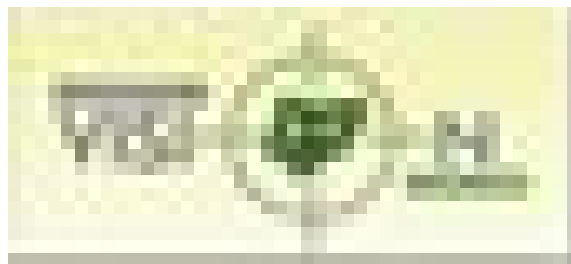




Nigeria Vision 20: 2020

Abridged Version

1st NV20:2020 Medium-Term Implementation Plan (2010 – 2013)



12 December, 2010

CHAPTER ONE

STRATEGIC FRAMEWORK AND ECONOMIC DIRECTION

This First National Implementation Plan (1st NIP) 2010-2013 is prepared in pursuance of the goal set in the Vision20:2020. It contains a macro-economic and strategic framework which encompass the vision statement, strategic objectives, plan and programme thrusts, national investment priorities, macro-economic policy thrusts, projections and outlook that will drive the development of the economy in the direction prescribed in the Vision.

1.1 STRATEGIC FRAMEWORK

The strategic framework of the First NIP has the following elements: the Vision statement, the strategic objectives and direction, the theme and Plan thrust, and the national investment priorities for the four years, 2010 - 2013. It also includes the strategies for national statistics and demographic data development as well as financial sector development. The strategic framework derives from the vision of Nigeria to become one of the 20 largest economies in the world by 2020. The first four years of the Nigeria Vision 20:2020 (NV20:2020) covered by this plan are expected to set the stage for the realisation of the nation's long-term Vision.

1.1.1 Nigeria Vision 20: 2020 Statement

The vision statement is that:

“By 2020, Nigeria will have a large, strong, diversified, sustainable and competitive economy that effectively harnesses the talents and energies of its people and responsibly exploits its natural endowments to guarantee a high standard of living and quality of life to its citizens”.

Against the background of the numerous challenges and constraints obstructing the growth and development of the country, the plan identifies some of the actions that will ensure the successful realisation of the vision as follows:

- Expansion of investments in critical infrastructure;
- Fostering private sector-led non-oil growth to build the foundation for economic diversification;
- Investing in human capital development to enhance national competitiveness;
- Changing the value system to encourage honesty, industry and eliminating the culture of worshipping money;
- Entrenching merit as a fundamental principle and core value;
- Addressing threats to national security;

- Deepening reforms in the social sector and extending reforms to the states and local governments
- Correcting the weaknesses inherent in the revenue allocation framework;
- Intensifying the war against corruption; and
- Establishing the process for free and fair elections

The 1st NIP recognizes the adverse effects of the well-known major constraints to growth and sustainable national development. It accordingly provides for the achievement of double digit economic growth rate by 2013 as a basis to overcome the challenges and lay a solid foundation for national development.

1.1.2 Objectives and Strategies

The NV20:2020 Economic Transformation Blueprint has broadly outlined the nation's long-term objectives in the institutional, economic, social and environmental spheres. In order to achieve the broad objectives and position the nation on the path to realising the vision, the 1st NIP has specific goals and key strategies which include the following:

- **Establishing governance and political systems which ensures that the people matter and make government accountable.** The key strategies to be adopted include mobilizing Nigerians to institute good governance, ensuring free and fair elections, empowering the media to become a better pressure group, and transparent economic management at all levels of government.
- **Improving the quality of life of all Nigerians.** Notable strategies for this include: skill development and entrepreneurial training, intensification of investments in agriculture and SMEs, enhancing access to micro-credits, and improving access to high quality education and ICT, among others.
- **Reducing the level of unemployment.** Important strategies to generate employment include: adoption of appropriate technologies in production, especially labour-intensive technologies and methods, and improving the business operating environment to encourage inflows of investments that create employment.
- **Raising the quality and standard of education.** Key strategies to be employed include: redesigning the curricula to suit labour market demand, aligning the quality of education with global standards, and upgrading of infrastructural facilities at all levels of education.

- **Addressing the persistent socio-economic inequalities and ensuring social inclusion.** The strategy will continue to focus on more targeted capacity building and skills acquisition programmes designed to generate wealth for the poor, and the adoption of a community-driven development approach that targets grassroots empowerment in the rural economy.
- **Achieving substantial improvement in Nigeria’s competitiveness.** To realize this are the following: facilitation of private sector access to financing, creation of incentives to enable investment in growth-stimulating sectors and R&D, and bridging of infrastructure gaps.
- **Raising the capacity for a knowledge-based and innovation-driven economy.** For this, a three-pronged strategy will be employed: human resource development, sustained investment in ICT, and improved funding for priority R&D in key sub-sectors.
- **Removing constraints to ensure that the private sector becomes the engine of growth of the economy.** The strategies relate to improving governance, accountability and transparency, reducing the cost of doing business, addressing the infrastructure deficiencies, improving the regulatory environment, and ensuring a predictable macro-economic environment.
- **Ensuring environmental sustainability.** This is a key objective which will be pursued with the view to protecting endangered species of animals, flora and fauna in the nation’s eco-system.

1.1.3 Plan Size

In order to realize the objectives of the 1st NIP, plan, programmes and projects have been developed subject to periodic review. These will be implemented by the various tiers of government. The overall plan size is N32.38 trillion. Expected total public sector investment for the four-year period is N19 trillion out of which N10 trillion is Federal Government investment while states and local governments are to invest the balance of N9 trillion (Table 1.1).

Table 1.1: Aggregate Investment Projections, 2010 – 2013

Investment	2010 N Tri	2011 N Tri	2012 N Tri	2013 N Tri	Total N Tri	Average
Gross Investment	4,675.6	6,253.4	8,471.0	12,978.5	32,378.6	8,094.65

Government Investment	2,805.4	3,752.1	5,082.6	7,787.1	19,427.2	4,856.80
Federal Government	1853.907	2490.4	2738.89	2916.77	10,000.00	2,500.00
State and Local Governments	1299.61	1738.25	2354.62	3607.52	9,000.00	2,500.00
Private Investment	1,870.2	2,501.4	3,388.4	5,191.4	12,951.4	3,237.85

Source: National Planning Commission

Private sector investment is projected at an average of N3.24 trillion per annum or a total of N12.95 trillion in four years. Although public investment will account for 60 per cent of total investment during the period, this does not undermine the role of the private sector as the engine of growth because public investment will mainly focus on critical areas such as infrastructure, human capital development, security, law and order, the Niger Delta, regional development and other investments aimed at providing an enabling environment for the private sector to grow. The private sector is expected to play a leading role in manufacturing, agriculture, oil and gas, communication, financial services, etc, and to partner the public sector in the areas of infrastructural development including energy, roads, railways, ports, etc.

National Investment Priorities

The programmes and projects contained in the plan are those considered vital or priority projects for the purpose of realizing the goals of the Vision and the 1st NIP. These are physical infrastructure (power, energy, transportation, water, housing, etc); human capital development; productive sector; regional development; governance and security, knowledge-based economy and general administration with shares of 3 per cent, respectively. Thus, public sector investment priorities will be on the rehabilitation and expansion of the nation's stock of infrastructure and on those areas critical for growing private sector investment.

1.1.4. National Statistics and Demographics

Over the years, data problems have plagued policy making and implementation in Nigeria. Because of inherent weaknesses, the Nigerian Statistical System (NSS) has not been able to meet the data needs of the economy. In the light of this, efforts were made in the past to strengthen the NSS and create the National Bureau of Statistics as its coordinator. During the plan period, efforts will be made to advance the National Strategy for the Development of Statistics (NSDS).

There are also processes and procedures to strengthen national statistical production and the National Bureau of Statistics. Besides, sustained efforts will be made to strengthen the production of statistics by the federal ministries and agencies, states and local governments, MDAs across the country. In view of the vital importance of demographic data for planning, the National Population Commission will be strengthened and better equipped to perform its functions.

1.1.5 Financial Sector Strategy

Nigeria aspires to have the safest and fastest growing financial system among emerging market economies. The blueprint for achieving this is the Financial Sector Strategy (FSS) 2020. The FSS also aims at developing and transforming Nigeria's financial sector into a growth catalyst, and engineering Nigeria's evolution into an international financial centre. The strategy will concurrently strengthen the domestic financial markets and enhance their integration into the global financial markets. The improved financial system will then be expected to catalyse growth in other sectors of the economy.

1.1.6 The Plan Objectives and Broad Targets

The 1st NIP NV20:2020 Implementation Plan aims to engender accelerated pro-poor growth, achieve an average GDP growth rate of 13 per cent, raise the GDP per capita from \$1,075 in 2009 to \$2,008.75 by 2013, generate jobs to absorb the teeming unemployed and create new opportunities, improve the nation's global competitiveness and raise public confidence in governance and the political system. These are geared towards attaining the Millennium Development Goals by 2015, and moving the nation towards achieving its Vision.

Policy Thrust

In line with the above objectives, the plan has the following main policy thrusts:

- Addressing the infrastructure problems to promote economic growth and wealth creation;
- Making the best use of the sources of economic growth to increase productivity and competitiveness;
- Building a productive, competitive and functional human resource base;
- Developing a knowledge-based economy;

- Improving governance, security, law and order and engendering a more efficient and effective use of resources; promoting social harmony and a conducive business environment for growing the economy; and
- Fostering accelerated, sustainable social and economic development in a competitive and environmentally friendly manner.

The programmes and projects of the plan are grouped under the following six thematic areas.

- i. Physical Infrastructure Development (power, transport, oil and gas infrastructure, housing and water resources);
- ii. Productive Sector;
- iii. Human Capital Development;
- iv. Governance and General Administration,
- v. Regional Development.
- vi. Developing a Knowledge-based Economy

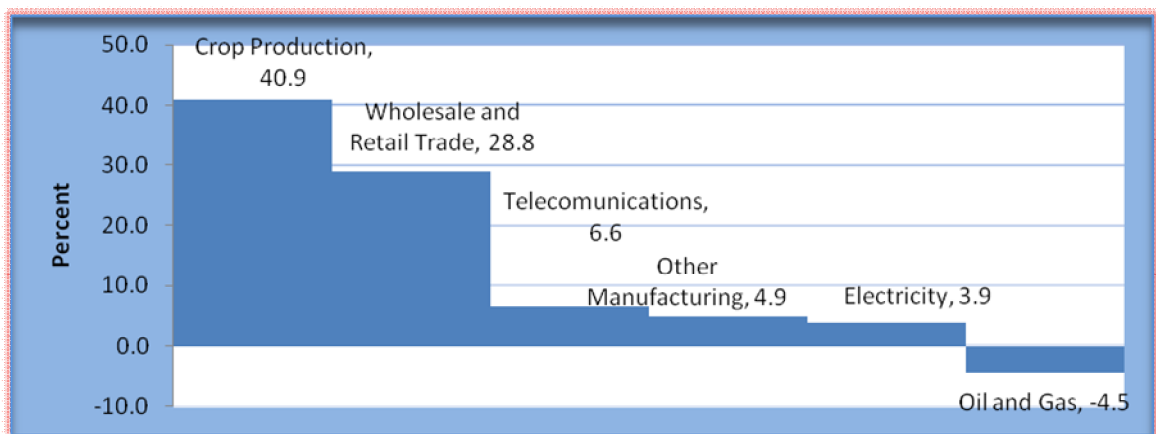
The thematic areas thus group related sectoral priorities together. This approach is intended to encourage the Ministries, Departments and Agencies (MDAs) to focus on achieving results through establishing inter-sectoral linkages and enhancing cooperation.

Past Macro-economic Developments

The 1st NIP has been formulated against the backdrop of a decade of generally impressive macro-economic performance. Until the global economic and financial crisis erupted in 2008, Nigeria's macro-economic aggregates such as economic growth rate, inflation rate, exchange rate, balance of payments and foreign exchange reserves maintained satisfactory trends. The economic growth rate averaged 8.0 per cent and 7.0 per cent in the periods, 1999 -2009 and 2004 ó 2009, respectively. Domestic price level was fairly stable with inflation declining marginally from an average of 11.9 per cent in 1999 ó 2003 to 11.6 per cent in the 2004 ó 2009 periods. Nevertheless, inflation remained high compared with global price trends and the West African Monetary Zone single digit target. The external sector performed remarkably in the decade up to 2008. The commodity price increases and other favourable developments in the global economy during the decade boosted the balance of payments and external reserves considerably. The current account balance as a ratio of GDP averaged 13 per cent in the period, 1999 -2009. The overall balance of payments was in

surplus in seven out of the eleven years. Correspondingly, external reserves grew progressively from US \$5.42 billion in 1999 to US \$53.0 billion in 2008 before declining to US \$43.8 billion in 2009. Exchange rate stability was achieved prior to the emergence of the global financial crisis in 2008. Huge inflows of oil revenue contributed to the stability. The average growth rate of 8.0 per cent over the 1999 to 2009 periods was much higher than the 3.2 per cent population growth rate, but less than the 9 -12 per cent growth rate of output in emerging market economies. The major driver of growth was the non-oil sector, led by agriculture (crop production), wholesale and retail trade, telecommunications and manufacturing in that order (See Fig. 1.2). The role of manufacturing in the economy remained limited, but its potentials are great, especially when considered against its intersectoral linkages. Although the oil sector contributed substantially to domestic revenue and foreign exchange, on balance, the sector detracted from growth significantly within the period. Low level of domestic value-added remained the bane of the sector. Finally, although per capita income showed an upward trend during the period, the observed growth in the economy did not translate into commensurate job creation or poverty reduction as income inequality which is currently 0.48 per cent remained high.

Fig. 1.2: Growth Drivers and their Percentage Contributions to Growth



1.2 MACRO-ECONOMIC OUTLOOK, 2010 – 2013

The goals of macro-economic management during the period are to improve macro-economic stability, position the economy on a sustainable and non-inflationary growth path as well as achieve inter-sectoral balance and equity.

1.3.1 Specific Objectives

- Achieve rapid pro-employment growth rate and maintain strong economic fundamentals;
- Achieve significant progress in economic diversification;
- Stimulate the manufacturing sector and strengthen its linkage to other sectors, especially agriculture, transport, construction, and oil and gas;
- Raise the relative competitiveness of the real sector, to increase the demand for Nigeria's non-oil products and services;
- Deepen the financial sector and sustain its stability; and
- Adopt pragmatic fiscal management and implement appropriate monetary, trade and debt management policies to support economic activities.

1.3.2 Economic Growth Prospects

Against the backdrop of a number of assumptions relating to an optimistic world economic outlook, the Nigerian economy is projected to grow at an average rate of 11.0 per cent per annum during the Plan period. This growth rate is expected to surpass the average growth rates of 5.3 per cent and 7.0 per cent per annum achieved in 1990-2003 and 2004-2009, respectively. GDP at 1990 constant basic prices is projected to grow at N1, 086.1 billion in 2009, while GDP at current basic prices is estimated at N50, 913.4 billion in 2013, compared with N24, 715.5 billion in 2009. The projected growth rate will be generated substantially by the non-oil sector which is expected to grow at 12.2 per cent per annum. The increase in non-oil sector activities will require higher capacity utilisation in manufacturing, large investment in infrastructure, strengthening of reforms to better support private sector activities, and further reforms to increase the productivity of human capital. The projected strong growth in the non-oil sector will be a reflection of good performance in agriculture, wholesale and retail trade, telecommunications, building and construction, and real estate and manufacturing.

The expected composition of output reflects the desired structural change in the march towards achieving the goal of NV20:2020. In this direction, agriculture is expected to grow at an annual average rate of 6.7 per cent with its share of GDP declining slightly to 40.1 per cent. The oil and gas sector will achieve a positive growth rate of 3.9 per cent per annum with its share in GDP declining in favour of other relevant sectors. Manufacturing is expected to grow at an average rate of 14.4 per cent with an increasing share in GDP. Finally, wholesale and retail trade will continue to be the major contributor to growth during the 1st NIP. It is projected to grow at an average rate of 12.1 per cent, increasing its relative share significantly to 18.1 per cent per annum. The accelerated growth in agriculture and manufacturing will help to sustain growth in domestic trade.

1.3.3 Expectations on Investment

Aggregate investment, will complement the major growth drivers to stimulate the economy to realize the projected growth rates. To this end, total investment is projected to grow at an annual average rate of 29.4 per cent during the plan period. This rate is adjudged to be adequate to achieve the targeted overall growth rate of 11.0 per cent. However, a major shift is expected in the structure of total investment. The share of public investment in total investment is projected to decline from an average of 72 per cent in 2004 ó 2009 to 60 per cent during the plan period. This means that the share of private investment will increase from an average of 28 per cent per annum to 40.0 per cent, mainly due to the incentives to the private sector to serve as the engine of growth. Correspondingly, the productivity of capital is expected to increase to an average of 4.0 per cent during the plan period compared with 1.0 per cent in 2004 ó 2009. In the light of this, the contribution of investment to overall output growth is estimated to average 10.9 per cent during the plan period compared with an average of 6.9 per cent in 2004 - 2009.

1.3.4 Resource/ Fiscal Balance and Policy Implications

In line with the desire to achieve double digit growth rates and transform the economy during the Plan period, the savings ó investment gap is projected to increase from -19.2 per cent of GDP in 2010 to -43.0 per cent in 2013. This will require increased inflow of external finance. However, this can be reduced if internal revenue generation and domestic savings improve beyond



*Your complimentary
use period has ended.
Thank you for using
PDF Complete.*

[Click Here to upgrade to
Unlimited Pages and Expanded Features](#)

expectations. The fiscal deficit position of the Federal Government is expected to improve by the end of the plan period due to expected fiscal prudence and efficient oil revenue management.

Overall, to achieve the macro-economic objectives of the plan, the following courses of action are imperative:

- Increasing the efficiency of resource use by eliminating all forms of wasteful spending in our public life;
- Eliminating all forms of corruption;
- Mobilising domestic savings;
- Creating an enabling environment for domestic and foreign investment as well as other overseas development assistance;
- Reforming the tax system and diversifying the revenue base away from oil;
- Reducing allocation to recurrent activities in favour of capital programmes; and
- Reducing budgetary support to commercially oriented public sector activities.

CHAPTER TWO

THEMATIC AREA: DEVELOPING A KNOWLEDGE-BASED ECONOMY

This thematic area deals with two main subject areas: Information and Communication Technology (ICT), and Science Technology and Innovation (STI). It also contains the sub-sector; Postal Services. The thematic area compliments the human capital development thematic area in the sense that it aims at enthrone knowledge as the main driver of the economy.

In that respect, education becomes the pillar for national development. ICT, STI and Postal Services are strategic for effective penetration and diffusion of knowledge.

Under this plan, the policy direction will be on developing a national strategy for evolving a knowledge-based economy. There will be a needs assessment that will include the role and relevance of the existing institutions, the manpower requirement for a knowledge-based economy, identification of areas of priority needs of the economy as well as the strategic ten-year investment plan where knowledge-based activities can be strengthened to make quick and sustainable gains to lay a solid foundation for a knowledge-driven economy. The proposed total public sector investment in this thematic area during the plan period is **N294.709billion**. The sectoral breakdown is as shown below: ICT...N26.620b; Science and Technology...N268.088b

2.1 Strategic Context

As highlighted earlier, the KBE is strategic to achieving all the three Pillars of V20:2020.

Guaranteeing the productivity and well-being of the people

This is underpinned by human capital development that will breed better informed citizenry with higher creative capacity to generate wealth, employment and reduce the level of poverty. The adoption and adaptation of new technologies will create longer-term gains in productivity and employment; as well as significantly improve the skills base of the nation's labour force.

Optimizing the Key Sources of Economic Growth

This is contingent on value addition to primary raw materials such as internal refining of crude oil, development of high-end petrochemical products, pharmaceuticals and others. Moreover, infusion of high-technology and knowledge-intensive production processes will throw-up new investment opportunities and stimulate the creation of completely new products and services.

Fostering Sustainable Social and Economic Development

The KBE, through its instruments of e-governance, e-economy, e-commerce, telemedicine and others, will take governance, economic activities and social facilities to the door step of all Nigerians.

