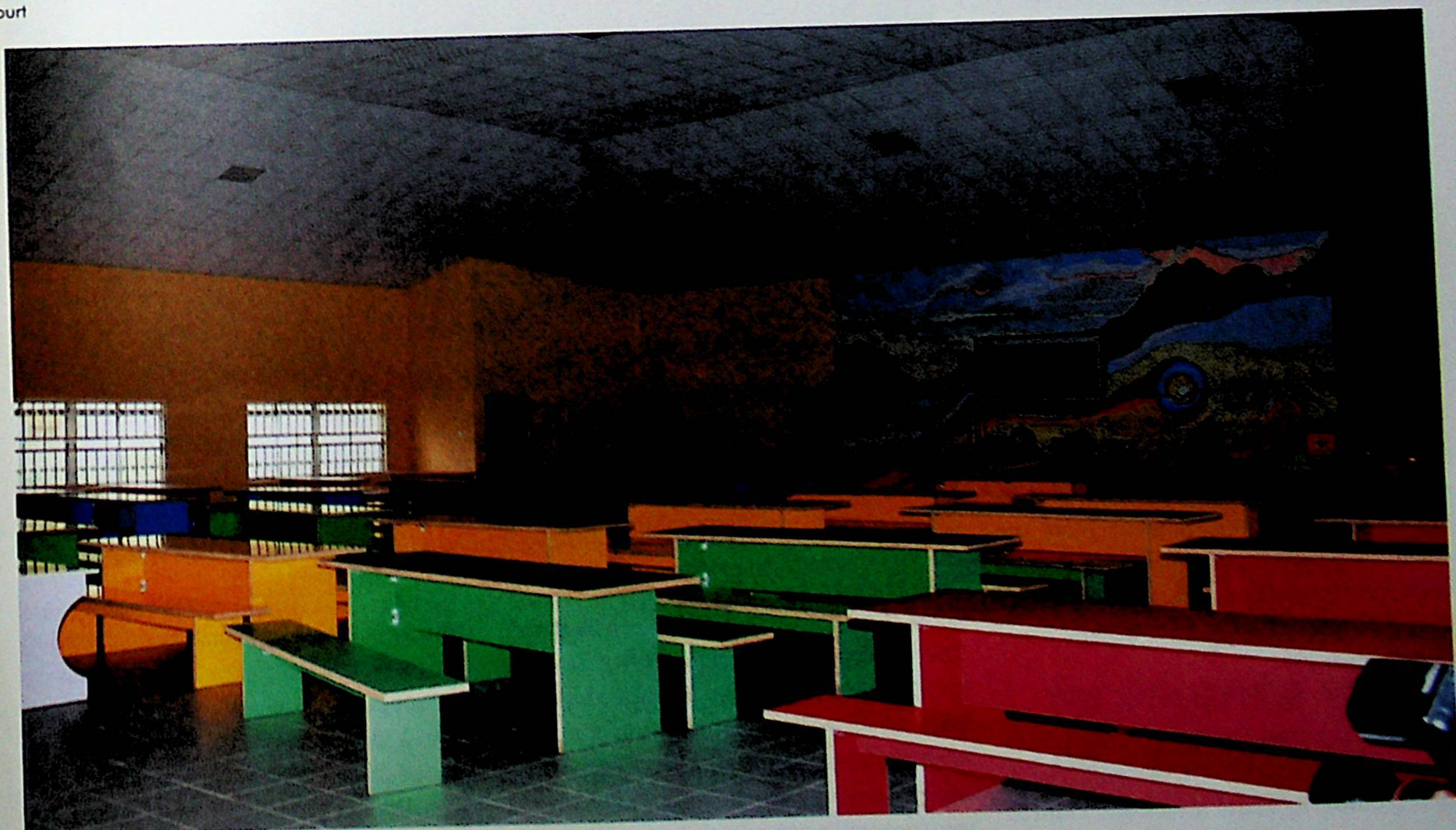
A side view of a hall of residence at a model secondary school

more will be heard about, and from him, in the future, that is, beyond the murky waters of Niger Delta politics. Without question, he has, in so short a time, earned for himself a place in the record books for performance and commitment to service that so often elude us in public life. But, more than anyone else, he is acutely aware that for now, his lasting legacy as governor will depend largely on how well he is able to entrench a durable structure of sustainability and continuity in the framework of governance in the state. He will require more than three years to achieve that. And only then can his achievements, taken together, become an enduring future model for good governance in a floundering democracy like our own.