2.1.1 Issues and Challenges

The poor ranking of Nigeria in the Global Competitiveness Index (GCI), underscores the magnitude of the task in the implementation of the NV20:2020: The challenge for the nation is to improve significantly her ratings in all spheres of KBE. These include building of a knowledge work-force; refocusing the existing institutions to be more result driven; ensuring access and affordability of ICT, Internet and Telecommunication facilities nationwide; and developing a world class infrastructure and info-structure fundamental to the sustenance of KBE and bridging the knowledge and digital divided across all dimensions. This will offer investment opportunities along the value chain by opening up areas in product conceptualization, design, development, testing, packaging, marketing and distribution, to mention a few. Also, a major challenge that the nation must tackle is the issue of human resources development.

2.1.2 Human Resources Development for a KBE

In the area of human resources development, the eroding quality and standard of education coupled with the increasing disconnect between industry need and product of the nation's tertiary institutions remain worrisome. This is because the nucleus of a knowledge-based economy is human capital which entails the capacity to conceive, create, innovate, generate and exploit new ideas as well as apply technology and exercise superior entrepreneurial skills to remain ahead of competitors.

Thrust

The strategic thrusts for the plan period in respect of KBE will be as follows:

- Assessing and building the critical mass of human capital through comprehensive revamping of the educational and training systems to stimulate creativity, adaptability, life-long learning, brain-gain, vocational training, technical training, etc;
- Fast-tracking development of ICT infrastructure, penetration and diffusion to ensure universal access to bridge the digital divide;

- Encouraging software development (English, Hausa, Igbo and Yoruba) and foster conducive environment (Security, authentication, privacy, consumer protection, intellectual property rights etc);
- Re-invigorating and refocusing STI and R&D in tertiary institutions and research institutes to stress innovation and knowledge-based product development and services;
- Repositioning of the public sector for effectiveness, efficiency and proficiency in knowledge acquisition, utilization and management;
- Restructuring the financial system to provide appropriate and affordable financing products to support KBE activities; and review the incentive packages to attract FDI and facilitate venture capital funding

2.2 INFORMATION TECHNOLOGY and COMMUNICATION

Situation Analysis

Although a comprehensive study will be undertaken within the plan period to ascertain the nation's state of preparedness in fostering a KBE, however, eight key indicators and thirty-three Global Information Technology Report (2009/2010) Networked Readiness Indices have been used to assess Nigeria's state of readiness to transit to KBE using Brazil, China, India and Malaysia as comparator countries. An analysis of the indicators shows that Nigeria is at the bottom rung of the ladder, in all respect except in the cases of Mobile Phone Subscribers and Internet Users where Nigeria fared better than India. Particularly instructive, are the facts that Nigeria ranked 127 in Infrastructure Environment, 128 in Education Investment and 101 in Government Readiness out of 133 countries. The nation is currently one of the least competitive countries in the world in both composite and individual sector competitiveness. It is currently ranked 94 out of 138 countries in the Global Competitive Index (GCI 2009). This is deterioration when compared to the ranking of 88 in 2006.

In respect of knowledge and digital divide, the situation remains worrisome. This is, in terms of knowledge generation, penetration of ICT, access to and usage of internet and telephone penetration (fixed and mobile) and physical infrastructure. The knowledge and digital divide cuts across geographical, gender and cultural dimensions. It exists among the 36 states of the Federation plus the Federal Capital Territory, the 774 local governments, rural and urban areas,

men and women, rich and poor, young and old, able bodied and physically challenged, illiterate and educated.

2.2.1 Issues and Challenges in ICT Development in Nigeria

The major challenges for ICT development include the:

- Disjointed and inadequate policies coupled with the absence of legal and regulatory frameworks;
- Inappropriate costing and poor funding of projects and programmes;
- Weak public private partnership framework that is militating against active participation of the private sector;
- Inadequate and weak institutional framework precluding seamless synergy between existing ICT-based institutions; and lack of ICT infrastructure and info-structure;
- Poor state of the nation's physical and social infrastructure particularly power;
- Lack of a deliberate effort to mobilize all Nigerians and fast track ICT penetration, access and affordability.

Policy Thrusts for ICT Development

In line with the recommendations of the Information and Communication NTWG, the critical areas to consider in formulating enabling policies for the ICT sub-sector are:

- Developing a national KBE 10- year strategic plan;
- Sustained human capacity development: Creation of knowledge or technical workers is important for both the production and use of ICT;
- Creating favourable and friendly investment and enterprise environment through transparency in tax system, anti-trust laws, incentives and trade policies to stimulate foreign and local investment in ICT;
- Infrastructure and infrastructure development, particularly global connectivity is a prerequisite to leveraging the benefits of the global economy, improving domestic productivity, and attracting foreign investment;
- Creating enabling environment through appropriate policies, legal, regulatory and institutional frameworks;
- Enhancing public private partnership in project funding, financing and management.

Objectives

The objectives include developing sufficient, efficient and affordable ICT infrastructure to accelerate and sustain economic growth and development; engendering rapid ICT penetration and diffusion for efficient and affordable service across the socio-economic sectors of Nigeria.

It is also to develop globally competitive indigenous human capital and Knowledge-based products and services in targeted areas of ICT (software, hardware, networks, card technologies, security/biometrics, web and digital content development, etc).

Another objective is the deployment of ICT in governance for transparency and accountability as well as to enhance efficiency, effectiveness and increase government capacity to deliver citizen centred services to attain national competitiveness. There is also the need to promote research and development (R&D) activities to stimulate and sustain innovation in ICT solutions; develop the ICT industry for the production of software and hardware to global standards.

Key Priority Programmes/Projects for ICT Sub-Sector

Government recognizes that ICT is the key enabler for the KBE, and the need to put in place necessary ICT infrastructure to provide the appropriate platform for effective governance and seamless business and commercial transactions. In this respect, government will continue to intensify efforts to encourage private sector investment in this sector, through providing appropriate legal, institutional and regulatory framework that will ensure a level playing field for all stakeholders. The private sector will therefore remain the engine of growth and public private partnership will be deepened.

Accordingly, a total of fifty-nine (59) programmes/projects have been identified as priority projects for the ICT Sub-sector. The programmes/projects are further re-prioritized into four categories, numbered 1 to 4: those with priority 1, are considered as foundation programmes/projects that need to be put in place within the first two years of the implementation of the NV20:2020. Those with priority 2 are considered as necessary for the third and fourth years of the implementation of the plan while categories 3 and 4 are projects that could be embarked-upon if time and resources permit.

Projected Investment

The tentative cost estimate for the fifty-nine (59) priority programmes and projects during the four-year plan period is two hundred and seventy six billion, six hundred and ninety three million six hundred and thirty thousand naira (₦276, 693,630, 000) only.

ICT Infrastructure Sub-programme

Since ICT is the key enabler for the transition and sustenance of KBE, a number of foundation programmes/projects have been developed to ensure that the appropriate platform are put in place. Some of these projects include (i) Co-ordination of the implementation of the Nigerian ICT for Development (ICT4D) Plan (FMST); (ii) e-Readiness Capacity Building Programme; (iii) Backbone Transmission Infrastructure (BTRAIN); (iv) Internet Exchange Points Network; (v) Electronic Local Government Administration Platform.

Objectives

The medium-term objectives include the following:

- Promotion of knowledge, technology and innovation in enhancing productivity in agriculture, manufacturing, SMEs, health and services;
- Provision of adequate, affordable and sustained infrastructural support (electricity, water, transportation, rail, seaports, cargo handling, etc); and
- Provision of appropriate legal, regulatory and institutional framework to facilitate smooth transition to KBE

Information Communication Technology Summary of Investment Plan 2010 – 2013

Thematic Area – Knowledge-Based Economy						
ICT						
S/N	Priority Projects	Costs in N'm				Total
		2010	2011	2012	2013	
1	ICT Infrastructure		3,373.40	3,920.43	4,102.78	11,396.61
2	Multimedia Super Corridor		26.94	31.31	32.76	91.01
3	Local Content Development		8.95	10.41	10.89	30.25

4	Information Security		46.35	53.87	56.37	156.59
5	Research & Development in ICT		84.72	98.46	103.04	286.23
6	Postal Services		555.12	645.13	675.14	1,875.39
7	ICT Projects	8,405.69				8,405.69
8	Non Priority Projects	-	1,296.19	1,506.38	1,576.45	4,379.02
		8,405.69	5,391.67	6,265.99	6,557.44	26,620.79

Nigeria Postal Services

The postal system is a sub-key result area for the KBE. The extensive network, penetration into rural areas and variety of services it can offer make the postal system, a necessary tool for the promotion of social, financial and digital inclusion. These are necessary components of a KBE. The Nigerian postal system is being managed by Nigeria Postal Services (NIPOST), and has been undergoing restructuring, initiated in 2007, by the Bureau of Public Enterprises (BPE). The strategic objectives for the reform include the following:

- Clear delineation of roles and responsibilities in the postal sector;
- Creating a level playing field for postal operators in Nigeria;
- Transforming NIPOST into an autonomous and financially viable postal company, providing low-cost universal postal services and a broad range of services, including basic financial and government services.

Globally, the development of product-mix in the postal industry has made it a potent instrument for socio- economic development and transformation. This is important for bridging the digital divide, and taking financial services and governance to the grassroots in order to reduce poverty and encourage life-long learning. For these reasons, transformation of the Nigerian Postal Services to become ICT compliant is an imperative for successful transition to KBE. Thus, projects intended to achieve these goals are pulled together in this section. Examples are (i) National Addressing System; (ii) Construction of new ICT compliant post offices

(NEIGHBOURHOOD PB4 TYPE); (iiii) Rehabilitation & re-modelling of existing post office buildings nationwide to become ICT compliant.

Science, Technology and Innovation (STI)

The STI sector is a critical sub-key result area for KBE. The Nigerian government recognizes the role of knowledge input in enhancing the productive capacity of the traditional factors of production as well as generating new channels of growth for the economy. STI creates the opportunity to drive sustainable growth and development through acceleration of applied technology, research and innovation. As experienced in other rapidly transitional economies, it is expected that a national emphasis on knowledge-based skills as a factor would help to expand production frontiers of the Nigerian economy.

It is also important to note that the newly-industrialized countries took different paths in the development of their science and technology system. For instance, Brazil adopted the path of Western Europe and United States, by making science and technology a broader part of scientific culture linked to general education and specialized high-technology, modern professions.

Situation Analysis

Successive governments had put in place several measures and policies aimed at expanding Nigeria's capability and capacity in science, technology and innovation to serve the economy. In particular, several STI institutions were established during the third and fourth Development Plan periods (1975-85) to promote R&D and ensure sustainable economic growth. Unfortunately, the Nigerian economy has remained structurally rigid over the years and the impact of the STI institutions is yet to be felt in terms of R&D output, innovation, patents, commercialization of research findings, scientific publications in international journals, new knowledge intensive products, total factor productivity enhancement, and general improvement in the quality life of Nigerians. This is apparently because the major emphasis had been on building institutional capacity, infrastructure and logistic support without commensurate investment in human resources development as well as research and development activities. Though these institutions had annual budgets for capacity building in science, technology and innovation, the quantum of fund was always inadequate to train the critical mass of researchers required to kick-start the industrialization of the country. For instance, available statistics shows that, Nigeria ranks amongst the lowest in STI funding (0.01 per cent of GDP) when compared to

countries such as India (2.5 per cent), Germany (2.8 per cent), USA (2.8 per cent) and Russia (5 per cent). Moreover, the situation was compounded by uncoordinated and indiscriminate application of resources by the institutions. These underscore the inefficiency of public institutions and call for reforms of the STI sector to pave way for private sector participation in R&D activities through the instrumentality of a tripartite partnership between government, industry and research institutions. In this regards, it is illustrative to highlight the contrasting fortunes of the Telecommunication and Postal Sub-sectors.

Issues and Challenges in STI Sub-Sector

The key issues and challenges in the STI sector are:

- Skill gaps in high-end technology services;
- Inadequate and poor institutional capacity;
- Absence of linkage between government, industry and research institutes;
- Appropriate costing and funding of programmes and projects
- Lack of effective implementation, monitoring & evaluation

Objectives of the STI Sector

The objectives include promoting rapid and sustainable industrialization; laying foundation for establishing Nigeria as the manufacturing hub for sub-Saharan Africa; building national capacity for development of indigenous technologies as well as adoption and adaptation of appropriate foreign technologies.

Priority Projects and Programmes for STI

A total of one hundred and thirty one (131) programmes and projects were classified as priority projects out of the 255 programmes/projects submitted by fifty three (53) MDAs. The priority projects were further classified into twelve (12) sub-programmes as indicated in:

Table 1: Priority programmes/projects for STI

S/No	Sub-Programme	No. of P&P
1	Improving National R&D Activities	9
2	Energy Research & Development	11
3	Advanced Materials & Manufacturing	8
4	Geo Science Research	4
5	Small and Medium Enterprises	12
6	Human Resource Development	18

7	Standardization and Quality Assurance	10
8	Bio & Nano Technology	8
9	STI Infrastructure	26
10	Health	12
11	Agriculture	6
12	Logistics	7
Total Cost (N)		131

Human Resource Development

Human and institutional capacity building have been accorded highest priority in the 1st NIP. Therefore, domestic and international training programmes have been earmarked to produce globally competitive industries driven by high level manpower and high technology research and training institutions. Examples of the projects include: (i) Manpower training and capacity building for nuclear scientists, engineers and technologists: PhD (25), MSc (45), BSc (220), HND (210); (ii) Capacity building on technology transfer, acquisition and adaptation; (iii) Capacity building in biotechnology R & D: MSc (1000) and PhD (500); (iv) Establishment of National Foundation for Science, Innovation and Competitiveness (NFSIC).

Improving National Research and Development Activities

In order to become and remain globally competitive it is necessary to engender a culture of advanced research and development in strategic areas of national advantage. The first step towards ensuring the attainment of this objective is to improve on the current state of research and development activities around the country hence, the conception of this sub-programme within the 1st NIP of NV20:2020. Some of the projects aimed at achieving this include: (i) National Raw Materials Research & Development Programme; (ii) Raw Materials Local Content Development Programme; (iii) Establishment of National Institute of Science Laboratory Technologists (NISLT) Zonal and Equipment Maintenance and Development Centre in six geo-political zones in the country; (iv) Establishment of Science and Technology (S&T) Parks in Nigeria.

Energy Research and Development

Energy is a critical infrastructure for economic growth and development. It is crucial for all economic activities, including production, regular supply of portable water, good health, instant communication, mobility of people, goods and services, and others. Government deplores the

current state of energy crisis in the country and the 1st NIP will redress the situation in order to set the stage for rapid economic development. Some of projects intended to ameliorate the situation include (i) Sustainable Energy Development: Studies on Medium-to-Long-term Energy Demand and Supply projections for Nigeria; (ii) Energy Efficiency Programme; (iii) Technical Co-operation (TC) Projects with International Atomic Energy Agency (IAEA), Comprehensive Nuclear-Test Ban Treaty Organization (CTBTO) and African Regional Agreement on Training, Research and Development in Nuclear Science and Technology (AFRA); (iv) Processing Nigerian coal into tradable industrial domestic products.

Advanced Materials and Manufacturing:

The trajectory of science and technology has always mirrored the path of economic development of nations. Prosperity of humanity has progressed from Stone Age through the Iron and Steel Age to today's Age of Semi-conductors. Similarly, man has progressed from using his power to do work through persuading mechanical machines to take over his duties and today the micro-chips open his doors, drive his cars; pilot his planes and tell him when it will rain in a month's time. Today, the frontier of modern science, technology and innovation is charted by advanced thinking using advanced materials. Thus, to be among the twenty largest economies in the world, Nigeria must also develop the capacity to manipulate advanced materials to dance to our tunes. Some of the projects earmarked for such goals include:

- Development of process technologies for the production of industrial chemicals from petrochemicals and their commercialization
- Construction of PCB Laboratory: Manufacturing electronics printed circuit boards such as computer motherboards and mobile phone main boards
- Establishment of advanced multipurpose manufacturing centres in six geo-political zones

Geo Science Research

The race to conquer space is the emerging frontier of global competition in the 21st Century. India and China have joined America and Russia, there is no reason why Nigeria will not follow suit. The 1st NIP for Vision 20:2020 provides the proverbial first step on a thousand mile journey. The anchor projects include:

- Integrated space-based approaches to natural resources inventory, desertification, climate change, flood risk assessment and hydrocarbon exploration in Nigeria NCRS, Jos
- Development of infrastructure and facilities for observatory stations CGG, TORO, Bauchi
- Procurement of research library facilities and GIS laboratory equipment (NCRS, Jos)

Projected Investment

For purposes of implementation, the priority programmes are further reprioritized into three categories labelled 1, 2 and 3. In view of the centrality of human and institutional capacity in KBE, all the programmes and projects under priority 1 are for human and institutional capacity building. Those in categories 2 and 3 are projects and programmes that will give impetus to conversion of existing facilities, industries and processes to knowledge intensive activities. Their implementation within the first plan period would be useful in fast-tracking the transition to KBE.

The estimated investment required for the one hundred and thirty one programmes and projects is one hundred and fifty four billion, one hundred nine hundred thirty million, nine hundred and thirty thousand naira (N154, 930,930,000.00) only.

Science, Technology and ICT are important determinants of innovation and knowledge generation and need to be given greater emphasis and priority. The proportion of STI and ICT expenditures to Nigeria's GDP is very low compared to those countries that have successfully built indigenous capability to innovate, produce new technology and design new products/services. Therefore, as we increase the ratio of KBE expenditure to the GDP, efforts must be made to ensure that these expenditures are directed to the right priority challenges. This is the first time that the issue of Knowledge-Based Economy is being addressed in our National Plan. Consequently, government will make concerted effort to put in place the building blocks for a successful KBE-driven economy.

Summary of Investment Plan 2010 – 2013

Thematic Area – Knowledge-Based Economy

Science & Tech						
S/N	Priority Projects	Costs in N'm				Total
		2010	2011	2012	2013	
1	Improving National R&D Activities		1,845.40	2,144.65	2,244.40	6,234.45
2	Energy Research & Development		325.05	377.76	395.33	1,098.14
3	Advanced Materials & Manufacturing		758.52	881.52	922.52	2,562.56
4	Marine Research		210.13	244.20	255.56	709.89
5	Geo Science Research		145.78	169.43	177.31	492.52
6	Small and Medium Enterprises		223.85	260.14	272.24	756.24
7	Human Resource Development		2,585.11	3,004.32	3,144.06	8,733.49
8	Standardization and Quality Assurance		580.68	674.85	706.23	1,961.76
9	Bio & Nano Technology		623.58	724.70	758.41	2,106.68
10	STI Infrastructure		2,739.55	3,183.80	3,331.88	9,255.23
11	Health		117.24	136.25	142.58	396.07
12	Agriculture		55.45	64.44	67.44	187.32

CHAPTER THREE

THEMATIC AREA: PHYSICAL INFRASTRUCTURE

Physical infrastructure in this Plan limited to power, transport, oil and gas infrastructure and housing and water resources. These have been identified as major components of infrastructure requiring priority attention in the 1st NIP.

3.1 Power Sector

Power is a critical infrastructure for sustainable economic growth and development. This is because most economic activities are dependent on affordable and adequate energy for effective operation. It is critical for reducing the cost of doing business, enhancing productivity and quality of life.

The inadequate provision of power has a pervasive impact on socio-economic activities and consequently, on the living standards of Nigerians. At present, only about 40 per cent of Nigeria's total population has access to public electricity supply due to inadequate transmission and distribution networks.

The non-implementation of the Nigerian Gas Master Plan and coordination of domestic gas obligations of the International Oil Companies (IOCs) as well as the frequent vandalization of existing gas infrastructure; have resulted in epileptic power supply in the country. The lack of synergy between gas supply, controlled by the agencies of the Ministries of Petroleum Resources and Power and the power generating companies, has made this situation worse.

The broad vision is to provide affordable power to all sectors of the economy in a technically efficient, economically viable and environmentally sustainable manner.

The goal of NV20:2020 is to generate, transmit and distribute 35,000MW of electricity by 2020, and to ensure that the power sector is able to efficiently deliver sustainable, adequate, qualitative, reliable and affordable power in a deregulated market. It is expected that the power sector will ultimately be private sector-driven. The overall target for the plan period is to increase electricity generation, transmission and distribution from the 3,700MW capacity in December 2009 and to increase per capita consumption from the current 125KWH to 500KWH over the plan period. This is expected to be achieved through significant investment in rural electrification programmes that will facilitate the expansion of transmission and distribution lines to a majority

of rural Nigeria. Alternative energy technology will also be developed from coal and other renewable energy sources (Solar, Wind, and Biomass).

In spite of the huge and diverse energy resources that the country is endowed with, there are only two major resources that are exploited for electricity generation. They are gas, which contributes about 68 per cent, and water which generates about 31 per cent. The national electricity grid comprises three (3) hydro and twelve (12) thermal generating stations with a total installed capacity of about 5,200MW. However, only about 2,000 - 3,000MW of electricity is generated. There are five Independent Power Plants contributing about 1,486MW.

Government has invested about N81billion in various distribution projects in the country. This involves 1,707KM of new 33KV lines; 2,666KM of new 11KV lines; additional 3,540MVA sub-stations capacity and 22,598 transformers. Following the enactment of the PHCN Act 2005, eleven distribution companies were created.

Key Challenges

The key challenges facing the power sector in Nigeria include the cumbersome procurement process, non-completion of on-going power projects, including NIPP and the poor maintenance culture of power infrastructure, and the unfavourable enabling environment inhibiting private sector participation. The current pricing regime under the Multi Year Tariff Order (MYTO) and the electricity prices and subsidies is far below the industry's costs. Therefore, there is a need to review MYTO in order to achieve appropriate pricing to attract private sector investment.

In addition, significant portions of the transmission and distribution network are obsolete, especially in the major cities. This leads to transmission and distribution losses of 8.25 per cent and 33 per cent, respectively. Added to this problem is low efficiency in revenue collection. It is estimated that about 35 per cent of residential customers do not pay for the electricity consumed. The incidence of vandalization has significantly impacted negatively on grid equipment capacity development. Vandals target a range of equipment at every level from distribution flow voltages of 415Kv to 330Kv super grid levels.

Policy Thrust

The policy thrust for the power sector in the medium-term plan envisages a power sector that efficiently delivers sustainable, adequate, qualitative, reliable and affordable power in a

deregulated market while optimizing the energy mix and a technologically-driven renewable energy sector

The projects and programmes that will facilitate the realization of the objectives of the first medium-term implementation plan for the power sector are concluding implementation of the Power Sector Reform Programme and the overhauling and rehabilitation of the existing power plants. The completion of the on-going National Integrated Power Projects (NIPP) will be accorded priority. The NIPP projects are expected to contribute about 4,770.5MW of electricity to the national grid and increase the transmission and distribution capacities by 3,040MVA at 132/33KV and 5,250MVA at 330/132KV and 3,540MVA (3,009MW), respectively by December 2011.

The massive rehabilitation and expansion of transmission and distribution infrastructure will enhance the current capacity, provide redundancies in the transmission and distribution systems and ensure a fully-integrated network that minimises transmission and distribution losses, while strengthening grid security.

The establishment of a parts pool for the power sector is envisaged as a strategic solution to the perennial problem caused by the lead time encountered in the procurement of parts and equipment.

Nigeria requires 1,773 million standard cubic feet per day (MMscfd) of gas to generate 6,000MW of electricity and 4,787MMscfd to generate 16,000MW of electricity by 2013 from gas-fired thermal power generation plants.

However, completion of on-going government and joint venture gas infrastructure projects will increase the available generation capacity to 9,089MW of electricity with 2,685MMscfd of gas resulting in a shortfall of 6,911MW of electricity and 2,102MMscfd of gas by 2013. Consequently, there is an urgent need to source about 2.0 billion standard cubic feet of gas per day (bscfd) through the expansion of existing gas gathering and supply infrastructure. The key initiatives, projects and programmes that will facilitate the realization of the gas supply shortfall by 2013 include the development of gas resources from Obiafu/Obrikom fields held by Nigeria Agip Oil Company (NAOC); the construction of a 100km 48ö pipeline to evacuate gas through the East-West interconnector gas pipeline from Obiafu/Obrikom in the East to Oben node in the West. The total project estimate is N33.0 billion, and is expected to be completed over a one year period. The other project is the construction of a 30km gas pipeline from the existing export line

Gas Transmission System (GTS1) to Obigbo North Spur line in Rivers State to evacuate gas to the Afam thermal power plant. The pipeline, which would be completed by 2011, is expected to feed gas directly from the LNG export line once the Domestic Gas Obligation (DGO) is implemented. There is also the construction of a 400km gas pipeline through Calabar-Umuahia-Ajaokuta to supply gas to the power plants in the Eastern part of Nigeria such as Alaoji, Geometric power plant, etc. The phase I of the project will be completed by 2013.

The Federal Government is committed to developing coal reserves in partnership with the private sector in order to enhance energy security and sustainability through the diversification of feedstock for power generation. The Nigerian Coal Research Trust Fund (NCRTF) will be established to encourage tertiary institutions and research institutes to carry out research into coal briquetting and coal stove technology in the medium to long-term.

The total proposed investment in the sector, during the plan period is N880.98billion. This will cover investments in four major areas: power generation; transmission; distribution; and alternative energy.

3.2 The Transport Sector

At present, the transport system is characterised by a moribund rail system, large sections of impassable inland waterways, inadequate port infrastructure, poor and badly maintained road networks, poor interconnectivity of all transport systems, inadequate and poorly maintained airports. This myriad of challenges in the transport sector has stalled economic growth and development.

Road and air transport are the dominant modes of transportation in Nigeria, carrying more than 98 per cent of total traffic generated in the country. Although other modes such as railways and inland water transport could play a greater role, road transportation would continue to dominate the transport landscape in the first Implementation Plan of Vision 20:2020. Due to imbalance in the share of traffic amongst the modes of transportation in the country, there is undue pressure on available roads network, resulting in very short lifespan of paved roads.

In view of these challenges, Nigeria now aspires to evolve a multimodal, integrated and sustainable transport system, with greater emphasis on rail and inland waterways transportation.

In addition, the Federal Government has taken steps to create an enabling environment for PPP for the development of the sector.

Roads

Nigeria has a total road network of 193,200 kilometres, comprising 34,123 km federal roads, 30,500 km state roads, and 129,577 km local government roads. The Nigerian road network is characterized by inadequate routine and emergency maintenance coupled with poor initial construction and design. The inadequate maintenance and neglect of roads implies a loss of network value of N80 billion per year and an additional operating costs of N35 billion per year

Railways

Nigeria's rail network consists of 3,505 km, narrow gauge (1.067 m) single track rail lines running from Lagos to Kano and Port Harcourt to Maiduguri and the uncompleted 349 km of standard gauge from Itakpe to Warri via Ajaokuta. The highest number of passengers carried was 15.5 million in 1984 and the highest volume of freight was 2.4 million metric tonnes in 1977, and by 2000/1 traffic had fallen to two million passengers and less than 300,000 metric tonnes of freight due to the bad condition of the railway system in the country.

To reposition the rail system, government has, therefore, embarked on a programme of rehabilitation, reactivation and modernisation of the railways.

Water Transport

Inland Waterways

Nigeria has 12 major inland navigable rivers of about 3,800 km. The country also has an extensive coastline of about 852 km. This offers great potential for the movement of goods and passengers from the coast to the hinterland, since these waterways traverse 20 out of the 36 states of the country. But the waterways are buffeted by various inefficiencies. Government is, however, set to tackle these inefficiencies. For instance, government has embarked on the dredging of the lower river Niger from Warri in Delta State to Baro in Niger State to enhance all year navigability. The dredging project, which spans eight states namely: Niger, Kogi, Anambra, Imo, Edo, Delta, Rivers and Bayelsa, has been divided into five lots to ensure timely completion.

Sea Ports

The seaports practically handle all the country's imports and exports with the potential of increasingly serving the landlocked countries of Niger and Chad. The following seaports are owned by the Nigerian Ports Authority (NPA) on behalf of the Federal Government: 13 major

ports, 11 oil terminals, and 128 jetties, with a total annual cargo handling capacity of 35 million tons. The ports are dependent on imports, which constitute about 70 per cent of the total cargo. But in 2001, government introduced private sector participation. In April, 2006 the ports were concessioned to private terminal operators after international competitive bidding, based on the Landlord model. The NPA as the regulatory agency supervises port operations and development.

Shipping

Nigeria produces and exports a daily crude oil output of approximately two million barrels. But Nigerian indigenous companies have, in the past, made unsuccessful attempts to participate in the carriage of Nigerian crude oil, despite Article 2 of the National Shipping Policy Act of 1987, which is based on the recommendations of the United Nations Conference on Trade and Development (UNCTAD), that makes it mandatory for indigenous shipping lines to carry at least 40 per cent of the cargo generated in that country. But Government is putting in place policies that will help reverse this trend.

Air Transport

Nigeria has a total of 21 airports and 62 airstrips. Among these are four international airports in Abuja, Lagos, Port Harcourt and Kano, and one airport in Calabar with connections to the West African sub-region. Also, there are several privately owned airstrips. The Federal Airports Authority of Nigeria (FAAN) owns and operates all but three of the 21 airports. The National Airspace Management Agency (NAMA) is in charge of air traffic control, regulations and navigational aids for aircrafts. Safety oversight and all other civil aviation issues are the responsibility of the Nigerian Civil Aviation Authority (NCAA). Passenger and cargo traffic has been growing steadily in recent years. However, many of the airports are in need of major repair and only three of them (Lagos, Abuja and Kano) cover their operating costs.

Objectives, Targets and Strategies

In line with the Vision, and during the first phase of the implementation plan, the following objectives for the transport sector will be pursued: provision of adequate transport infrastructure and services for balanced socio-economic development of the country; provision of safe, efficient and cost-effective transport services for the country; development of the capacity to sustain and continuously improve the quality of transport infrastructure and service delivery in the country. Other objectives are creation of an enabling environment for private sector

participation in the provision of transport infrastructure; and development of a seamless inter-modal transport system.

Objectives and Targets for the Various Modes

Mode: Rail

Targets

- Complete rehabilitation of 3,500 km of the existing narrow gauge rail
- Complete the Ajaokuta ó Warri standard gauge rail line
- Increase the tonnage of freight transported from 50,000 metric tonnes to 1 million metric tons
- Transport 4 million passengers per year
- Achieve 500,000 daily trips via mass transit
- Introduce private sector participation in the provision of rail services
- Complete rail works that have reached 50 per cent completion as at Dec 09
- Commencement of the Abuja/Idu to Kaduna standard gauge rail line
- Link Abuja by rail to the seaports of Lagos, Warri and Port Harcourt
- Minna to Abuja (Lagos Port)
- Kafanchan to Abuja (PH Port)
- Itakpe to Abuja (Warri Port)
- Commencement of the coastal rail line (Niger Delta Rail line): Calabar to Benin
- Commencement of the East ó West rail line: Abeokuta to Benin
- Concession of the Lagos to Kano and the Port Harcourt to Maiduguri rail lines
- Construct rail lines to the ICDs
- Construct mass transit rail lines in Lagos and Abuja
- Rehabilitate the rail links at the ports

Waterways

- To increase the navigable routes on the inland waterways to 3,000KM
- To increase inland waterways traffic and passengers substantially
- To introduce private sector participation in the provision of inland waterways services
- Rehabilitate and construct key river ports, jetties and wharfs (Baro, Lokoja, Onitsha, Oguta, Degema and Yenagoa) by 2013
- Dredge and reclaim the rivers Niger and Benue
- To concession routes to the private sector

Airways

- Upgrade and expand the international airports to ICAO standards and recommended practices
- To transfer all other airports to state governments
- To concession the four international airports
- To upgrade and maintain the four (Lagos, Kano, Abuja and Port Harcourt) major international airports to ICAO standards and recommended practices

Seaports

- To reduce the turn-around time of ships at the ports
- To reduce tariffs to create competition at the ports
- To improve safety and security at the ports
- Develop new deep seaports at Epe/ Lekki, Brass, Bonny and Badagry.
- Dredge the harbours in Lagos and Bonny to accommodate large ocean liners and provide standard facilities, including RORO facilities in Bonny by 2011.
- Develop Calabar Port to support free trade zone

Roads

- Recovery of 30 per cent of the existing bad federal roads (7,677km), by 2013. Currently, *about 70 per cent of the existing roads are in a deplorable condition*
- Complete road works that have reached 50 per cent completion as at Dec 09
- To rehabilitate and reconstruct the major trunk roads
- To concession major and viable routes
- Secure funding arrangements from both the private and public sector for the remaining 40 per cent of the bad federal roads
- To introduce private sector participation in the upgrade and maintenance of roads

Shipping

- Encourage the establishment of indigenous shipping lines that will transport the wet and dry cargo in Nigeria
- To implement the United Nations Conference on Trade and Development (UNCTAD) guidelines on transportation, in order to facilitate the integration of the Nigerian economy with other leading economies in the area of shipping

Pipelines

- To increase the transportation of gas, crude oil and PMS via pipelines
- To rehabilitate the pipelines
- To construct more pipelines to new routes
- To ensure the provision of safe, efficient and cost-effective transport services

Water Transport

Develop indigenous capacity in manpower and skills as well as ship building and repairs

- Audit of maritime service providers to build a database to help service users to identify locally available facilities and services
- Improved utilization of the Cabotage vessel finance fund
- Expand the Nigerian seafarers development programme
- Develop ship demolition and recycle capacity

To create an enabling environment for private sector participation in the provision of transport infrastructure and services, this will include:

- Separate policy, regulation and operation
- Develop the economic and safety framework for the sector
- Create the environment for PPP
- Enact relevant legislation in transport, namely the National Transport Commission, railway, ports, roads and inland waterway bills
- Establish the economic regulator for the transport sector

Projects
The rehabilitation of the existing narrow gauge railway network from Lagos to Kano
Completion of the of 22 km standard gauge from Ovu-Warri,
Construction of 187.15 km standard guage from Abuja to Kaduna
Construction of 6 stations between Itakpe
Construction of modern coastal line from Benin to Calabar across 6 Niger Delta states
Construction of Abuja light Railway project
Construction of the standard gauge line from Itakpe to Abuja
Construction of standard gauge line from Minna to Abuja
Construction of standard gauge line from Kafanchan to Abuja

Table 2: Summary of Road projects to be funded solely from Federal Government allocation

Project
Dualisation of Onitsha ó Owerri Road and Onitsha Eastern by-pass
Dualisation of Ibadan ó Ilorin road section 1
Dualisation of the Abuja ó Abaji ó Lokoja road
Dualisation of the Kano ó Maiduguri road
Dualisation on the East ó West road. Warri to Oron via Port Harcourt
Construction of Kano western by-pass
Construction of Panyam ó Bokkos Wamba Road

Public Private Partnership Projects (PPP)

Private sector involvement in the transformation of the transportation sector is pivotal to the realization of the overall strategic direction of the sector as articulated in the NV 2020 economic transformation blue print. Consequently, existing and new public-private initiative will be given priority by the Federal Government to ensure their completion within the plan period.

Table 3: Key proposed projects and programmes for PPP

Project	Government financial commitment
Lagos-Ibadan Express Way concession. Upgrading of existing road by expansion to 8 lanes between Lagos ó Shagamu and 6 lanes between Shagamu ó Ibadan with construction of bridges.	
Concession of 1.35 km Guto-Bagama bridge across River Benue. Completion of 1.35 km with adjoining roads as expected to reduce travel time between Enugu and Abuja by 2 hours	
Construction of 2 nd Niger Bridge across River Niger at Onitsha / Asaba. Completion of 1.75 km bridge 14 km road with 3 No. Flyover bridges and 3 other bridges.	
Rehabilitation and expansion of Shagamu ó Benin, Benin-Asaba, Abuja-Kaduna, Lagos ó Badagry, Seme Border, Abuja ó Kaduna, Kaduna ó Kano dual carriageways to international standards in order to facilitate smooth transport of passengers, goods and services on the roads.	

Key Initiatives, Priority Projects and Programmes

The government, in prioritising programmes and projects for implementation during the medium- term period (2010-2013), took into cognisance population growth and demographics as well as expected developments in the industrial and agricultural sectors, among others. The priority projects identified were based on the following criteria: inter-modal transport connectivity projects; projects with more than 50 per cent completion; non-duplication of infrastructure; private sector participation; and encouragement and support of mass transit systems.

3.3 Housing

Situation Analysis

It is expected that an intensive housing programme will expand the construction sector, mortgage market and increase the quality of life of Nigerians. It has been estimated that there is a shortage of 16 million housing units in the country with over 80 per cent of the population living in informal housing - structures of varying degrees of degeneration on land which they have no ownership/title rights.

The Land Use Act 1978, which vests the ownership of all land on the governor of each state, has made the acquisition of land for housing projects very costly and transactions on land very cumbersome.

Issues and Challenges

There are several issues and challenges facing housing delivery in the country. There is a genuine shortage of properties in the formal sector partly due to the high cost of constructing houses. Consequently, rent and house prices are high. One of the lingering challenges to housing development in Nigeria is the unprecedented urbanization caused by high rural-urban migration which has created large demand for housing accommodation in the urban areas, leading to the emergence and expansion in slum settlements. The housing policy and inadequate regulatory and legal environment affect housing development in the country while lack of support and poor incentives structure for housing finance constrain private sector investment. There is also a lack of effective strategy for housing finance, access to land, residential infrastructure and building materials and related industry, particularly in the light of the need for the private sector to play greater role in housing. Other problems that impede housing delivery include:

- Inefficient mechanism for acquiring or transferring property rights;
- The dearth of long-term (secondary and primary mortgage) housing finance for home buyers;
- Absence of clearly defined foreclosure law;
- Weak enforcement of development control covenants;
- Lack of adequate capital for mass housing projects;
- Lack of identifiable model/system of housing delivery that best suits Nigeria;
- Over reliance on imported building materials as a result of inadequate development of local building materials.
- Administrative hurdles associated with the issuance of Governor's consent which fuels informal land transactions and development which impact negatively on property values

National Housing Development Imperatives

For Nigeria to meet its housing needs, it is imperative that government will design and implement policies and partnerships with the private sector which will achieve the following:

- Provide the legal and regulatory environment that will promote private investment in housing;
- Utilise private partnership opportunities to contribute to housing production;
- Implement reform policies towards the development of a more effective land administration system;
- Work with states and local governments to produce and implement a unified and integrated infrastructure development plan for housing, to open up new layouts and provide site and services for the private sector to develop affordable and decent mass housing;
- Expand site and services programmes to encourage medium and high income housing production.

Furthermore, government will facilitate access to housing finance; provide credit guarantees and targeted subsidies for home ownership to the needy, especially at state and local government levels. Legislation for a clearly defined non-judicial foreclosure law will be expedited. Popularize the implementation of the National Environmental Sanitation Policy.

Policy Thrust

During the plan period, the policy thrust will focus on the following areas:

- Creation of enabling environment for private sector investment in housing development;
- Provision of adequate public building policy for effective service delivery;
- Establishment of national housing data bank;
- Harmonization and standardization of land administration process nationwide through a national technical development forum.

Objectives, Strategies and Targets

The first objective is to develop an efficient land administration system to make land ownership available, accessible and easily transferable at affordable rate by conferring secure registerable and marketable title on land; establishing an efficient and transparent land title transfer system;

simplify existing land procedures for effective title and consent delivery; developing an efficient national land information system; and providing infrastructure for site and services to open up new urban layouts.

The objective is to establish an efficient legal and regulatory framework to enforce the control and monitoring of housing delivery by establishing a body to regulate the housing sector; designing appropriate incentives to facilitate home ownership for lower income groups; establishing a mortgage and title insurance system that will mitigate credit risks; establishing an efficient foreclosure system that will give more guarantees to lenders in cases of default; designing and implementing measures to encourage investment in affordable rental housing; and reviewing the Land Use Act to ease the process of acquiring and disposing landed property.

The Plan aims to reduce the cost of production of houses by providing adequate funding for R&D to improve the availability and affordability of building materials and technologies; promoting the use of certified local building materials for housing construction; commercializing the products of R&D of the Nigerian Building and Road Research Institute and other allied institutes; enforcing the provisions of the National Building Code (NBC); and promoting appropriate and cost-effective design of houses for different parts of the country to satisfy peculiar local consideration.