Dr. Ogunbiyi, a former Managing Director of the Daily Times, is Chairman of TANUS Communications. His piece was first published in October, 2010.



arcourt



Dinning hall in another model secondary school

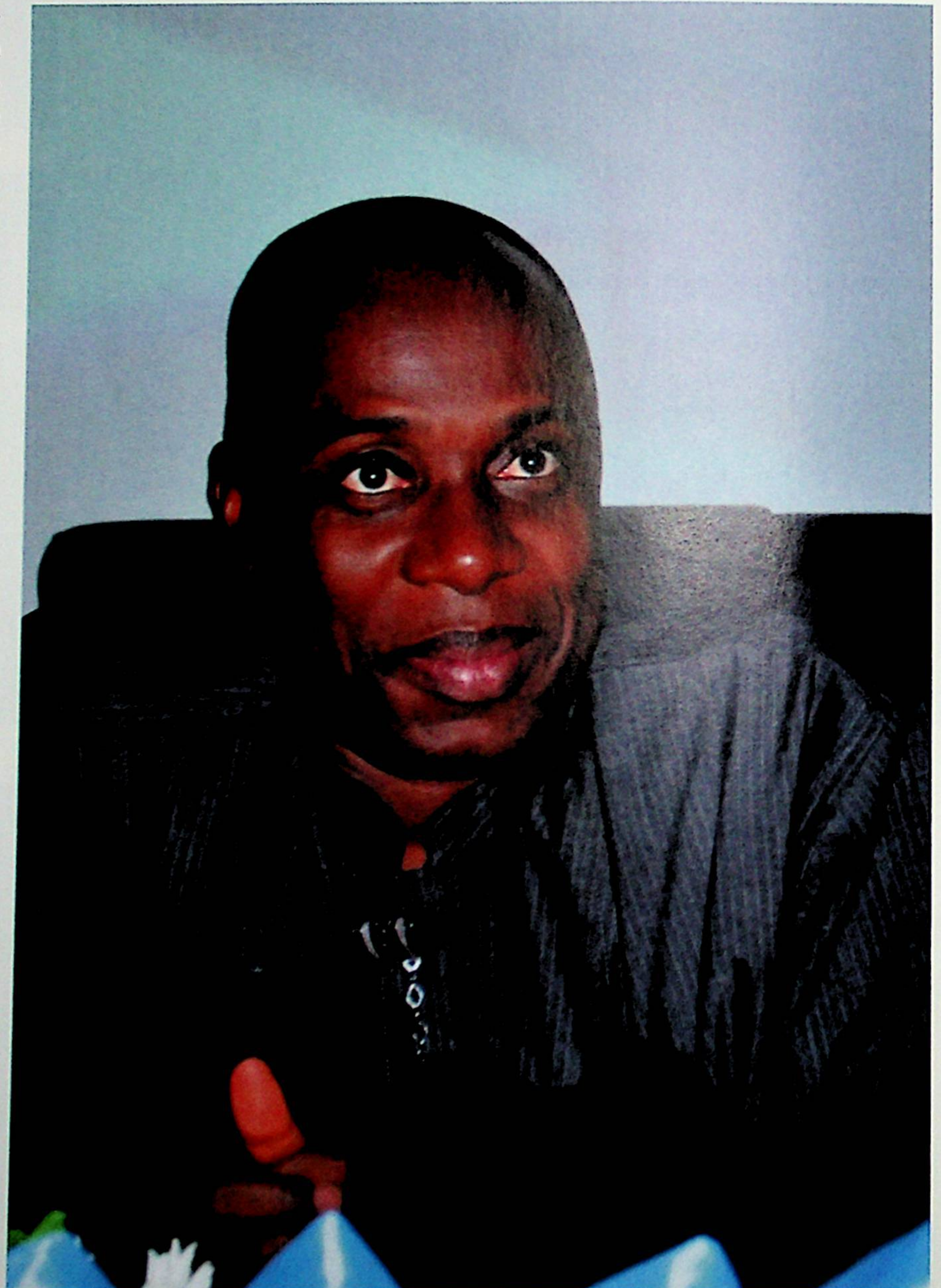
We stopped impunity in Rivers State

Right Hon Chibuike Rotimi Amaechi was born on May 27, 1965 in Ubima in Ikwere local government area of Rivers State. He was the Speaker of the Rivers State House of Assembly for two terms, from 1999 to 2007. In 2007 he won the nomination of his party, the People's Democratic Party (PDP), to contest the gubernatorial election. His name was later substituted with that of Chief Celestine Omehia who was declared winner of the governorship election and, thus, sworn-in accordingly on May 29, 2007. But Amaechi contested the decision right up to the Supreme Court which held that he, indeed, was the rightful candidate of the PDP. He took office as the chief executive of Rivers State in October 2007. In 2011 Governor Amaechi successfully ran for reelection, polling a staggering 1,178,529 votes to beat his nearest opponent, Chief Omehia of the All Progressives Grand Alliance (APGA), into second place with a dismal 112,528 votes.

Governor Amaechi is an alumnus of the University of Port Harcourt, where he earned an honours degree in English in 1987. He is married to Judith and they are blessed with children. He spoke to Chuks Iloegbunam.

Question: Your Excellency, the first question I want to put to you now is this: **There was a time in Rivers State when insecurity reigned supreme. People couldn't come out, the militants were all over the place and there was danger everywhere. Investors kept away. Now, the situation has changed for the better. I've been here myself and noticed what has changed. What do you attribute the positive changes to?**

Governor Amaechi: The first person to show gratitude to is God, believe you me. On assuming office I looked at myself and I said to



Gov. Rotimi Amaechi: "There was a need to rebuild."

God, 'How do you tackle these challenges?' There is the challenge of insecurity. There is the challenge of poverty. There is the challenge of decadence in education and poor health infrastructure. There was a need to rebuild; but how do you build when nobody was even willing to take the contract? Imag-

ine a state where ordinarily people used to run to pursue contracts, but people were declining to come and execute projects, we had just lost Julius Berger who had suspended their projects which we awarded to them. We had given Julius Berger a contract of over N7 billion to build an interchange at



An auditorium in an Amaechi model secondary school