Another objective is to add 10 million new houses to the national housing stock by building an average of one million new homes every year in the national housing stock; ensure that at least 50 per cent of the new homes are built in the urban centres and the remaining in the rural areas; providing incentives to encourage public private partnership in mass housing development.

Projects/Programmes

The following projects and programmes will be embarked upon:

- Provision and equipping of building materials testing workshops.
- Re-capitalisation of FMBN (N62.5M x 4yrs)
- Construction of 600,000 Housing units under public private partnership
- Prototype housing scheme ó Construction of prototype houses using new technology and 90% local content.
- Construction of 240,000 affordable housing units
- Expansion of the site and services programme

Development of land valuation mechanism

Support for the production of low-cost housing units in LGAs

Projected Investment

The projected investment in the sector is in excess of N2.825 trillion over the next four years with the objective of providing four million housing units.

Table 8: Summary of Investment Plan in the Housing Sector 2010 – 2013

S/N	Priority Projects	Costs in N'm				Total
		2010	2011	2012	2013	
1	Recapitalisation of FMBN	-	5,167.94	5,857.00	6,201.52	17,226.46
2	Construction of 600,000 housing units under PPP arrangement	-	31,421.06	35,610.53	37,705.27	104,736.86
3	Construction of 240,000 affordable housing units by FHA	-	21,705.34	24,599.38	26,046.40	72,351.12
4	Prototype housing scheme - Support for the construction of 200 low-cost housing units in collaboration with the LGAs using 90% local materials	-	1,057.10	1,291.38	1,408.52	3,757.00
5	Development of land valuation mechanism	-	29.77	33.74	35.72	99.22
6	Equipping building materials testing workshops	-	38.80	43.97	46.56	129.34
7	Support for urban renewal projects in selected centres	-	200.00	950.00	950.00	2,100.00

CHAPTER FOUR

THEMATIC AREA: PRODUCTIVE SECTOR

The productive sector thematic area include Agriculture and Food Security; Manufacturing and Small and Medium Enterprises; Oil and Gas (downstream and upstream activities); Trade and Commerce; Culture and Tourism, and Film and Entertainment Industry. These sectors have been identified as growth drivers that will facilitate the achievement of the projected average GDP growth rate of 11 per cent during the Plan period. The productive sector is confronted by various critical challenges. These are in the areas of:

- Poor state of physical infrastructure particularly epileptic power supply and deplorable road networks;
- High cost of doing business;
- Inadequate access to funding and financial services;
- Weak input base;
- Heavy dependence on imported input;
- Poor quality control;
- Stiff competition from imports

4.1 Agriculture and Food Security

The agricultural sector (crops, livestock, fishery and forestry) has contributed an average of 41 per cent to the GDP in the last nine years (2001 ó 2009), while it has accounted for about 30 per cent of the growth in non-oil output. Under the 1st NIP, the policy thrust will be to enhance total factor productivity in agriculture sector through the application and diffusion of knowledge and improvement in the technology base. It is envisaged that the sectoral contribution to GDP will

drop from the current 41.5 per cent (2009) to 34.3 per cent (2013), as more agricultural produce is transformed from their primary state to processed products, with more value-added. To achieve this, a sum of N745.24billion has been proposed for investment in the sector during the plan period.

Despite the impressive performance of the sector in recent times, productivity remains low when compared with the global average. Over the last 20 years, value-added per capita in agriculture has risen by less than one per cent annually, with the effect of rising food and raw materials import bills and declining levels of food self-sufficiency. Despite endowed favourable ecological and climatic conditions, Nigeria presently spends about \$3 billion annually on the importation of food items, including rice, sugar, milk and fish. This has continued to undermine the needed expansion and growth in agricultural resource-based industries expected to absorb the high labour force and boost foreign exchange earnings.

Other challenges include:

Poor land ownership and tenure system

- Poor research co-ordination and weak linkage between research and extension
- Poor land ownership and tenure system;
- Ageing farming population and low returns on investment;
- Continued reliance on rudimentary tools and cultural practices;

Policy Direction, Objectives and Targets

Objectives

- Achievement of food security for the nation
- Enhance generation of national and social wealth through greater exports and imports substitution
- Enhance capacity for value-addition leading to industrialization and employment opportunities
- Efficient exploitation and utilization of available agricultural resources
- Enhance the development and dissemination of appropriate and efficient technologies for rapid adoption

The strategic policy thrusts are:

- Generation of national and social wealth, particularly in the rural communities through the creation of rural employment and infrastructure.
- Promote the use of certified and improved seeds of major important crops, fish fingerlings and seed stock.
- Encourage the rehabilitation of all existing irrigation facilities to achieve an increase in the percentage of cultivable land from 1 per cent in 2010 to 10 per cent by 2013
- Review and develop an agricultural land and water policy that will address the problems of soil fertility, water productivity, land and environmental degradation by 2011.
- Achieve an efficient and effectual agricultural extension delivery system.
- Achieve the adoption of improved varieties/species of seed and brood stock by 50 per cent of farmers by 2013
- Distribute high yielding, disease resistance, fast-growing varieties of cultivars of crops,
- Provide incentives for commercial seed and breeding companies to mass produce improved crops, livestock and fish seeds
- Promote special infrastructure such as dams, irrigation facilities, silos, extension services, rural roads, electricity, railway network, etc.
- Promote the use of biotechnology, create a new generation of farmers, enhance the utilisation of appropriate technology (home grown) to promote agricultural production, processing and marketing in order to sustain the sector along the entire value chain.

4.1: Agricultural Sector Targets

Below are selected targets for the agricultural sector

- | |
|---|
| <ul style="list-style-type: none"> - To achieve a 3-fold increase in domestic agricultural productivity by 2015 and 6-fold increase by 2020. - To transform the Nigerian agricultural production system to a substantially mechanized system by 2020. - Expand dairy production and milk yield from less than 2,000 kg to 5,000kg per cow per lactation by 2015. - To derive over 50 per cent of the nation's foreign exchange earnings through agro-industrial exports by 2013. - To reduce the present level of food import (worth over \$3 billion per annum) by 50 per cent in 2015 and by 90 per cent in 2020 - Increase the size of irrigated land from current 1 per cent of cultivable land by 2015 and to 25 per cent by 2020. - Review and further develop an agricultural land and water policy that will address the problems of soil fertility, water productivity, land and environmental degradation by 2010. |
|---|

- Increase area of land planted with diversified biomass including economic species in agro forestry programme from current 35 to 10 per cent in 2015 and to 20 per cent by 2020
- To reduce the post-harvest loss of agricultural produce by an average of 50 per cent in 2015 and 90 per cent in 2020.
- Achieve an efficient agricultural extension delivery system which includes extension worker, farmer ratio of 1:500 by 2020.
- Achieve the adoption of improved varieties/species of seed and brood stock by 50 per cent of the farmers by 2015 and 75 per cent by 2020

Strategies

- Significantly increase agro-industrial exports through enhancement of quality, local value- addition and creation of an enabling environment
- Expand domestic capacity to process agricultural produce into raw materials for industrial use
- Aggressively pursue import substitution to reduce import of raw materials and food through import tariffs and tax holidays for local industries to thrive
- Foster domestic processing of locally produced agricultural products (e.g. chocolate, juice, rice, egg, powered milk, etc)
- Improve harvesting and processing techniques of agricultural produce
- Promote establishment of agro-processing parks through PPP arrangement in each agro-ecological zone
- Strengthen agricultural commodity marketing through the creation of enabling marketing structures
- Shift from dependence on rain fed crop production through significant utilization of irrigation
- Ensure sustainable soil fertility, water management and productivity
- Aggressive pursuit of afforestation, re- afforestation and erosion control programmes
- Strengthen the agricultural extension system through adequate capacity building.
- Expand and accelerate knowledge-driven farming systems
- Achieve a high degree of public private partnership thrust in agricultural research and development by 2020

- Accelerate the adoption of high-yielding seed varieties and brood stock.

Key Initiatives

Develop modern technologies and facilities for primary storage and processing of agricultural produce. The key objective of the agricultural sector are to expand export product handling, preservation and conditioning centres, develop export market information systems and develop modern technologies and facilities for storage and processing of agricultural produce. Other initiatives for the sector are to rehabilitate and complete irrigation projects and develop commercial organic farming. Emphasis will be placed on rehabilitation of existing agro-processing centres and the establishment of new ones through PPP. Emphasis will also be placed on reform and diversification of existing extension systems with emphasis on livestock, fisheries, agro-forestry and home economics.

Priority Programmes and Projects

Crop Sub-Sector

The average annual growth rate of 8 per cent (2006-2008) recorded in the agricultural sector was propelled largely by crop production. Accordingly, government is determined in the medium-term to increase the current level of production and productivity of the crop sub-sector through strategies such as adoption of improved agriculture technology, price stabilization mechanism, improved irrigation scheme and efficient extension schemes. The core programmes and projects include:

- Implementation of agriculture cadastre programme in all the 36 states and FCT. This is with a view to developing a rich data base for agriculture farm land. This will assist farmers to use their farm land as collateral for farm credit.
- Clearing of 240,000 ha of land (2010-2013) in collaboration with the 36 states and FCT will be vigorously pursued.
- Production of 62,500 MT of certified seeds and 27.5 MT breeder seeds, 508 MT foundation seed and establishment of agric seeds centres in the 36 states and FCT are to be implemented. The programme is aimed at increasing farmers' productivity and farm income through the use of improved seeds of high-yielding varieties.
- Construction and completion of on-going silos to increase the number of silos to 44 with storage capacity of 3 million MT.

- Implementation of the programmes of community warehousing, which is aimed at achieving 700,000MT storage to store excess farm harvest.
- Generation and rehabilitation of old and moribund cocoa and oil palm plantations and planting of new farms to increase production sustainability and quality.
- Establishment of 12 Agro Export Conditioning Centres (2 centres per geo-political zone).

These programmes are aimed at adding value to agricultural produce and linking them to both domestic and international markets. Similarly, some crops, such as rice, palm oil, cotton, cassava, wheat, cocoa, sesame, tomato and groundnut, have been identified for support and development along the value chain with a view to generating foreign exchange and employment. Key projects to be implemented by the industry sector, in line with the value chain, include the establishment of 181 large scale rice processing mills through public private partnership programme to raise rice production from 49 million MT to 100 million MT by 2013, establishment of 200,000 cassava processing factories in the 36 states and FCT under private public partnership in order to raise current level of cassava production.

Dams, River Basins and Irrigation Schemes

Dams and irrigation schemes are strategic for increased productivity by encouraging a shift from seasonal to all-year farming. Consequently, government during the plan period will ensure that all existing dams and irrigation facilities are exploited and managed through PublicóPrivate Partnership. The River Basin Authorities are to be restructured and managed in a more efficient manner with a view to making them centres for improved seeds for crops, livestock and fisheries multiplication, for the construction and maintenance (not management) of dams and primary channels, promotion of a strong extension system for the states they cover and more importantly for the farmers in their irrigated lands. They will also be adequately funded to provide processing facilities for the major crops and livestock of the RBDAs farm system; portable water supply, roads and basic infrastructure for rural communities to facilitate access and product evacuation as well as to improve the environment to attract young farmers to the rural areas. The sum of N350billion is tentatively earmarked for river dams, river basins and irrigation schemes.

Livestock

The goal is to effectively control and manage vectors of animal diseases and migratory pests as well as encourage private sector participation in all aspects of livestock production, processing and marketing. The major programmes including the following key sub programmes of livestock development:

- Intensification and diversification of research in livestock;
- Breeding to ensure availability of improved seed stock;
- Dairy development;
- Development of youth livestock farms;
- Grazing reserve development;
- Ensure improved animal and public health;
- Pest control services and development of the value chain and overall quality control.

The expected outcomes include:

- Reduction in the incidence of major animal diseases
- Increase in production of Livestock products
- Reduction in pest infestation
- Increase in livestock exports and trade
- Increase in wholesome livestock and dairy products.

In order to guarantee the continued growth of the sub-sector, a total sum of N105 billion will be earmarked for the sub-sector during the plan period.

Fishery

The priority of government during the plan period is to achieve increased domestic fish production from all sources on a sustainable and renewable basis to the level of self-sufficiency and fish export in the medium and long-term. Government is set to pursue a deliberate policy of increasing production of fish and fisheries products by 25 per cent annually. By 2013, it is projected that the current production of about 700,000 MT will increase to 3 million MT. Key priority projects in the sub-sector during the plan period include establishment of 120 fish farm estates across various geo-political zones expected to increase fish output by 300 per cent; Inland Fisheries Development, Construction of Ornamental Fish Development Centres, Fish Seed and Feed Certification and Standardization, shrimp farm development, establishment of feed mills and fish resources monitoring. Local fish seed production is expected to increase from current 5

million to about 4 billion annually. The sum of N25 billion is earmarked for the programme between 2010 and 2013.

Research and Development

The plan will focus on the intensification of applied research; the strengthening of the Agricultural Research Council of Nigeria (ARCN), the establishment and equipment of additional research institutes including the unbundling of the National Animal Production Research Institute (NAPRI) into Beef and Dairy Cattle Research Institute to be located at Shika ó Zaria with outstations in Sokoto, Jalingo, Umuahia, Maiduguri, Ilorin and Ebonyi (for Muturu sp.), National Swine Research Institute, Makurdi, Benue State with outstations in Asaba, Ogbomosho and Awka; National Poultry Research Institute, Enugu with outstations in Lokoja, Ado Ekiti and Minna; National Pasture/ Forage Research Institute, Yola, Adamawa State with outstations in Birnin-Kebbi, Shika, Abakaliki. Furthermore, the plan will involve the establishment of specialized centres and laboratories for crops, livestock and fisheries agricultural biotechnology research for the focused and intensified production of high-yielding, consistently conformational and disease-resistant species of crops, livestock and fishery, with due consideration given to all ethical concerns.

Extension and Professionalization of Agriculture

Key priority projects, during the plan period, include training of 10,000 youths annually, nationwide, as private sector extension workers to 2013. Also, agriculture would be professionalized to attract youths and new graduates to agricultural production, processing and marketing; create a new generation of farmers by incorporating modern technology, especially ICT (example: farmer information call service) and incentives (scholarships, grants, soft loans) to sustain agricultural growth through the entire value chain. Government will also establish a framework to strengthen the research and extension linkages.

Large Scale Commercial Agriculture

There is commitment to the promotion of large scale commercial agriculture to eventually reduce the size of population engaged in peasant farming. Special incentives and legislative framework will be provided to encourage this form of agriculture. The Land Use Act will be streamlined to encourage acquisition of land and investment by the private sector in this key activity which is vital for Nigeria in the direction of NV20:2020.

4.2 Oil and Gas

The oil and gas sector remains very strategic to the sustenance of rapid economic growth and development in Nigeria. This is because the sector accounts for over 95 per cent of Nigeria's total foreign earnings and 85 per cent of total government revenue, resulting in the nation's near total dependence on oil and gas revenue. However, the impact of the sector on employment generation, value-addition and diversification of other sectors of the economy has remained relatively low. Its relative current contribution to the country's GDP in real terms is about 17 per cent (end-December 2009).

The lacklustre performance of the sector is attributable to a myriad of constraints, which include high level of foreign content, focus on export of unprocessed crude and low refining capacity. Other challenges that have continued to undermine the development aspirations in the oil and gas sector include:

- Unrest and agitation in the Niger Delta region over the past five to ten years, which creates an unattractive environment for investment.
- Low level of social responsibility demonstrated by oil sector operators.
- Loss of revenue due to interruption of production operations and theft of crude oil from pipelines and tank farms.
- Escalating operational and development cost (of operations and project activities), arising from the requirements of additional security for oil company, contractor staff and assets. Escalating demands from the host communities and the cost premium of operating in a very unstable business environment.
- High incidence of delayed and abandoned projects in communities where companies are unable to sustain a license to operate. This gives rise to a lower than expected rate of growth of the Nigeria Oil and Gas Industry.

Despite these challenges, the sector has a lot of opportunities to stimulate rapid economic growth and development during the medium-term implementation period.

Policy Thrust

The strategic thrusts for oil and gas during the plan period will be as follows:

- Optimizing the contributions of the oil and gas sector by intensifying crude oil and gas exploration

- Providing a secure and friendly environment for the sector and involving the stakeholders in the area in oil sector related activities
- Promotion of private sector investment in both upstream and downstream activities of the oil and gas industry
- Deregulation of the oil and gas industry
- Promotion of environmentally friendly oil and gas exploration and exploitation methods, thereby minimizing the environmental degradation of the oil producing areas.
- Strengthening capacity building programmes, especially the core technical areas of oil and gas.
- Reducing gas flaring as a means of reducing pollution
- Strengthen anti-pollution laws
- Enact PIB Laws
- Harnessing gas resources to grow the economy.
- Promotion of Liquefied Petroleum Gas (LPG) as fuel for cooking to free liquid petroleum for exports.
- Ensuring adequate gas supply for the domestic market and principally for generation of power.
- Diversification of the mode of transportation of petroleum products- pipeline, railway and road haulage

Objectives, Strategies and Targets

The sectoral objectives for the oil and gas sector include the following:

- Grow national content value-addition in the oil and gas sector, thereby expanding linkages to other sectors of the economy.
- Increase local refining capacity to service both domestic and regional markets.
- Meet Nigeria's domestic gas demand, especially to the power and manufacturing sector while optimizing Nigeria's share and competitiveness in high value export markets.
- Transform the national oil company into a world class, commercially-driven and globally competitive organization
- Ensure that oil and gas operations meet global health, safety, and environment (HSE) standards

- Develop Nigeria's gas industry, separate from the oil industry while delivering significant capacity additions to serve local and export gas markets

Targets

- Grow reserves from 40 billion barrels in 2010 to 50 billion barrels by 2013;
- Grow crude oil production capacity from 2,8mb/d in 2010 to 4.5 mb/d by 2013;
- Grow in-country refining capacity from 0.45mb/d to 0.750mb/d by 2013;
- Increase OPEC Quota allocation from 1.67mb/d to 4.5mb/d by 2013;
- Increase local content in oil and gas from current 20 per cent in 2009 to 35.5 per cent in 2010 and to 70 per cent by 2013;
- Grow gas reserves from 187TCF in 2010 to 220TCF by 2013;
- Attain zero flare from 34 per cent gas produced as in 2006 to what is technically allowed in 2010 ; and
- Increase the use of LPG gas in homes and industries and LPG penetration from current 0.5kg to 1.0kg per capita by 2013.

Accordingly, the following implementation strategies will be adopted to achieve the above stated targets:

- Create an enabling environment in the Niger Delta.
- Promote economic empowerment programmes targeted at building community capacity

- Create employment opportunities in oil producing communities by upgrading and building new facilities
- Establish an appropriate machinery to effectively monitor the activities of all operators in the oil and gas sector.
- Establishing appropriate regulatory agency and ensure enforcement of rules.
- Continue with competitive and transparent bidding/allocation of oil (Sao Tome and Principe JDZ inclusive).
- Attract the most technically qualified and financially capable investors to participate in each bid round while developing indigenous capacity and capability in conformity with practices and standards in petroleum exploration and production.
- Fully commercialize the NNPC to place it on a level playing field with Joint Venture partners.
- Deregulation of petroleum product pricing.
- Promote private investment to distribute petroleum products to all the state capitals
- Privatization and/or private equity participation in the existing refineries.
- Developing the appropriate pricing regime for the gas sub-sector to promote investment in various phases of gas production, transmission and distribution.
- Passage of the Petroleum Industry Bill and Local Content Bill into law.
- Develop a database on the country's oil and gas deposits, facilities and professionals.
- Facilitate projects that transfer technology and generate employment in the non-oil sector, especially the petrochemical industry.
- Improve security (against vandalism at facilities), and strengthen the Department of Petroleum Resources
- Implement the National Oil Spill Contingency Plan

Planned Investment Programmes and Projects

In order to meet Nigeria's oil and gas sector objectives, efforts will be made to encourage more investments by private entities, individuals and government. The oil and gas industry requires up to N5, 400 billion (US\$36.0) billion over the medium-term to execute projects that will deliver

4.5mbpd and over 4 billion cubic feet of gas per day by 2013. Out of this investment, the Federal Government is expected to provide its share of about N467.88 billion (US\$3.111 billion). This includes funding for the capital projects in gas and power. Other projects in the sector include NNPC's direct exploration and production activities, natural gas supply projects, depots, and capital improvement projects.