Aba Road at a point called the Eleme Junction, and then the contract to do the Peter Odili Road, and later they just abandoned the work and left because of insecurity.

I continued to pray to God, not only for the wisdom to tackle this problem. After all, he bestowed the title of governorship on me. I said, "God, you need to govern the State yourself." He answered our prayers and we overcame, and I think that what God did was also to give us the wisdom and the courage to withstand the pressures. When we asked the security men what we needed to do, they answered that we had to tackle these men and enforce law and order. So, what we did after praying was to go ahead and enforce law and order which means that if you commit a crime you are punished for the crime you committed. This wasn't the case previously. There was huge impunity and

when we stopped the impunity everybody knew that we were serious with business as regards protecting our citizens, and the criminals began to run away.

Question: Now let's go straight to some of the projects you are doing with the return of security in the state. The last time I visited Rivers State I saw a whole lot of construction sites. Which particular roads (let's start with roads), which particular roads will you point out that have been completed so far?

Answer: We have completed a lot of roads. We have done the Elekahia-Rumumasi Road. We have completed the Rumobiakani-Gidigba Road.. We have the one called Dr. Peter Odili Road, it's been completed; we have the Rumokuta-Rumuola Road. It is completed. We have the Ikwere Road, that's from Mile 1 to Mile 3. It has also been com-

“ What we did after praying was to go ahead and enforce law and order which means that if you commit a crime you are punished for the crime you committed”



Kelsey Harrision Hospital, Port Harcourt

pleted, the Eleme Junction flyover is completed, the flyover at Eliozu is also completed, and then there are others, the Ken Saro-Wiwa Road is completed.

There are so many of them that have been completed and there are those which are nearing completion. For instance in the next one or two months we should complete the one we call Chief G.R.K Road which leads from Ikwere Road to Bonny Camp. There are many other roads, the small ones that I can't remember immediately but those I have been mentioning are the major roads, the ones that people mostly use.

Question: Fine, Your Excellency. Let me put the next question this way: at what time can you say that, if someone visited Port Harcourt, the state capital, all those traffic jams necessitated by a lot of construction would have become a thing of the past?