4.3 Manufacturing Sector

The manufacturing sector is crucial for employment generation, wealth creation and raising the quality of life of Nigerians, it, however, remains weak due to a myriad of challenges, including the poor state of the nation's infrastructure which imposes a high cost of production. There is also the issue of weak technological support and low levels of innovation, which lead to production of low quality products and non-competitiveness.

The vision for the manufacturing sector is to establish '*a technologically-driven and globally competitive manufacturing sector, with a high level of local content and contributing more to National GDP*'. This entails rapid expansion in the technology base, substantial improvement in the quality of the human capital, enhanced efficiency and productivity, among others.

Issues and Challenges

As elaborated in the Vision document, the major challenges in the sector include:

- Poor state of physical infrastructure
- Policy instability and discontinuity
- Inadequate funding and financial services
- Insufficient quality control
- Weak local raw materials supply base
- Skilled manpower shortages
- Low level of technology
- Low investment in research and development
- Competition with sub-standard imports
- Difficult business environment

Policy Direction, Objectives and Targets

The strategic thrust during the plan period will be on promotion of private sector investments in the sector, through the creation of enabling operating environment that allows for substantial improvement in efficiency, productivity and profitability in the manufacturing sector. The primary objectives are to position the manufacturing sector as a key driver of the economy, ensure global competitiveness for manufactured goods, and achieve rapid and sustained economic growth through broadening the nation's productive base.

Box 4.3: Manufacturing Sector Targets

The targets set for the sector during the plan period are as reflected in the box below:

- Increase significantly the contribution of the manufacturing sector to GDP from 4 per cent to 12 per cent between 2010 and 2013,
- Raise capacity utilization from 54.67 per cent in 2008 to 65 per cent by 2013, and
- Provide a business climate which is conducive to manufacturers by lowering infrastructure, regulatory and other costs by 60.0 per cent by 2013.
- Increase local content in manufacturing from the present 22 per cent to 55 per cent by 2013
- Increase agricultural produce processed by the sector by 10 per cent annually from 2010 to 2013
- Increase employment share of manufacturing by 15 per cent annually up to 2013
- Attain 60 per cent compliance with global ISO quality standards within the next 3 years.
- Increase the share of manufactured goods in export from 2.2 per cent to 10 per cent by 2013.
- Upgrade skills and productivity of at least 60 per cent manufacturing workforce by 2013.
- Increase access of 60 per cent of manufacturers to short-term and long-term credit by 2013
- Attain 25 per cent reduction in cost of production between 2010 and 2013;
- Promote the growth of core industries to be the backbone for material inputs by 70 per cent by 2013
- Increase employment share of manufacturing sector by 15 per cent annually
- Ensure a reduction in proportion of manufactured goods in imports from 70.6 per cent in 2009 to 55 per cent by year 2013
- Increase the share of manufactured goods in exports from 2.5 per cent in 2005 to 15 per cent in 2013
- Increase annual growth in manufacturing from 8 per cent in 2005 to an average of 35.9 per cent per annum.

Strategies

The strategies that will be employed to achieve the objectives include:

- Provision of common facilities at manufacturing clusters to enhance efficiency in production and cost reduction.
- Promote linkage between the sector and the primary sector.
- Provision of incentives for investment in the food and beverages, textiles, metal products, iron and steel, chemical, pharmaceutical and basic metals industries.
- Establishment of industrial clusters, free trade zones and export processing zones to facilitate economies of scale for SMEs
- Provision of incentives for private investment in R&D
- Implementation of targeted cost reduction strategies
- Ensure ports meet the best international standards, and
- Strengthen the Customs Service (including NAFDAC and SON) to ensure that the war against adulterated goods is intensified.

The private sector will remain the engine of growth in the sector. It is expected that the implementation of the strategies for addressing the challenges in the manufacturing sector as contained in this Plan would promote rapid economic and social development of the country as well as move the country closer to achieving NV20:2020.

Priority Programmes and Projects

Under the 1st NIP government will target investments in priority sub-sectors such as petrochemicals, drugs and pharmaceuticals, food, beverages and tobacco, textiles, clothing and leather, basic metals, iron and steel, and fabricated metals and non-metal minerals products.

Most of the sectors are knowledge-driven and a major strategy will be the improvement of human capital, particularly in raising science, engineering and pharmacy graduates with quality education. Government will adopt appropriate incentives to attract investment in high risk areas, such as drugs and pharmaceuticals industries. Government will also provide financial assistance; especially to small scale enterprise to enable them invest in these areas. In addition, joint venture and smart partnerships will be encouraged. The key projects to be implemented are summarized in Table 23. The proposed investment in the sector is N111.82 billion.

4.4 Small and Medium Enterprises

The Small and Medium Enterprises (SMEs) sector has been identified as one of the critical sectors to achieving the Nigeria Vision 20:2020. This is because a nurtured and well-structured SME sector can contribute significantly to employment generation, wealth creation, poverty reduction and sustainable economic growth and development. This is in line with the vision for the SMEs sector, which is: *“To be the engine of economic growth, driver of sustainable industrial development and global competitiveness”*.

The activities of SMEs in Nigeria cut across several sectors of the economy and include manufacturing, agriculture, solid minerals, metal fabrications, ICT, culture and tourism, transportation, trade and commerce, among others. However, there is a dearth of statistics on SMEs in Nigeria in terms of their current status. This has made it difficult for more targeted intervention to the sector over the years. The establishment of the Small and Medium Enterprises Agency of Nigeria (SMEDAN) in 2003 was among some of the policies put in place by government to promote orderly development of the SMEs sector in the country. During the plan period, government will make concerted effort to provide institutional support and create the necessary enabling environment for SMEs to become the engine of economic growth in the country.

Issues and Challenges

The major challenges affecting the growth and development of SMEs in Nigeria are:

- Poor and inadequate infrastructure (power supply and transportation facilities).
- Non-access to medium and long-term credit facilities and poor financial intermediation, including lack of venture capital
- Poor market information and lack of market access
- Harsh business operating environment resulting in high cost of doing business and unfair competition from imported goods.
- Multiplicity of taxes.
- High mortality rate of SMEs
- Weak sectoral linkages resulting in lack of synergy and inability to optimize the benefits of effective networking
- Inadequate government support
- Lack of data for effective planning and targeting in the sector

Policy Direction, Objectives and Targets

The strategic thrusts, during the plan period will be:

- The creation of a conducive policy and regulatory environment for the growth of SMEs;
- Enhancing access to formal credit and complementary financial services on a sustainable basis;
- Promoting access to requisite information and business development services to enhance the capacity of the sector;
- Addressing infrastructural bottlenecks (workspace, roads, sanitation, utilities, etc) which have long been known to be the bane of enterprise development and competitiveness;
- Promoting effective research and development (R&D) systems for the growth and competitiveness of SMEs;
- Improving SMEs share of local/export markets, and
- Promoting the transformation of informal SMEs to formal sector through sensitization/simplification of registration procedures, to ensure full integration into the economy

Essentially, the SMEs sector will be developed to be a key driver of national economic growth and development. To this end, specific targets have been set for the sector as contained in Box 4.4

Box 4.4: Targets for the SMEs Sector

- Increase entrepreneurship and raise employment contribution to 50 per cent by 2013
- To contribute 30 per cent of GDP by 2013
- To contribute 30 per cent of exports by 2013
- Increase production of capital goods by 10 per cent annually up to 2013
- Improvement in investment on human capital by 10 per cent annually up to 2013
- Increase productivity at all micro, small and medium enterprise levels by 20 per cent

- To increase the skills and know-how for industrial production and management by 30 per cent on a yearly basis
- To increase access to credit by 20 per cent annually until 2013
- To provide linkage with, and be a source of raw materials to large-scale industries
- To effectively utilize locally produced raw materials
- Increase procurement of SME goods and services by 40 per cent in 2013

Strategies and Interventions:

The strategies and key interventions to be employed to achieve the set objectives will include:

- Intensification of PPP in projects and programmes implementation in key areas such as agriculture, agro-allied industries, tourism, ICT, transportation, arts and craft, and building and construction among others.
- Establishment of SME clusters
- Facilitation and encouragement of the private sector to undertake institutional and operational changes that is critical for the growth of the SMEs sector. In this regard, focus will be on the following areas: innovation, information availability, enterprise and competitiveness, funding, energy, enterprise clusters, industrial parks and incubation centres, institutional re-alignment, enhanced linkages with the agricultural and capacity development.

Priority Programmes for the SME Sector:

Over the plan period, investment will be made in key areas (sub-programmes) such as:

Developing entrepreneurial skills sub- programme, establishing functional SMEs clusters sub-programme, Government establishment of clusters sub- programme, fiscal environment sub-programme and SMEs expansion sub-programme. The estimated total investment in the sector over the plan period is N4.701 billion

Conclusion

Under the 1st NIP government will endeavour to enforce appropriate legislations aimed at developing and growing the SMEs. In this regard, targeted incentives will be made available to operators in the private sector to establish businesses.

4.5 Solid Minerals and Steel Development

The minerals and metals sector will be driven by an overriding policy, aimed at ensuring that mineral production is linked to the real sector of the economy, in a manner that will encourage higher output and productivity of the economy, and guarantee lower factor input costs for the mineral sector. The vision is to transform Nigeria's minerals and metals as a catalyst for domestic growth and attain global relevance in a sustainable manner. This will involve strengthening institutional and human capital across every aspect of the minerals and metals value chain (production, processing, marketing and distribution), as well as sustaining a stable, effective legal and regulatory framework for the minerals and metals sector. The estimated total investment for the sector during the period of the Plan amounts to N66.715 billion.

Issues and Challenges

The key constraints include the following:

- Absence of a comprehensive geological survey of the entire country for mineral deposits
- Lack of enforcement of global best practices in environmental standards for mining activities. Mining activities have often created abandoned pits, shallow ponds, poisonous wastes, radioactive wastes, etc with severe health implications
- Lack of capacity of staff on mining regulatory issues
- Prevalence of informal and illegal activities
- Absence of adequate buying centres
- Inadequate minerals processing centres
- Absence of an Act to control operations in the metallurgical industry.
- The non-completion of the Ajaokuta -Warri rail line, non-availability of a captive port and lack of accessible roads to raw materials deposits
- Inadequate supply of power and natural gas
- Lack of trained manpower with technical skills.

Policy Direction

The policy thrusts aimed at making Nigeria a destination for capital (local and foreign) for the profitable exploitation of the nation's mineral resources are:

- Development of an effective mechanism for consistent and systematic generation of quality and reliable geosciences data to support detailed exploration of mineral resources
- Facilitation of access to capital for expansion and development of the solid minerals sector. In addition to other funding sources, the solid minerals development fund provided for in the Nigerian Minerals & Mining Act of 2007 will be fully utilised for this purpose, and will be fully operational by the end of 2010.
- Provision of specialized funding for key institutions in the solid mineral sector and the development of industry-wide capacity building programmes for both small and medium scale mining companies.

Objectives

- Entrench sustainability as a fundamental principle in the exploration of mineral resources and in developing metal sector
- Strengthen institutional and human capacity across every aspect of the mineral and metals sector
- Sustain stable and attractive legal and regulatory framework for the minerals and metals sector
- Develop functional linkages to the real sector of the economy e.g. coal for power generation, bitumen for road construction
- Facilitate access to sources of funds for the exploration and development of minerals, steel and other metals industries

Global environmental best practices

- Revitalize the entire steel sector for the operation and production of 3million tonnes of liquid steel per annum by 2013
- Achieve enhanced capacity to supply 50 per cent skilled manpower required for all segments of the minerals and metals sector
- COMEG to establish professional programme by 2011
- Empower NGSA to prepare 20 maps of 1:50,000 per annum (with accompanying literature and bulletins) to achieve 60 per cent coverage by 2013
- Maximum exploitation of bitumen to meet local demand most especially in the area of road construction.
- Coal fired plant to contribute 30 per cent to power generation by 2013

Strategies

- Sustain transparent, independent and modern licensing system through the mining cadastre office
- Initiate specific programmes targeted at the development of the medium scale commercial mining operators
- Develop an effective mechanism for the consistent and systematic generation of quality and reliable geosciences data to support sustained minerals exploration
- Encourage manpower development for the preparation of bankable feasibility studies in Nigeria's mining industry through:
 - COMEG to establish professional programme by 2011
 - Strengthen facilities in universities and polytechnics to produce requisite manpower
- Create attractive environment and clearly defined incentives to minerals and metals to meet various domestic production needs
- Initiate specific interventions (government/private sector-driven) to achieve growth in minerals and metals production, and promote deep and functional linkages with the economy
- Establishment of Solid Minerals Development Fund.

Priority Programmes and Projects

The priority programmes are Formalization of artisanal small scale mining operations in the country, Establishment of extension services performing and registered ASM cooperatives, Construction and equipping of environmental analytical laboratories, Reclamation of high

4.6 Trade and Commerce

The estimated total investment for the sector during the period of the Plan amounts to N20.112 billion. The breakdown of the annual estimates is presented in the annex. Trade and commerce is strategic for the economic development of the country. Accordingly, the policy thrust of the sector within the plan period will be to implement projects and programmes that will boost the production of export manufactures as well as create the necessary environment for the emergence of the country as a hub for trans-America, trans-Europe and trans-Asia trade.

Issues and Challenges

The major challenges of the sector that will be addressed include the following:

- Low productive/trade capacity for effective participation in the global market;
- Lack of commitment to policies aimed at boosting total exports;
- Absence of reliable and timely trade data;
- Poor quality of goods and services that do not meet international standards;
- Poor trade skills and negotiation capacity;
- Non-diversification of export base;
- Uncoordinated informal trade; and
- Inadequate specialized support institutions and low awareness of exporters on the opportunities provided by the preferential trade arrangement schemes.

Policy Direction, Objectives and Targets

The policy thrust for the sector is set within the context of the NV20:2020. One of the major policy thrusts of the sector will be to ensure the development of a private sector-led export growth of the economy. It is also aimed at encouraging the production and distribution of goods and services, especially in the context of Commerce 44 initiative to satisfy domestic and international markets for the purpose of achieving accelerated growth and development.

Objectives

The objectives for the trade and commerce sector during the plan period are as follows:

- Drive and promote increased value-addition to Nigeria's potentials in agriculture, minerals, oil and gas in order to achieve rapid sustainable economic growth that

h creation, employment generation and delivering

- Sustain the tariff reform which is aimed at reducing the unpredictability, uncertainty and lack of transparency of Nigeria's tariff regime;
- Broadly deepen Nigeria's integration into global markets by doubling the country's openness index by 2013;
- Promote greater utilization of various preferential trade arrangements, including ECOWAS Free Trade Area and AGOA;
- Conclusion of the Economic Partnership Agreement (EPA) with the EU;
- Facilitate trade in goods and services both domestically and internationally;
- Promotion of the transfer, acquisition and adoption of appropriate and sustainable technologies to ensure competitive export-oriented industries;
- Ensure that the country moves up substantially in the ease of doing business index by 2013;
- Promotion of ethical business practices which support consumer protection.

Strategies

Support for the growth of non-oil exports, increased utilization of preferential trade arrangements and to strengthen Nigeria's participation in international trade negotiations. Improving the uptake of preferences would require addressing various bottlenecks such as transactions and transformation costs and regulatory framework for market access, both formal and informal, which increase the domestic costs of doing business and reduce the competitiveness of local firms. Nigeria's increased participation in international trade negotiations will also ensure that the country's interests are secured in future trade agreements. The key strategies for the sector are to improving non-oil export performance by promoting a limited number of products to well-defined target destinations, such as currently proposed under the Commerce-44 Initiative, strengthening institutions responsible for export promotion, particularly the Nigerian Export Promotion Council (NEPC). Greater support on production, financing, logistics and market identification for export products will be provided particularly to SMEs and promoting an export culture and trade capacity building in the Nigerian private sector by re-designing existing export incentives, for example, by providing some export grants to firms targeting new export destinations. Greater attention would be on

and enterprises. Others include improving current differential trading schemes such as AGOA, encouraging exploitation of opportunities for increased regional trade, particularly using the ECOWAS Trade Liberalization Scheme (ETLS) for domestic industries, harmonizing institutions for negotiations and improving preparations for trade negotiations, by conducting comprehensive background studies which clearly outline strategic national interests as well as risks associated with various negotiation outcomes and strengthen EPA negotiations, conducting extensive impact assessment studies on potential impact of EPA with the EU, and to only consider an agreement if the overall anticipated benefits exceed current benefits obtained under the Cotonou Agreement.

Adequate attention will be given to the key initiatives to promote commodity value chain in line with Commerce 44. Emphasis will also be given to developing deep-sea port, inland container depots, free trade zones (FTZs) and a shipbuilding facility to enhance coastal shipping, international trade, and regional integration.

Sectoral Priority and Targets

The following will be the focus areas during the plan period:

- Building bridges across the ministries, tiers of government; businesses, industries; etc, with a view to harmonizing trade and commerce strategies at different levels;
- Market development through provision of market infrastructure: Creation of industrial parks with full complement of services, more export processing zones, industrial clusters, free trade zones, and special economic zones, etc;
- Provision of adequate incentives to stimulate targeted products/services;
- Market facilitation through provision of marketing facilities; (information, quality control, incentives, arbitration, demonstrations, etc.)
- Development of capacity for negotiating trade agreements, regional/international concessions, duty free/tariff preference trade regimes for products and services; (trade missions)
- Integration of informal sector into the formal sector; and
- Promotion of border markets.

Indicative Allocations

re Commerce 44 Initiative, Trans-National Border and Regional Markets, National Focal Point on Trade Matters, Investment Promotion and Protection Agreements, One-Product-One Local Government Initiative. In order to implement the programme, N66.715 billion has been earmarked in the Plan for the sector.

4.7 Culture and Tourism

Culture and tourism sector has been identified as a major growth driver for achieving the nation's vision. The sectoral vision is to make Nigeria the preferred destination in Africa. Despite the resolve of government to use culture and tourism as a major driver of growth, the performance of the sector has been below expectations. Some of the factors responsible for the poor performance include:

- Security: There are still challenging security and safety issues in the country.
- Hospitality industry: Except for a few, most hotels still operate below acceptable international standards.
- Non-competitive visa regime: The current visa regime is not tourism friendly. This makes Nigeria less competitive as a destination in the region.
- Neglect and underdevelopment of tourism assets.

However, the greatest challenge is how to co-ordinate the efforts of states in a manner whereby the nation will derive economic and social benefits from culture and tourism.

Objectives and Targets

It is expected that Nigeria has the potential of becoming a major tourism destination in Africa during the Plan period. This is by developing, preserving, promoting, and presenting the country's various tourism products in order to reposition them for revenue generation. In order to achieve its objectives there is need for Nigerians to commit themselves to renewed values of honesty, integrity respect for the rule of law and traditions. In the light of the objectives, the target to be achieved include 10 per cent annual growth rate in tourist arrival at Nigeria's airports and land borders from 2010; increase contribution of tourism to GDP from 2.5 per cent in 2007 to 5 per cent by 2015; increase the number of registered hotels in Nigeria from 1,700 in 2008 to 2,500 by 2013. There is also the need to promote the occupancy rate of hotel from 85 per cent in 2007 to 90 per cent in 2013. Another target is to achieve a 10 per cent growth rate in film production by 2013 and generate a minimum of N2 billion annually from Nigerian Theatre/Carnival from 2010.

CHAPTER FIVE

CAPITAL, SOCIAL DEVELOPMENT AND

GOVERNANCE

The human capital and social development thematic area covers the eight critical Social sectors of the economy namely: Education; Health; Labour; Employment and Productivity; Women Affairs and Social Development Youth Development; Sports Development; Food and Nutrition and Social Protection. The social sector is strategic to national development, as it deals with improvements in the quality and capacity of a nation's human resources. Investment in the social sector is targeted at ensuring that the nation's human resource endowment is knowledgeable, skilled, productive and healthy to enable the optimal exploitation and utilization of other resources to engender growth and development. As people are the driving force of the economy, improving their productivity, protecting the vulnerable in the society and enhancing their well-being and quality of life are the essence of development planning. While the nation aspires to grow the economy at a high rate, there is need to ensure that the growth is inclusive for societal harmony and sustainable development.

Education

Sector Challenges

In the education sector, the main issues to be addressed during the plan period include achieving complete access to education by all school-age children, providing opportunities for professional development of existing teachers, training and recruiting more qualified teachers, creating the appropriate learning and teaching environment to upgrade quality and standards to reposition the sector in a way to facilitate attainment of the Vision. But then a subsisting challenge is the state of dilapidation in many public schools and institutions of higher education as well as attaining the required skilled manpower in adequate numbers.

Targets for the Education

- Increase net primary enrolment from 61.5 per cent to 75 per cent by 2013;
- Increase access to nomadic education from 22 per cent to 40 per cent by 2013;
- Increase adult literacy rate for women from 55 per cent to 65 per cent by 2013;
- Increase coverage for awareness and advocacy programmes by 2013;
- Review and update all teaching and learning support materials by 2013;
- Upgrade of 13,396 unqualified teachers by 2013;

- 40 per cent gender parity attained by 2013

Objectives

- Provide and sustain unfettered access to education for the total development of the individual;
- Ensure regular review of curriculum and other policies at all levels for skill acquisition, job creation and poverty reduction; and
- Promote Information and Communication Technology capability at all levels

In line with the objectives, the policy thrusts relate to the following:

- Promote primary education enrolment of all children in school-going age irrespective of income profile of the parent;
- Provide infrastructure such as classrooms across all levels to ease overcrowding, increase access and reduce pupil/teacher ratio;
- Enhance the efficiency, resourcefulness, and competence of teachers and other educational personnel through training, capacity building, and motivation.

Priority Programmes

- Creation of centres of excellence in one university, polytechnic and college of education in each geo-political zone.
- Train and retrain teachers on the 9-year basic education curriculum.
- Upgrading /provision of additional laboratories, workshops, studies and research facilities in all federal universities and inter-university centres, colleges of education and polytechnics.

Health

For the health sector, there are a number of challenges which include: limited and uneven access to health care services across the country, weak systems of governance at the local government areas (LGA) level where the responsibility for Primary Health Care (PHC) services coupled with fragmented distribution, limited resources for the health sector and per capita health expenditure are low compared to other countries, etc.

Objectives

Three of the health sector strategic objectives are:

abling environment for the delivery of quality health
ia;

- Revitalizing integrated service delivery towards a quality, equitable and sustainable healthcare;
- Planning and implementing strategies to address the human resources for health needs in order to ensure its availability as well as ensure equity and quality of health care;

In the light of these objectives, the health sector policy thrust is targeted at the following issues:

- National Health Systems and Management;
- National Health Care Resources;
- National Health Interventions;
- National Health Information System;
- Partnerships for Health Development;
- Health Research; and
- National Health Care Laws

Targets for the Health Sector

- Reduce under-five mortality rate from 157 per 1000 in 2008 to 103/1000 live births by 2013;
- Reduce infant mortality rate from 75/1000 live births in 2008 to 45/1000 live births by 2013;
- Increase the proportion of 1-year old immunized against measles from 41.4 per cent in 2008 to 80 per cent by 2013;
- Reduce the maternal mortality ratio from the estimated 545/1000 live births in 2008 to 273/1000 live births by 2013;
- Reduce the HIV prevalence among population aged 15-24 years from 19.4 per cent in 2008 to 10 per cent by 2013;
- Reduce proportion of tuberculosis cases detected and cured under directly observed treatment short course to 1 per cent by 2013
- Increase the proportion of 12-23 months-old children fully immunized from 22.7 per cent in 2008 to 71 per cent by 2013;
- Increase the proportion of children under 5 with fever who are treated with appropriate anti-malarial drugs from 33.3 per cent in 2008 to 65 per cent by 2013.

Priority Programmes

The planned programmes for the health sector are:

- Expanded immunisation programme

- National food and drugs control programme

Labour, Employment and Productivity Sector

In the labour, employment and productivity sector, the major issues and challenges are:

Lack of functional education system that is responsive to the market, inadequate managerial personnel, poor health status, poor state of infrastructural facilities, especially energy and transport, lack of requisite skills, inadequate financial intermediation, low technology base of the industrial sectors, poor incentives structure, poor work ethics and structural rigidity in the economy.

Objectives

The policy thrust of labour, employment and productivity sector is geared towards:

- Promoting industrial peace and harmony
- Facilitating social security and safety nets
- Creating high quality job opportunities
- Promoting occupational safety and health protection of workforce and infrastructure

Policy Thrust

In line with the policy thrusts, government will pursue the following key initiatives:

- Implementation of National Policy on Employment;
- Enactment of the Employees Compensation Bill;
- Creation of a National Policy on Labour and Productivity;
- Creation of a comprehensive framework for increased productivity nationwide; and
- Stricter enforcement of labour laws.

The objectives include: creating job opportunities for Nigerians and enhancing labour productivity; formulating appropriate implementation framework, structure and governance for productivity improvement (skill development and productivity enhancement schemes); formalizing the informal economy to boost employment generation; and enhancing industrial peace and harmony as well as protecting the workers.

Productivity

- Develop skills and competencies of the workforce by 10 per cent annually by the year 2020
- Develop 50,000 to 100,000 new entrepreneurs annually
- Provide skills upgrade to 10 per cent of informal operators per year
- Achieve 20 per cent conversion rate from informal to formal businesses annually
- Achieve awareness creation to cover at least 40 per cent of the target group annually
- Ensure that 60 per cent access to credit
- 10 per cent of domestic intermediate input requirement of formal sector to be derived from informal sector annually
- Reduce annually the spate of industrial action in the nation by 25 per cent;
- Curb unfair labour practices emanating from casualisation at an annual rate of 10 per cent.

Women Development

Issues and Challenges

The main challenges in the area of women development include failure to integrate women's concerns and gender issues in national policies and planning, weak institutions for addressing women issues, low capacity for gender education, absence of sex disaggregated and gender statistics necessary for policy and planning in different sectors; general neglect of all the vulnerable groups in policies and planning processes, and poor literacy levels to access and process information on their strengths and opportunities.

In the Women Development Sector, the policy thrust under the 1st NIP focuses on:

- Advancing and empowering women, children and the physically-challenged to ensure substantial improvement in their productivity, well-being and quality of life;
- Ensuring the well-being and safety of women at the workplace ó amend Employment Act to prohibit all forms of sexual harassment;
- Adopting measures to enforce laws and speed up court decisions;
- Enhancing participation in business and entrepreneurial activities;
- Improving access to finance, training and information;
- Providing opportunity for women to participate in agro-based business activities;
- Encouraging women entrepreneurs to expand their businesses;
- Promoting gender equity in education, particularly in the science, ICT and engineering courses, by targeting scholarships or financial support to girls desiring to pursue such courses;

national conferences to enrich their knowledge in global

- Supporting the NGOs to facilitate gender main-streaming in the planning process at all levels of governance.

Some initiatives to realise the goals of the Women Development Sector include:

- Providing gender focal points in public agencies to ensure the inclusion of gender perspectives in their strategies programmes;
- Collection of gender disaggregated data to facilitate effective analysis, monitoring and impact assessment;
- Implementation of gender sensitive budget;
- Emphasising gender main-streaming through routine inclusion in the formulation of sectoral policies and plans;
- Establishing a gender related index to provide information on gender equality in the country;
- Establishing councils for women and family development at states and local government areas to strengthen linkages with communities.

Targets for Women Development

- Mainstream gender issues in budget at the national and state government levels by 2013;
- Mainstream gender issues to foster gender equality for access to basic education by 2013;
- Increase women's access to paid employment, land, credit and other productive resources from 42.9 per cent in 2007 to 65 per cent of women population by the year 2013;
- Increase proportion of women in executive positions in the workforce to at least 30 per cent by 2013;
- Review, domesticate and implement international and regional conventions/agreements that aim to advance the rights of women and the girl-child;
- Increase the percentage of women in agro-business by 5 per cent annually;
- Improve the health status of women by 5 per cent annually 2010 to 2013.

Priority Programmes

In the area of women affairs and social development the planned programmes are:

- National support and re-integration of ex-offenders
- Capacity building for social workers in the federation
- Skills acquisition centres
- Business development fund for women

In the domain of youth development, the challenges include very high unemployment rates (probably one of the highest number of unemployed graduates in the world); increased youth restiveness and crime, teenage pregnancies, child marriages, harmful traditional practices, and obstetric fistula; girls and young women bearing the brunt of HIV infection; and youth exclusion from the political and policy development processes.

For the Youth Development Sector, the strategic thrust is to develop and empower the youths to be innovative, gainfully employed, have voice and participate fully in the development process of the nation.

The major objectives of the youth development sector therefore include:

- Developing and improving entrepreneurial skills and competencies with a view to increasing employment opportunities for youths;
- Strengthening of youth participation in decision-making process at the local, state and national levels of governance;
- Strengthening the prevention of HIV/AIDS among youths and provision of care and support for young people living with and affected by the disease;
- Strengthening family systems, institutional and legal framework for youth development; and
- Promoting national unity through social integration of youth and facilitating socio-economic development.

Targets for Youth Development

- Strengthening relevant government agencies, NGOs and private sector organisations to provide and promote educational, vocational talent and skill development to 40 per cent of the youth by 2013;
- Investment in mass employment-based programmes and projects that are youth targeted from the end of 2009 to reduce the current high unemployment rate of 19.7 per cent;
- Ensure 25 per cent youth participation in decision-making process at the local, state and national levels of governance by the year 2013;

Sports

Objectives

- Consciously repositioning sports from a purely social and recreational activity to an instrument for effective national socio-economic re-engineering with very strong private sector participation;

community has access to recreational and sports facility
their abode;

- Developing athletes, coaches, technical officials, sports scientists, sports medicine practitioners and administrators to be among the best in the world;
- Attracting major international sporting events to Nigeria and exploiting their benefits for tourism development and the economy;
- Promoting school and institutional sports development and competitions at the three tiers of government;
- Using sports as an avenue to minimize anti-social behaviour;
- Encouraging mass participation in sports and recreation with a view to using exercise for the improvement of the general health and fitness of the citizen.

Three broad areas of policy focus are:

- Developing sports as an instrument of national unity and international diplomacy by ensuring Nigeria becomes the best African country at the Olympic Games in London 2012;
- Encouraging the building of community sports facilities across the country under public private partnership;

Targets for Sports Development

- Develop 24 community sports centres nationwide by 2013;
- Create employment opportunities for at least 30,000 formal national athletes by the year 2013;
- Design appropriate mechanism for national sports information centres nationwide by 2011;
- Build at least one high performance centre in each of the 12 zonal sports offices by 2013;
- To win 4 gold medals at the London 2012 Olympic Games;;
- To win 8 gold medals at the London 2012 Paralympics Games
- To establish talent development centres in the 6 geo-political zones by 2013;
- To establish a fully equipped Sports Science and Sports Medicine Centre by 2013;
- To increase private sector contribution to sports from less than 10 per cent to 40 per cent by 2013.

Priority Programmes:

- Pilot community sports centre
- Baseline data strides or spot development planning
- National Spots Information Centre

The main issues that the food and nutrition sub-sector plans to address include guaranteeing the productivity and well-being of the people as well as optimizing the key sources of economic growth in the economy during the plan period.

The major challenges are:

- Presence of multiple public and international stakeholders resulting in multiple nutrition policies and programmes along sectoral lines that often led to programmes and plans implementation by separate institutions in an uncoordinated manner.
- Non- implementation of the National Policy and Plan on Food and Nutrition as well as the Food Safety and Hygiene policy

In the food and nutrition sector, the policy thrust is to meet the shared common vision for a better Nigeria that witnesses accelerated economic growth, reduced poverty incidence as well assure full human capital development. The thrust is predicated on the National Policy on Food and Nutrition.

The specific objectives of the food and nutrition sector are to:

- Improve food and nutrition security at the household and aggregate levels to guarantee that families have access to adequate (both quantity and quality) and safe food to meet nutritional requirements for a healthy and active life.
- Improve capacity within the country to address food and nutrition problems.

Targets for Food and Nutrition

- Reduce underweight among children under five years of age and women by 30 per cent of the current level by 2013;
- Reduce under-nutrition, in particular, severe acute malnutrition among children under five years of age by 30 per cent of the current level by the year 2013;
- Reduce malnutrition among women and the aged by 30 per cent of the current level by the year 2013;
- Increase exclusive breastfeeding rate from 13 to 50 per cent by the year 2013
- Reduce Vitamin A deficiency (VAD), zinc deficiency and iron deficiency anaemia (IDA) by 50 per cent of current levels by 2013;
- Eliminate iodine deficiency disorders (IDD) by 2013;
- Reduce low birth weight (2.5kg or less) to 10 per cent of current levels by 2013;
- Reduce diet related non communicable diseases by 25 per cent of current levels by 2013;
- Increase access to safe drinking water and disposal of human waste by 30 per cent of the current level by 2013.

The programmes for food and nutrition sector are the promotion of the production and utilization of low cost pre-packaged appropriate complementary foods, improved food processing, preservation and packaging technologies centred on small and medium scale entrepreneurs and community management of acute malnutrition.

Social Protection

The Vision of the Social Protection sector in Nigeria is to institutionalize universal social protection for all Nigerians to motivate workers in the public and private sector to increase productivity and free them of domestic worries. The goal is to increase productivity and income, reduce poverty and vulnerability by diminishing people's exposure to risk and enhancing their capacity to protect themselves against hazards and loss of income.

The major constraint of the sector is co-ordination. Social protection has no coordinating MDA and as such the projects and programmes to accomplish the objectives and targets are embedded in various MDAs.

In the Social Protection and Safety Nets Sector, the policy thrust is to reduce poverty and protect vulnerable groups through effective and sustainable prevention mechanism thereby achieving sustainable social protection by the year 2013. Major areas of intervention will include basic education, primary health care, nutrition, water and sanitation, housing, cultural facilities, etc. The interventions will seek to expand social protection measures to protect people from becoming vulnerable and reduce vulnerability to enhance the productivity of human resource.

Targets for Social Protection and Safety Nets

To reduce the poverty and vulnerability level from 65 per cent to 50 per cent

In the realm of social protection and safety Net, the planned programmes include the creation of a pool of funds for providing tools for economic empowerment of the poor and research and monitoring, and evaluation of all poverty reduction activities of all line MDAs.

CHAPTER SIX

THEMATIC AREA: GOVERNANCE AND GENERAL ADMINISTRATION

6.1 Governance and Political system

Nigeria's inability to tackle decisively most of her development challenges, including pervasive poverty, unemployment, high crime rate and deplorable state of infrastructure, among others, has been largely attributed to bad governance. Free and fair elections have remained major challenges to the country since independence in 1960. And, with ten years of democratic governance, the nation is still recovering from long years of military dominance. Internal democracy is yet to be fully entrenched in the political parties. The process for the selection of party candidates is far from being transparent while the political elite continue to exclude majority of eligible citizens from meaningful political participation.

Challenges

The bane of Nigeria's socio-economic and political challenges revolves on the numerous contradictions in the conduct of politics, particularly in the areas of gross violations of agreed norms, rules and regulations.

Policy Direction, Objectives and Targets

The blueprint for the transformation of the country fully recognizes the dominant influence of politics, and political issues in the management of the nation's affairs over the years. Achieving the nation's vision requires concerted effort to address governance issues. Therefore, the policy direction focuses on instituting a system of governance that is democratic, transparent, accountable, gives voice to the people and guarantees their welfare for sustainable national development.

It will also focus on the creation of a workable federal structure that gives each tier of government the autonomy and resources to perform its functions, while promoting cooperation and coordination among them in the interest of national development goals; a political culture that discourages the politics of sectionalism and places emphasis on policies and programmes rather than on patronage and clientelism; an efficient and effective bureaucracy with the integrity, self-respect and confidence to carry out proper intentions of government fairly and expeditiously; strengthening the Due Process mechanism to ensure value for money and the restoration of transparency and accountability in governance.

institutionalise stable and functional democracy where the leaders are guaranteed, and the resources of the state are deployed strictly for the benefit of all citizens. It will evolve and sustain a peaceful, equitable, harmonious and just society where every citizen has a strong sense of national identity and belonging, is truly valued by the state and is adequately empowered and motivated to contribute to the task of nation-building. It will also correct the weaknesses of the revenue mobilization and allocation mechanism (towards achieving a paradigm shift from òsharing the cakeö to òbaking the cakeö)

In order to achieve these objectives, the government will establish a system of governance in which the citizens are free and able to democratically choose their leaders through credible and fair electoral processes. This is to give fair opportunity to all citizens to participate in governance. To ensure that leaders are not imposed, this must start from the party level.

The government will also mobilise and sensitise citizens at the grassroots level in order to protect and preserve their voting rights.

Also, government will sustain the publication of the federation account allocations to the federal, states and local governments and empower Nigerians to demand for transparency and accountability at all levels of governance.

Besides, government will review the relationship between states and local governments to ensure greater autonomy and protection of the latter in both operational and fiscal terms from 2010.

Finally, an accountability framework will be institutionalised to benchmark its effectiveness and allow citizens to monitor government performance. And, as part of efforts to check corruption, government will during the plan period publish annual score cards to benchmark itself against global best practice.

Sectoral Priorities

Among the sectoral priorities are:

(i) The passage of the Electoral Reform Bill by the National Assembly to incorporate financial autonomy, strengthen the powers and independence of INEC to enable it effectively perform its duties, entrench internal democratic practices within political parties; provide for severe penalties and sanctions as a deterrent to all forms of electoral malpractices and outline the procedure for appointment of credible election officers

(ii) The country's Constitution will also be amended to remove the immunity conferred on Chief Executives at all levels of government and make them chargeable for all offences

der and/or the sponsorship or organizing of thuggery

(iii) The resource allocation formula and the items on the exclusive and concurrent lists would be reviewed; cross-carpeting by elected parliamentarians would attract a sanction of loss of office while special courts would be created to fast-track dedicated trial of governance offences.

(iv) Both the NV20:2020 National Implementation Agency Act and the Development and Project Continuity Act will be enacted to further ensure the implementation of the Vision.

(v) The Freedom of Information Act when passed will promote public access to official information.

6.2 Justice and Judiciary

The Nigerian Judiciary is considered one of the most vibrant in the entire Commonwealth. This is in terms of quality of decisions of the higher courts. But, in terms of law enforcement and policing, the nation's performance is considered poor. The poor police coverage of the country is a major challenge. Correctional practices are also very inadequate, with nearly all Nigerian prisons congested.

Also, Nigeria ranks among the countries with the least efficient systems of enforcing contracts and settlement of commercial disputes. Slow police investigations and enforcement of judicial decisions contribute to delays in justice delivery.

In addition, delays in judgements cause suspects to be remanded in prison, sometimes even longer than the sentence of the offence, which they are accused of.

Successive Nigerian governments have made several efforts to overhaul the judicial system and improve service delivery. Although some measure of success has been achieved, especially in the past four years, the Nigerian judiciary is still characterised by outdated legal proceedings, manual recording processes that slow down justice, unkempt court premises and attitudinal and ethical issues that encourage unnecessary postponements, adjournments and delays that have continued to erode public confidence.

Challenges

Thus, the justice system in Nigeria has been facing serious challenges that must be addressed in order to raise the level of public confidence in the nation's governance and governance institutions.

judiciary, justice and rule of law sector are lack of , which encourages executive interference that erodes

public confidence in the system; poor appreciation of the demands of the rule of law, due process and respect for human rights amongst the populace in general and the law enforcement personnel in particular, slow reform process which has generally lagged behind current developments in human rights practices, cyber crimes, terrorism, the prosecution of corruption and financial crimes among others; poor investigation capacity leading to high and unacceptable population in prisons; poor inter-agency co-ordination and co-operation among the various agencies in the justice sector and inadequate level of funding for law enforcement and law regulating institutions such as the Federal Ministry of Justice.

Other challenges include delays in justice delivery, especially at the low level of the court system; poor state of courts infrastructure; and lack of ICT penetration and usage in record keeping and delivery of justice.