Answer: It will not be completely a thing of the past because there are four factors to the traffic challenge that we have. The first factor is discipline, the second is the road construction going on, the third is the number of routes that we have, they are not as many as they should be and the fourth is ... I won't call it ignorance, it's just that too many people don't know Port Harcourt. For instance, if you take off from Government House and go through Amadi Flats, you come out to the Eastern By-Pass. From the Eastern by-pass you cross on to Peter Odili Road, then before you get to Peter Odili Road you turn left to Mkpogu, you have avoided the whole of Aba Road except that you come out to Second Artillery, but most people don't know how to go through that. So, if I am coming from Aba and I get to Second Artillery, I don't need to get to Aba Road to come out at UTC Junction. All I need is to veer off to the old Aba Road. It takes me to Rumumasi Junction. I enter into Elekahia. I come out at Mkpogu Junction and I am at



Amaechi's model primary school

the back of Government House. If I don't want to go through that I come out to Rumobiakani. I go through the road that will take me to Slaughter which is Oginigba and I cross to Peter Odili Road. That is why I talk about ignorance, most people don't know Port Harcourt, so they don't know how to go through the roads we have constructed. Now if you look at these four factors you will know that many things have to be done. We have set up what we call TMARIV

Question: What's that mean, Sir?

Answer: TMARIV means Traffic Management of Rivers State. Then we must put on the table the new road we want to construct from UTC to the airport, to decongest Aba Road.

Question: An entirely new road?

Answer: Entirely new road. But we will have to demolish a lot of houses to build it. I need to

speaking to the people to realise that if we don't do that, Aba Road will be locked up completely. The logjam at Aba Road will be difficult to break unless we construct that road from UTC to the airport. If you build that road it completely unlocks Aba Road. Now those who are coming from the airport will not need to drive through Aba Road. All they need to do is get on to that road and then you are at UTC.

Question: Alright. What about the over-rail thing?



Answer: If you go now you will see that it is under construction. We are taking it to eight kilometers. If the next governor comes and wishes to continue, fine.

Question: Sir, did the rail project develop a problem? I ask because there was this programme you had with youths which I watched on live television. A young man got up who said the monorail project had stalled?

Answer: The problem wasn't with the monorail construction. There was a disagreement with an investor who was supposed to bring some 80 percent of the funds. We brought our 20 percent which was used to get the project where it currently is. The investor never brought the 80 percent so we decided that the shares should be transferred back to the Rivers State Government. That's where we are right now. Rivers State will continue with completing the eight kilometers of the monorail.

Question: Now, let's look at education. We inspected a good number of newly-built schools. At one of them I asked the driver and the security man the name of the university but they replied that it was a primary school! We have seen those magnificent buildings and laboratory equipments and everything. How do you index change and development in Rivers education today in comparison to when you were Speaker of the State House of Assembly?

Answer: I can't assess because, for me, education is not about the infrastructure. Yes we've done well with infrastructure but the content is essential. I spoke with the Commissioner for Education. I asked: do you people study history in the secondary schools? She replied that they do only at the senior level. I said, no you must start at the primary school level. Until we address the content, which is what we are doing now, and address the issue of the quantity and quality of teachers, once you capture these two, that's the curriculum, the teachers, the quality and number of teachers that are available, once you capture these, then I can say to the world that our overhaul of the education system has recorded success.

Question: What are you doing in terms of improving the teaching profession, both in terms of those who teach and in what they get as remuneration?

Answer: We pay the highest teacher salaries in the country and I challenge anybody to contradict me. In fact, we pay the highest in any field. But I also think that the next thing to do is to review some of the allowances the teachers earn so that you can encourage more persons to enter the teaching profession.

Question: Let me draw your attention to that school for the deaf and dumb that we visited. You promised them a new site as their current location isn't conducive for them. What's the position of that?

Answer: The position is that the Education Ministry refused, saying we should leave them where they are until we build an entirely new school for the handicapped in the new city. I thought of moving them to a temporary place but the Ministry designed a new school with hostels that we should build for them in the new city

“ We pay the highest teacher salaries in the country and I challenge anybody to contradict me. In fact, we pay the highest in any field”



Gov. Amaechi shows off a computer lab in one of the model primary schools

Question: Is there a place known as New City?

Answer: Yes, we are building a new city

Question: Where is it?

Answer: It is close to the airport

Question: Close to the airport?

Answer: Yes, close to the international airport

Question: How large is it?

Answer: It is a thousand square meters or thereabout. It spans from the airport to the sea port, if you have an idea of where the sea port is. The whole land in that area belongs to the new city. It is called the Greater Port Harcourt City Development Authority.