Policy Thrusts, Objectives and Targets

The strategic objectives for the judiciary, Justice and Rule of Law sector include the achievement of greater independence for the judiciary in terms of funding, improvement of the capacity and efficiency in judicial service delivery, elimination of all forms of corruption in the administration of justice in the country, enhancement of the capacity of the justice ministry to superintend prosecution and law enforcement, improvement of professionalism in legal practice for better service delivery and elimination of corruption, inefficiency and enhancing operational capacity of the Police for law enforcement.

During the plan period sustained efforts would be made to complete on-going reforms in the Judiciary in order to ensure speedy dispensation of justice. In this regard, government will put in place various measures to ensure the enforcement of rule of law so that court decisions are held sacrosanct and Nigerians irrespective of means are confident in the judicial process and willing to seek redress. Other measures to be put in place include easy access to judicial instruments by the people for dispensation of justice open and fair hearing of legal cases; improved conditions of service for judicial officers for insulation from corruption; freedom of the judiciary to dispense justice; and improved reformatory facilities for jailed offenders.

Other reform programmes to be pursued during the Plan period include enforcement of Section 235 of the 1999 Constitution by the Supreme Court as the court of final disposition of matters; severe sanctions by NJC for violation of hierarchy provisions. This project will help

er courts fail to comply with judicial precedents as

6.3 The Legislature

The legislature is a critical partner in achieving the nation's aspiration of becoming one of the 20 largest economies in the world by the year 2020. This is in view of its mandate of lawmaking, representation and oversight.

Government is determined to work collaboratively with the National Assembly to tackle decisively the constraints to effective and efficient legislation in the country and to provide a mechanism for transforming the legislature into the fulcrum for implementation of the plan. But the legislature has had to contend with challenges.

Challenges

The current performance of the legislature has been relatively less than optimal. It has been unable to enact high impact legislation, but has tended to concentrate more on its executive oversight functions. Consequently, there are over 500 pending bills in various stages in the National Assembly. The delays in the passage of bills, has continued to hinder economic growth and development, and increased the erosion of public confidence in the ability of the legislature to perform its mandate.

Other constraints militating against effective performance of the legislature are inadequate support capacity for legislative functions to speed up the process of legislative work, lack of effective feedback mechanism to enhance legislature's responsiveness to public needs, lengthy and cumbersome processes involved in the passage of bills, resulting in unnecessary delays and the increasing disconnect between the legislature and the public needs.

Objectives, Strategies and Targets

The thrust, during the plan period is to create dynamic, constitutionally effective and public responsive legislature that is proactive in its legislative duties and independent but aware of its constitutional partnership with the executive and judicial arms of government. Other policy measures include regular auditing of the activities and publication of annual reports of the national and state legislatures, to promote greater transparency and accountability in the use of public funds; promote greater public interest in the scrutiny of legislative actions; and inform public debate to these ends.

The technical capacity of the legislature will be enhanced to enable legislators to strike an optimum balance between its legislative functions and its oversight duties. In preparation for

will be provided in 2010 to both legislators and their
ls, knowledge and experience.

In decongesting the backlog of pending bills, the National Assembly and each of the state assemblies will be encouraged to establish a special unit called Legislative Recovery Action Unit to determine the order and priority of pending bills based on the immediate and special needs of the public; implement an impact assessment process for prioritizing the passage of bills; fast-track the passage of these priority bills; and clear the backlog of pending bills within the legislature.

Also, the practice of voice vote which can obscure the voting record of legislators would be abolished and electronic voting would be utilised in its place. In addition, the practice of constituency projects in which legislators are directly given funds by the executive arm to perform and personally manage constituency projects will be abolished to reduce graft and allow legislators focus on their primary role of law making. However, legislators will effectively participate in constituency need assessment and project selection.

An indefinite stay in the legislature by elected persons may be anti-thetical to the growth of democracy and will be discouraged. Therefore, the 1999 Constitution will be amended to introduce a two-tenure maximum term limit for any legislative position in Nigeria, to take effect from 2011. This implies that no person who has served either for two or three terms will be eligible for re- election again in that capacity in 2011.

6.4 Anti-Corruption

Corruption has been identified as a key element inhibiting economic growth and social advancement in Nigeria, through its negative impact on inflow of investments in the economy, the high cost of doing business, the infliction of poverty on the people, and the erosion of public confidence in the system. There is no doubt that corruption has been a major factor in the poor status of the nation's physical and social infrastructure, as well as the pervasive poverty and deprivation.

Therefore, fighting corruption is a pre-requisite for achieving our national vision. Nigeria is currently ranked 121st out of 180 in the Global Corruption Perception Index (CPI). This is a marginal improvement in the ranking, achieved principally due to the establishment and activities of the anti-corruption agencies namely: EFCC, ICPC and Code of Conduct Bureau (CCB). However, corruption remains pervasive both in the public and private sectors, resulting in large number of abandoned capital projects, over valuation of contracts, bloated

Objectives, Strategies and Targets

The strategic objective is to make Nigeria corruption free, improve and restore public confidence in the system. During the Plan period, government intends to intensify war on corruption through promoting good governance that is anchored on transparency, accountability and value re-orientation. The strategy includes effective mobilization of all Nigerians to view corruption as the enemy of progress and to collectively fight this canker worm that is destroying the very fabrics of our society. The thrusts will be the strengthening of existing anti-corruption agencies for more effective performance, and to establish high standards of public conduct in order to become a nation with zero tolerance for corruption.

In addition, the level of corruption will be drastically reduced through the inculcation of culture of uprightness and the restoration of moral and ethical value system that abhors and fights corrupt practices in a comprehensive manner.

Besides, immunity clauses in the Constitution will be reviewed and expunged as they relate to criminal offences; whistle blowing mechanism will be instituted and whistle blowers protected, while the media would be used as an instrument to fight corruption at all levels.

Table 6.1 has a summary of proposed anti-corruption actions.

Table 6.1: Proposed Anti-corruption Actions

SN	Proposed Action	Implementing Agency
1	Strengthen anti-corruption agencies to enhance their ability to carry out their mandate. (EFCC and ICPC)	EFCC and ICPC
2	Establish EFCC and ICPC offices in every state of the nation	EFCC and ICPC
3	Set up specialized courts to handle corruption cases	See judicial sector
4	Removal of immunity clause	Refer to Governance sector
5	Build ICPC library complex	ICPC
6	Build ICPC Training Academy complex	ICPC
7	Set up ICPC electronic databank	ICPC

Investment Priorities

As a result of the importance attached to the sector, priority will be accorded to projects and programmes aimed at strengthening the anti-corruption drive, and establishment of special courts to handle anti-corruption cases. Also important are a library, ICPC training academy, ICPC electronic databank, forensic laboratory and exhibit bank room, and EFCC and ICPC offices in every state of the federation. Other projects and programmes for which sufficient allocation will be made include the following:

- Strengthening anti-corruption campaign
- Awareness creation through adverts, seminars and workshops
- Capacity building for anti-corruption agencies

6.5 The Civil Service

An effective, efficient, highly skilled, merit-driven and integrity-based civil service is indispensable for realizing NV20: 2020. The civil service is of critical importance in two respects: first as the machinery responsible for implementing government initiatives as encapsulated in NV20:2020, and second, it is the enabler and regulator of the private sector and civil society. The goal of reform is to ensure the adequacy and competence of the public service both to implement government policies and regulate the private sector.

Challenges

The civil service faces many challenges that inhibit its effective performance. Among the challenges are ageing workforce predominantly constituted by unskilled junior officers; stagnation at middle management and directorate levels; leadership inadequacy at all levels arising from opportunistic career advancement and selection; overlaps and duplication of functions of MDAs, resulting in huge resource wastage. Others include improper placement, wrong deployment and succession planning crisis; erosion of civil service values, ethics and integrity; weak incentive system, poor remuneration and working conditions; huge capacity gaps in critical areas of (ICT), strategic thinking and policy analysis, among others.

Objectives, Strategies and Targets

The civil service will be further reformed to implement critical institutional changes to restore professionalism and client focus. Training and retraining of existing staff will be

roll and personnel information system will be
e.

Also, sustained efforts will be made to establish an effective, efficient, highly skilled merit-driven and integrity-based public service that would act as catalyst and change agent for realizing the goal of NV20:2020. The following goals are to be achieved during the Plan period:

- Create institutional and governance environment for effective service delivery;
- Rebuild civil service machinery for greater and efficient responsive service delivery at all levels;
- Reform the civil service by implementing critical institutional changes to restore professionalism and client focus;
- Institute a performance management framework that entrenches merit in civil service operations;
- Enhance the public service capacity for implementation of NV 20:2020;
- Institutionalize succession planning and career management.

Sectoral priorities in this sector include acceleration of the adoption of e-governance tools, development of performance management mechanism and the establishment of a well equipped and staffed department of monitoring and evaluation under the NPC.

6.6 Business Environment and Competitiveness

The importance of a conducive business environment to the economic growth process and functioning of the economy cannot be over-emphasized. There is a need to create and maintain a business climate that is enabling, hospitable, and supportive of local and foreign investments. To this end, a country's business environment determines its competitiveness, level of productivity and return on investment relative to other countries. In effect, both business environment and competitiveness are the essential components of what are required to facilitate production and service delivery.

The most commonly accepted framework for measuring the relative performance of any economy is the Global Competitiveness Index (GCI). This is complemented by the World Bank's Ease of Doing Business Indicators which ranks economies on the basis of ten key parameters such as the ease of obtaining construction permits, ease of registration and start of new business, legal framework for enforcing contracts, registration of property, protection of investors, access to credit, etc.

Challenges

been the unfinished transition from state-led economy. Consequently, there still remains a large public sector, whose activities tend to crowd out, rather than facilitate private investment; inefficient regulatory and service delivery institutions; inadequate and, where available, poor infrastructure for transportation and energy supply; a volatile macro-economic environment; and unpredictable and unstable macro-economic policies characterized by frequent policy reversals, etc., all of which severely constrain private sector activities and growth.

In the medium-term, ten key issues and challenges would be strategically addressed on a sustained basis for a business-friendly environment to emerge. All ten combine to constitute significant obstacles to sustained private sector growth. They are:

- Energy/power supply;
- Physical infrastructure;
- Physical security, particularly around the Niger Delta region;
- Governance, including corruption;
- Private enterprise access to finance;
- Inadequate human capital development;
- Policy inconsistency;
- Fiscal federalism;
- Inadequate institutional and legal framework;
- Difficult business environment.

Objectives, Strategies and Targets

The overall objective of government in this area is to reduce/eliminate policy instability and the cost of doing business in Nigeria, thereby making it easier for prospective and existing local and foreign investors to grow and expand their businesses profitably.

The policy thrust for the business environment and competitiveness thematic area is to create a market friendly and globally competitive business environment that induces and supports a fast-growing economy with adequate infrastructure to facilitate the full mobilization of all economic sectors. It is in this context that the overall goal for the thematic area during the Plan period is to create an enabling business environment that would support a dynamic, vibrant and competitive economy, with a diversified productive base to facilitate the ranking of Nigeria among the largest 20 economies in the world by 2020.

Business environment and competitiveness in Nigeria are
to facilitate the provision of critical factors/ inputs that

are required to drive economic activities in the country.

Accordingly, government will develop and diversify power generation capacity to achieve an increase in electricity generation from less than 6,000 MWH in 2009 to 16,000 MWH by 2013. It will also improve electricity transmission capacity and efficiency to reduce transmission loss from currently level about 40 per cent to less 20 per cent by 2013 and also complete the modernization of the transportation system by 2013.

The following measures will also be put in place during the plan period:

- Explore alternative sources of energy: solar, wind, biomass and nuclear power
- Privatize, liberalize and/or deregulate key infrastructure services to allow increased private sector participation
- Expand the transmission capacity and reduce transmission loss
- Modernize the rail and water ways in line with global trends through concessioning, leasing, etc
- Reduce the turnaround time for and cost of registering business
- Enhance information dissemination on Nigeria's investment potentials, locally and internationally
- Strengthen the institutional support for foreign investors at all embassies
- Reduce the turnaround time for and the cost of obtaining building permits
- Simplify and harmonize the tax systems and payment channels
- Reduce all costs related to processing import/export documents

Sectoral Priorities

Three interrelated sectoral priorities will be addressed to ensure sustained conducive business environment and competitiveness in the Nigerian economy. They are:

- Facilitating the provision of critical infrastructure
- Optimizing internal revenue generation and providing appropriate funding to drive economic activity in the private sector
- Implementing a Government Performance Management System (PMS) as an integral component of the Public Service Reform

Three of the specific priority projects are as follows:

- (i) Upgrade the National Statistical System to global standards;
- (ii) Establish fully operational credit bureaus;

6.7 Corporate governance

The development of corporate governance in Nigeria is a recent phenomenon. However, the practice in many public companies has been making noticeable progress in the recent years. To the extent that corporations are engines of growth and development in a private sector-led economy and good corporate governance that propels the engine has multiplier effects on many sectors of an economy, its robustness and effectiveness are imperative for attaining Vision 2020. This underscores its identification as a key result area, for achieving the nation's aspiration of becoming a major global economic player by 2020.

However, the biggest threat to good corporate governance in Nigeria is the level of corruption in both the private and public sectors. Transparency International has reported regularly on Nigeria's level of corruption level. In 2004, the Federal Government decided to address the issue of corruption by enacting the EFCC Act as well as the ICPC Act and established these anti-graft agencies.

Objectives, Strategies and Targets

Government will sustain efforts to combat corruption and enshrine good corporate governance in order to achieve the nation's vision. During the plan period, the goal will be to ensure that all corporate entities operating in Nigeria adhere to the highest standards of corporate governance within the framework of a conducive business environment geared towards the economic prosperity of the country by year 2020.

The key policy thrusts of the corporate governance framework will be accountability, responsibility, transparency and fairness.

The strategic imperatives during the plan period will include:

- Inculcating strong patriotic spirit of Nigeria First in all citizens;
- Strong commitment by the political leadership;
- Reform of economic and fiscal institutions;
- Creation of credible anti-corruption bodies and enforcement agencies;
- Public enlightenment campaigns against corruption, including stigmatizing corruption and ostracizing corruption culprits;
- Reducing opportunities for corruption ó through transparent rules, good corporate governance practices, budgeting and procurement system;
- Strengthening the legislative arm of government for effective oversight responsibilities; and

civil society, including the private sector, media, as
 unity-based groups

An important objective that must be achieved to realise the vision for the sector relates to developing and institutionalizing an effective Corporate Governance Framework. Another is the promotion of good corporate citizenship.

Towards the realisation of the vision, a national code of business ethics will be adopted in line with global best practices from 2010. Other actions to be taken include:

- Enforcement of strict compliance by all corporations with the national code on accountability, full disclosure and transparent reporting requirements
- Reduction of the number of communal conflicts and frictions between companies and host communities to the barest minimum
- Promotion of continuous harmonious relations between companies and their host communities from 2010
- Reduction of host community conflicts significantly by 2013
- Encouragement of companies to meet all legitimate tax obligations
- Expansion of the coverage and effective enforcement of the companies tax laws from 2011
- Improvement of efficiency in tax administration
- Subjecting of limited liability companies to the corporate governance codes by 2011

6.8 National Security and Civil Defence

One of the key objectives of NV20:2020 is to develop an economically ó prosperous, politically ó stable and socially ó just society where the security of lives and properties is guaranteed and underpinned by a constitutionally independent judicial system that ensures respect for the rule of law and promotes equal rights to justice.

Nigeria aspires to build an economically - prosperous, politically -stable and socially ó just society, where security of life and property of the generality of the people is guaranteed against victimization, from both external and internal threats or attacks in all places and at all times, be it military, economic, political or social.

Challenges

Nigeria is not immune from events and happenings around the world, particularly in the sub ó region. However, external threats to the country's security have been minimal. Global security is increasingly threatened by terrorism, religious fanaticism, piracy, toxic waste

cies, and global economic crisis. Threats to security in Delta region and at community level in the periodic

ethno-religious strife in various part of the country (e.g. Kano, Osun, Kaduna, Benue/Taraba, Bauchi and Plateau states, etc).

Most of the security agencies lack rich/informative, valid and reliable data that are appropriately collected, collated and analyzed for requisite knowledge, projection and planning against criminality and by implication enhancement of security. Furthermore, inadequate cooperation and, collaboration among the military police and other security agencies sometimes lead to inter-agency violent clashes.

On the external security, the performance of the Army is judged to be capable of meeting any threat and aggression. However, the Navy and the Air Force are less equipped and are yet to demonstrate equal capacity.

The overall assessment of the current status of internal security is that of insecurity and poor perception of the capacity and capability, and commitment of security and defence agencies to adequately protect the citizens.

Some of the issues and challenges for the Plan are as follows:

- Inadequate combat ready personnel and equipment that affect the ability of the Armed Forces to meet the growing challenges from potential security threats at the local, regional and international levels;
- Absence of an established military industrial complex for the manufacture, maintenance and administration of operational equipment;
- Lack of a research and development institutions to pursue and achieve specific national goals;
- Inadequate funding of intelligence service for systematic training and procurement of modern equipment;
- Increasing sophistication of crime e.g. cyber crime;
- Absence of mutual trust between the intelligence and the Police öCommunitiesö;

Objectives, Strategies and Targets

Investments in security of life and property including intellectual property will be deepened during the Plan period. The following, among others, would specifically be achieved:

- Enhanced and adequate funding for contemporary and futuristic manpower training programmes of the Armed Forces and security agencies;

welfare package for personnel of the Armed Forces

- A modern, compact, flexible and well-equipped mobile Armed Forces and security agencies;
- Existence of a committed core of intelligence personnel imbued with a deep sense of patriotism to protect the nation against both external and internal threats and aggressions;
- Acquisition of independent COMSAT to facilitate intelligence gathering and surveillance;
- Enhanced security consciousness among the Nigerian citizens;
- Increased inter-agency collaboration that facilitates mutual provision of security on both external and internal fronts;
- Establishment of an overall and overarching strategy and coordinating body for national planning for crime prevention and control;
- Provision of rich/informative, valid and reliable data on all dimensions of the crime problem: incidence and patterns of crime, socio ó economic attributes of known offenders and their processing by the law enforcement and criminal justice administration agencies;
- Improvement in the access and simplification of the process of criminal justice administration;

6.9 Information, Media and Communication

The overall aim of the Media and Communication sub-sector is to become a key instrument in transforming Nigeria into a critical player in the global political economy using information as a powerful tool for development. To this end, it is necessary to have:

- An information culture that provides the public with easy access to official information through the passage of a Freedom of Information Act;
- A regulatory/political environment where government is tolerant of critical media reports; and where journalists feel safe to report and analyse information;
- High standards of quality, professionalism and journalistic ethics in media and communication practices;
- Easy access to funding for training and the provision of media equipment;

media policy to relay information to the over 90,000

Challenges

Nigeria has one of the most plural media environments. Despite the fact that the country has the largest number of mass media organizations on the continent, Nigeria still comes third, after South Africa and Kenya, in the ranking of countries with the most developed media infrastructure, regulatory and best practice environment in the continent.

Nigeria also enjoys a vibrant film industry that has tried to exploit the immense worldwide demand for Nigerian films. However, the industry is plagued by mediocre production techniques, and the skills for resource management are poorly developed. In addition, government efforts to check piracy and copyright abuses are uncoordinated and unsuccessful. Privately owned media organisations also appear to be flourishing, while the advertising infrastructure is poorly developed and weak.

Some other key challenges in the sector include high-handed reaction of security agents to critical media reports and non-passage of the Freedom of Information Bill, which, among other factors, have helped to make the environment dangerous; inadequate community communication channels and broadcasting, and high cost of imported production materials, technology and consumables.

Nevertheless, Nigeria can boast of having one of the most plural media.

Objectives, Strategies and Targets

The policy thrusts in the sector are:

- Removal of all legal, financial and administrative obstacles to a free and pluralistic media and communication environment;
- Generate wealth that will contribute to the nation's GDP through developing media and communication practices that will project Nigeria's cultural values, tourism potential and the empowerment of the public;
- Promote Nigerian cultural products such as: music, films, art and crafts, cuisine, books, and costumes, in the global arena.