Question: It looks like a big project. Is your government going to fund it or are you simply going to allocate land for private and corporate interests to build up?

Answer: The development approach is multi dimensional. For instance, Phase One which is now under construction is being done by an Indian company. They signed an agreement with the Greater Port Harcourt City Development Authority. They will use their funds and then the GPHDA will part pay them. They will sell the remaining land and pay themselves, so it depends on what business model you come with. The State Government is also willing to fund some. Now that an investor is developing the first phase, the Rivers State Government will fund the CBD (Central Business District) so that we can develop it ourselves. I want the two to run simultaneously so that by the time they finish, the rest of the land for residential purposes can be done by anybody, the next government or any other investor, but we are going ahead.

Question: Your Excellency, let us look at health

Answer: Did we inspect the stadium?

Question: No, we did not.

Answer: Ok

Question: Tell us about the stadium now



Prof. Monye and Gov. Amaechi

that you have mentioned it.

Answer: We have what we call the Sports City, everything is there, basketball, lawn tennis...

Question: Was that where the last sports festival took place?

Answer: Yes, but we've not finished the stadium, the main bowl. We do have a pitch for soccer there where they also organize athletics, but beyond that we have a main bowl that has a capacity of 26,000 spectators.

Question: Let's look at health, Sir. When we toured some of the health facilities, you talked about free health services. To what extent does that go?

Answer: Well, to the extent that we even do surgery free of charge.

Question: Free of charge?

Answer: Free of charge; we don't have a choice in the matter.

“ When I became Governor we had 200 doctors, all told. We employed another 200 even though some of them have gone ”

Question: For any indigene of the state?

Answer: Not just the indigene, but for anybody who lives and does business here in Rivers State.

Question: Free surgery?

Answer: Yes.

Question: And eye services for people like us who wear glasses, do you...?

Answer: Yes we provide such services in our eye centers.

Question: But that must represent a huge cost to your budget?

Answer: Free education and free healthcare delivery cost us about N24 billion each year.

Question: What about doctors, their ratio to the patients?

Answer: When I became Governor we had 200 doctors, all told. We employed another 200 even though some of them have gone. But I have told them to advertise and employ more doctors, coupled with the fact that we are training a lot of doctors overseas. We have a scholarship scheme for 300 students every year. We believe and hope that when they come back to the country they will enroll to serve the state.

Question: Now let me ask you some personal questions. After you are through with the days' work and you are tired and exhausted and you go back home, what gives you joy?

Answer: My God, my wife, my children, the added fact that sometimes when you drive around and see projects that have been completed, you have self satisfaction.

Question: Let me take up the question on the matter of your God. When we took off from the Abuja airport to fly to Port Harcourt, I saw you make the sign of the cross and I asked you why? You said you were concluding a prayer, and then when I talked about security you said as God appointed you Governor you pray to Him for security. Also, after our first day of in-



The forecourt of another model primary schools





A primary school auditorium



A secondary school science lab



A primary school library



spection of projects, you headed off for a crusade. What does God mean to you?

Answer: He means everything to me. Mind you, I am not claiming to be the best Christian around. I tell God that I am a worthless son of his, but if he abandons me, then I will be finished. So I tell God all the time, "Father, yes I wanted to be Governor but I failed, but you brought me in, so you therefore cannot abandon me, despite my reckless or sinful life." I try as much as possible to live a life in such a way that, at least, I satisfy God from time to time. Even when I fail I still go back to God and say, "Forgive me my sins" because everything I do, whether I fail or succeed, I credit it to God. I hope and pray that He will continue to sustain me in the number of years that I still have.

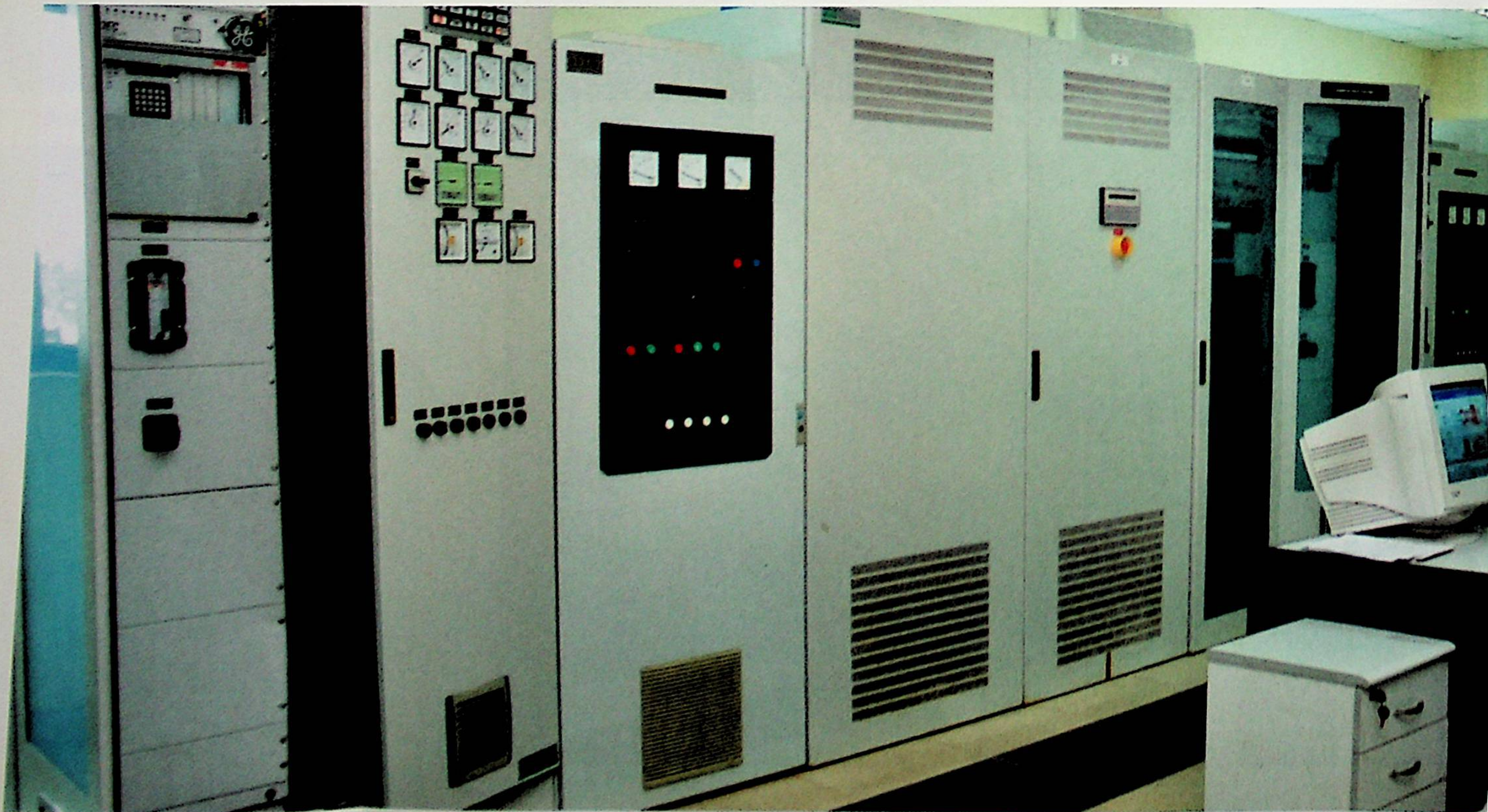
Question: One final question. The day we traveled with you to Rivers State was the anniversary of the Supreme Court verdict that pronounced you the rightful Governor of Rivers State. Looking back, why did you pursue that case with ceaseless tenacity when practically every other observer of Rivers politics thought you had lost it?

Answer: Again you have to return to the God element because virtually everybody that was praying with me then said, "Listen, our God does not lie." And because of our prayers God consistently said I will make this man Governor. How was God going to make me Governor? I continued to pray. I said "God, an election is over, how would I be governor?" And the message was that "I will do what I will do that any ear that hears it will tingle." God came down and installed me, a worthless son, as Governor and you can imagine how great it was. So, anytime it gets to that point I like to always thank Him and praise Him for what He has done. If anybody says he's the brain behind it, the person must be God. We must also thank the judiciary because, if it didn't protect me, we didn't have any hope.





A completed independent power project





A home economics lab in a model secondary school



A section of a model secondary school, Port Harcourt



A government fish farm in Port Harcourt

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OF NIGERIA



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Emmanuel - 08023202684
e.obu@1stoctober.com

Segun - 08060063373
o.oni@dailytimesng.com

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