Towards this end, the media and communications sector will be developed to enable them project Nigeria's cultural values, tourism potentials and promote the export of Nigeria's cultural products for wealth generation. The associated targets are:

- Increase industry's output by 50 per cent and contribution to GDP to above 3 per cent by 2013.

f a research/product development centre by 2010 for
content in the production materials and technology of

the media industry.

- Facilitate the establishment of an intervention fund by 2010 to support the production of local input and the export of *Nollywood* and other cultural products.
- Facilitate the establishment of a public/private quality enhancement agency for *Nollywood* products by 2010.

Also, during the plan period, the quality, professionalism and ethical standard in media and communication sector will be improved. Emphasis will be on continuous training and retraining of media personnel and students and enforce compliance with professional ethics; development of six centres of excellence from the existing media and communication training institutions by 2011 and upgrading of media equipment for media institutions and personnel to global standards. Special merit awards will also be instituted by 2011 to facilitate the identification and celebration of national icons and heroes for landmark professional performance.

CHAPTER SEVEN

THEMATIC AREA: REGIONAL DEVELOPMENT AND STATE PROGRAMMES

The proposed investment for the regional development sector for the Plan period is N1002.381 billion. One of the central thrusts of Nigeria's Vision 20:2020 economic development strategy is to use the geo-political delineation of Nigeria into six zones, as a platform for achieving increased economic productivity, by encouraging intra and inter-regional economic cooperation. Emphasis will be placed on stimulating production in each zone based on their areas of comparative and competitive advantage.

Regional Development

7.0 Sector Challenges and Focus

The main issues to be addressed in the Plan under regional development are to review laws and regulations hampering regional development, correct imbalance and spatial inequalities in economic development across states and regions, address the region's poor contributions to the country's GDP and fix dilapidated physical infrastructure and services

7.2 Niger Delta Development

For the Niger Delta the major challenges are to address high incidence of poverty caused by oil extraction activities in the area, high rate of unemployment, and environmental degradation and pollution.

7.3 Environment

Under environment, the main challenge is the sustainable management of the nation's environment and it involves addressing issues relating to land degradation, pollution control, waste management and environmental hazards and disasters

7.4 Water Supply and Sanitation

main challenges are lack of appropriate policy, legal, ; poor community and private sector participation in water supply and sanitation services; weak managerial and executive capacity; lack of coordination at the states and local government levels; inappropriate pricing and tariff collection mechanisms for water supply and sanitation services; inadequate public awareness about water conservation and management for effective sanitation and public health hygiene.

a. Policy Direction, Objectives and Targets

The core objectives of the plan in terms of regional development are the achievement of equitable and spatial socio-economic development across the six geo-political zones in Nigeria. The strategic objectives for regional development are hinged on four pillars namely:

- Stable polity generated by good governance;
- Diversification of economic activities in the six geo-political zones based on the comparative and competitive advantage of each zone;
- Enhanced regional contribution to the country’s Gross Domestic Product (GDP) based on improved Internally Generated Revenue (IGR) and enhanced economic activities; and
- Effective partnership between the public and private sectors of the economy based on Nigeria’s Public Private Partnership (PPP) model, geared towards promoting private sector-driven economy.

For the Niger Delta, the main policy thrust is to entrench peace and stability to drive sustainable socio-economic development in the Niger Delta region.

The medium-term objectives and targets for the Niger Delta Regional Implementation Plan are hinged on the following five pillars:

- Reduction of oil-related conflicts in the region;
- Enhanced and sustainable development of human and physical infrastructure;
- Diversification of the region’s economy from oil and gas to agriculture, manufacturing, and knowledge-based;
- Consolidation of post-amnesty projects and programmes;
- Preservation and conservation of the environment.

Niger Delta: Objective, Strategies and Targets

Objective and Targets

ional problem area arising from the problems of oil
ntal degradation. In view of its contribution to the

economy, government decided to mainstream it into the development process and take part of it for the development process. The major objectives and targets for the region are:

- *To entrench social stability and accelerate the socio-economic development of the region,
- *Reduce poverty level by 50 per cent by 2013, reduce unemployment and ensure social justice and equity in the sharing of social revenue. There will be continuous registration, job placement and coordination of all persons dislodged by oil production activities.
- * Government will ensure social justice and equity in the sharing of federally collected revenues.
- *Sustainability of the Amnesty Programme
- *Pass and enforce the Corporate Social Responsibility and Local Content Bill
- *Review and enforce all petroleum laws that hinders the people from deriving maximum benefit from the oil exploitation of the oil and gas resources
- *Give oil producing communities 10 per cent equity participation in all joint ventures between the federal government and the multinational corporations
- * Create a database for all persons dislodged by oil production activities in the region
- *Institute empowerment programme to cushion the effect of socio-economic dislocation in the area
- *To protect and conserve the environment
- *To ensure environmental best practices in the utilization of oil and gas resources in the area by the year 2020
- *Matching economic goals with environmental conditions

Environment

The main objective for the environment sector is to ensure the restoration and conservation of the Nigerian environment for sustainable socio-economic development. The specific objectives include sustainable use and conservation of natural resources; climate change adaption; pollution control and waste management, and land degradation and desertification management.

Targets

Environment

- Increase Nigeria's forest cover from the present 6 per cent to 10 per cent;
- Enhance the capacity of Nigerians to adapt to climate change;

d health risks by at least 25 per cent;

- Reduces losses and impacts due to floods and drought by 10 per cent by 2013;
- Enhance national capacity to implement the National Action to Combat Desertification;
- Increase public information, education and participation on environment among at least 25 per cent of the population by 2013;
- Achieve an integrated coordination of the implementation of national environmental policies, programmes and regulation as well as international conventions.

The objectives for the water supply and sanitation sector include ensuring provision of sufficient and equitable portable water to all Nigerians in an affordable and sustainable way by the year 2020 and ensuring that greater percentage of Nigerians has access to improved sanitation facilities by 2013

The major policy thrusts for the water supply and sanitation sub-sector during the medium-term include:

- Increase service level and coverage for water supply and sanitation by 2013;
- Establish legal and regulatory framework and institutional mechanism for quality standards for portable water supply;
- Promote capacity building, research and development of projects and programmes with respect to outputs/outcomes of investment and impact on beneficiaries;
- Promote community and other stakeholders participation in the sector, including water users and the private sector;
- Strengthen institutions responsible for water supply and sanitation.

Water and Sanitation

- Increase national improved water supply coverage from 47 per cent to 50 per cent by 2013
- Increase urban improved water supply coverage and the minimum basic human water requirements respectively, from 65 to 70 per cent and 60 to 80 per cent by 2013
- Increase small town supply coverage and minimum basic human water requirement respectively, from 65-70 per cent by 2011.

ply coverage and minimum basic human requirement
0 per cent by 2013

- Increase national sanitation coverage from 30-35 per cent by 2013
- Increase urban improved sanitation coverage from 35-40 per cent by 2013
- Increase small town improved sanitation coverage from: 35-40 per cent by 2013
- Increase rural improved sanitation coverage from 25-30 per cent by 2013.

2. Summary of Strategies, Indicators and Priority Programmes

The priority programmes for regional development are as follows:

Boundary Commission High Priority Projects and Programmes

S/N	Projects and Programmes
1	Establishment of buffer zones across flash points of our external borders
2	Establishment of buffer zones across flash points of our internal borders
3	Consultancy services for the study of the conversion of our international buffer zones into economic and environmental zones
4	Consultancy services for the study of the conversion of our internal buffer zones into economic and environmental zones

FCT High-priority Projects and Programmes

S/N	Projects and Programmes
1	Development of Idu industrial Area IB Engineering infrastructure
2	Rehabilitation and expansion of Airport Expressing Lot II (Ch25 + 500 to 38 + 00)
3	Rehabilitation and expansion of Airport Expressing Lot I (ChII + 500 to CH25 + 500)
4	Rehabilitation and expansion outer Northern Expressway Lot II (19+500km ó 39+400km)
5	Rehabilitation and expansion outer Northern Expressway Lot II (Muritala Mohammed Expressway

6	Construction of main carriageway of FCT HW106 from Kusaki ó Yanga (OSEX) to Kuje.
7	Construction of inner southern expressway (ISEX) phase II from the Southern Parkway (S89)
8	Extension of outer southern expressway from Ring Road 3 to Road A2 in Gwagwalada
9	Abuja Rail mass transit Lot I and 3
10	Provision of engineering infrastructure to Bwari satellite town (District 1 and 2)
11.	Provision of engineering infrastructure to Apo MV Extension (road, water, light and drainage)

The priority projects/programmes for the Niger Delta are listed below

NDDC: High-priority Projects and Programmes

S/No	Projects and Programmes
1	Skill acquisition programme and creation of micro-credit fund
2	Construction of 38 strategic roads in the Niger Delta region to open óup hitherto non-accessible communities
3	NDDC/4TM Joint ventures (PPP) cassava and rice production
4	Construction of offshore and shoreline protection works in various communities in the Niger Delta region (Olugbobiri Phase II, Sangana, Bassambiri, Ogbolomabiri, Opuoma, Aiyetoro, Kaima, Oporoma, Ogulagha, Koko, Okpare Olomu, Twon Brass, Awoye Molutehin, Ogu, Kula, Soku, Okerenkoko and Oporoma)

Ministry of Niger Delta: High-priority Projects and Programmes

S/No	Projects and Programmes
1	Crop, livestock and fisheries development programme in the Niger Delta region
2	Facilitating access to credit for SMEs in the Niger Delta region
3	Dualisation of East-West road project section I Section II-I section II-II section III

	section IV
4	Construction and dualisation of Owerri ó Elele Road (Owerri ó Omerelu section)
5	Construction of East ó West railway from Calabar ó Eket ó Port-Harcourt ó Warri ó Gelegele ó Lagos
6	Construction of Niger Delta coastal road connecting the Niger Delta through the coast linking Ibaka through Oron and Ikot Abasi all in (Akwa Ibom) to Bonny in (Rivers), Brass (Bayelsa), Forcados and Escravos in (Delta), and Aiyetor and Atigere in (Ondo state) along the coastline
7	Inland waterways transportation system
8	Construction of skills acquisition centres in the nine states of the Niger Delta region
9	Equipping and operations of skill acquisition centres
10	Niger Delta community empowerment projects (training of 12,000 non-militant youths in the following identified sectors: oil and gas, ICT, artisanship, agriculture, journalism and public relations, soft skills, maritime and dredging, construction and automobile engineering, tourism and entertainment industry, sports and telecommunication industry)
11	Capacity building of women and youths in various artisans and trade, purchase of tools and kits and payment of take off grants
12	Consultancy studies for remediation and rehabilitation of 10 severely impacted sites in the nine (9) states of the Niger Delta region
13	Conservation and development of coastal ecosystem
14	Rehabilitation and restoration of degraded ecosystems in 7 states (Abia, Akwa Ibom, Cross River, Delta, Edo, Imo and Ondo)
15	Land reclamation, shoreline protection and flood/erosion control for seven states: Azumini ó Abia State, Ibakan Nsit- Akwa Ibom State, Odi ó Bayelsa State, Essien Town ó Cross River State , Ijaghalla ó Delta State, Okhelen Awo ó Edo State and

	Amadi Ama ó Rivers State
16	Feasibility studies and design on land reclamation, shoreline protection and flood/erosion control for 10 sites in Niger Delta region

In the environment sector, the main strategies for accomplishing the plan objectives are:

- Massive afforestation
- Integrated waste management programme
- Construction of floods and erosion control structures in affected areas
- Development of greenhouse gas inventory system
- Establishment of air quality management system
- Establishment of CDM procedures and generation of CDM projects

The priority programmes and projects for the environment sector are:

- Establishment of a 1,500km Green wall (Sahara) in 11 frontline states.
- Establishment of procedures for Clean Development Mechanism (CDM) and generation of CDM projects by 2013, sub-programme.
- Development of a national green house gases inventory system and purchase green house gases equipment.
- Establishment of national air monitoring and management in ten (10) cities across Nigeria.
- Disaster management projects sub-programmes
- Emergency call centres
- Mobile Advanced Command, Control and Communication System (AC3s)
- Purchase of two helicopters
- Mobile clinics

The main strategies for achieving plan objectives for water supply and sanitation include:

- Gathering of baseline and recurrent data for proper planning and management in GIS platform;

efficient management practices;

programme for sanitation undertaking;

- Improving hygiene and sanitation practice at schools, households and community levels;
- Ensuring sustainable optimal performance of sanitation schemes, facilities and services;
- Encouraging community participation, private sector participation and PPP in provision of sanitation schemes and services.

Critical Success Factors

The critical success factors for Niger Delta development are policy consistency, adequate and timely release of funds, active involvement of all stakeholders (governments, communities, development partners, private sector, NGOs and CBOs) and adequate monitoring and feedback mechanism.

STATE INVESTMENT PROGRAMMES

States and Local Government Programmes

The states and local governments have significant constitutional and financial autonomy but all tiers of government have adopted planning as a national development strategy. This is vital for ensuring economic integration and effective management of the economy as a single entity. Several states have fairly strong planning institutions and culture while some are weak.

With regards to local governments, only a hand full actually prepares and implements plans. The expectation is that planning will be persistently strengthened at all levels of government. States are expected to coordinate, integrate, and harmonize the programmes of the local governments within their territories.

Out of the 36 states of the federation, 30 submitted their programmes before the cut-off date. These submitted programmes amounted to N10, 829,915.93 million. These have been rationalized and brought to N8, 529,870.00 million. See table below.

State Investment Programmes 2010-2013



PDF
Complete

*Your complimentary
use period has ended.
Thank you for using
PDF Complete.*

[Click Here to upgrade to
Unlimited Pages and Expanded Features](#)

S/N	State	COST		SECTORS							
		TOTAL.PLAN SIZE (Nb)	RECOMMENDED PLAN SIZE (Nb)	Agric	Education	Health	Transport (Road)	Power	Rural Electrification	Housing	Water Supply
1	ABIA	130,008	130,008	6.951	4.791	4.67	48.33	9.9	7.79	4.28	4
2	ADAMAWA	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	AKWA-IBOM	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4	ANAMBRA	115,865	115,865	3.253	4.805	14.56	48.33	4.5		1.5	6
5	BAUCHI	204,008	204,008	51.806	16.2	24	12.2		17.4	19.8	11.3
6	BAYELSA	488,966	388,966	34.847	17.508	17.007	277.493			19.155	15.375
7	BENUE	273,768.00	223,768.00	41.78	13,620.75	6,504.85	87,317.72	3,223.00		2,711.71	92,380.98
8	BORNO	246,464	196,464	24.836	27.764	27.962	28.01	14.077		9.65	14.28
9	CROSS-RIVER	114,893	114,893		16.425	4.158	0.531	11.34		6.01	
10	DELTA	1,429,005.00	1,029,005.00	252.6	45.88	48.83	387.35	115.22		99.91	10.38
11	EBONYI	194,050.93	194,005.00	2,738.80	3.72	1.91	39.53	4.98		74.85	42.14
12	EDO	700,491	500,491	6.859	10.06	5.03	3.692	5.8		*610	
13	EKITI	191,701	191,701	33.266	28.265	3.841					

[Click Here to upgrade to Unlimited Pages and Expanded Features](#)

					23.795	8.467	0.589	24.253		1.901	13.866
16	GOMB E	156,063	156,063		10.973	16.4	39.848		15 .4 6	6.434	1.292
17	IMO	316,003	216,003	4.83							
18	JIGAW A	172,869	172,869	19.73	30.205	21.115	48.571		5. 07	3.634	10.279
19	KADUN A	200,095	200,095	31.09	44.33	21.61	8.96	9.58		0.6	60.51
20	KANO	258,685	258,685	46.436	5.999	13.654	6.137		10 .3 96		17.262
21	KASTI NA			Nil	Nil	Nil	Nil	Nil	N il	Nil	Nil
22	KEBBI			Nil	Nil	Nil	Nil	Nil	N il	Nil	Nil
23	KOGI	30,485	30,485	6.24	16.015		0.8	0.4			
24	KWAR A	117,986	117,986	3.3	2.83	0.87	3.6	5.3		5.055	
25	LAGOS	547,001	547,001	2.8	1.6	13.6	6.9			94.6	54.6
26	NASAR AWA	86,075	86,075	2.571	10.72	3.187	12.868	2.091		8.393	0.78
27	NIGER	469,731	369,731	30.609	17.57	16.05	89.03	77.21		14.654	154.711
28	OGUN	228,942.00	228,942.00	4.79	19.24	5.99	24.33	7.87		24.72	29.325.
29	ONDO	267,321	267,321	16.785	26.8	26.785				9.918	6
30	OSUN	278,022	278,022	3.895	15.75	3.5		2.68		3.27	1.87
31	OYO	516,865	316,865	46.465	133.05	33	72.3		13 0. 4	51.4	32.55

[Click Here to upgrade to Unlimited Pages and Expanded Features](#)

					Nil	Nil	Nil	Nil	Nil	Nil	Nil
33	RIVERS	2,422,646.00	1,422,646.00	13.818	177.177	43.412	77.305	99.99		18.172	84.69
34	SOKOTO			Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
35	TARABA	270,483	170,483	60.939	35.002	7.111	43.87	5.849		2.5	2.895
36	YOBE	166,201.00	166,201.00	8.67			3.09	49.53		15.88	9.04
37	ZAMFARA	71,391	71,391		16.055	14.517	22.225		4.68		7.114
38	GRAND TOTAL	10,829,915.93	8,529,870.00	3506.2	14367	6906	88624	450.6	191.2	3208	92942

In order to accommodate the states within the N32 trillion plan ceiling for the country, it is expected that the 6 outstanding states would implement programmes estimated to cost about N 1 trillion. Analysis of the states programmes show that the highest allocations were made to power, rural electrification, transportation and health in that order. Education also receives significant attention. The emphasis however varies from state to state. Similar analysis shall be undertaken by the states in respect of the local government programmes. It is expected that the 2nd NIP will be able to tabulate the plan of all tiers of government of the federation.

With regards to the recommended plan ceiling, any state with adequate funds and executive capacity may undertake investment higher than those recommended for it in the plan, provided that excessive recourse to borrowing is avoided. States wishing to exceed their ceiling would be expected to follow the due process for reviewing the plan as provided in the implementation chapter of the plan.

Plan Implementation

The successful implementation of plans depends on the active participation, effective co-operation and collaboration by all tiers of government as well as constructive partnership with other stakeholders. Other critical success factors include discipline and efficiency in resource management, which entails significant reduction of corruption and ensuring value for money through adopting comparable global standards in the quality and cost of implementing projects. The relative success Nigeria achieved, in terms of sustaining an average GDP growth of 8.0 per cent in the eleven years 1999 - 2009 is evidence that the creation of a predictive macro-economic environment in which resources are used efficiently, and programmes and projects implemented in a collaborative and consistent manner at all levels of government, is crucial for the successful implementation of the Plan. In developing the 1st NIP, the global financial crisis and the consequent global economic recession were taken into account. The Plan recognises the imperatives of a private sector-led development strategy; however, the government is aware that significant public sector investment will be required during this plan period, especially in the areas of infrastructure and human development, to accelerate the growth process and to stimulate sustainable growth, in order to meet the aspirations of Nigerians and attain the goals of Vision 20:2020. This explains why the public sector investment target remains higher than the expectation from the private sector. Over time, this will be reversed.

Review of Experiences in Implementing Previous National Plans and Strategies

Nigeria has had a relatively long planning experience, starting with the Colonial Development Plan for Economic Development and Welfare (1958-1968) to the five-year fixed medium-term development plans that were adopted after independence in 1960. These are the 1970-1974, 1975-1980 and 1981-1985 development plans. The Structural Adjustment Programme was introduced in 1986 and lasted to 1988. Thereafter, three-year National Rolling Plans were adopted and implemented until the return to democratic governance in 1999. The first Rolling Plan covered the period 1989-1991. This was followed by the 1990-1992, 1991-1994, 1992-1995 respectively before they were truncated for a period of nearly 10 years, 1995-2004.

tion of planning as a development strategy has been
as of expansion of infrastructure, (roads, bridges and
housing), social services and several other areas of human development, such as education
access to health facilities growth of urban centers, etc. The rudiments of industrial
production also burgeoned during the period until the oil crisis of the mid-eighties.

However, owing to rapid growth of population and implementation lapses, the plans failed
to fulfill several of their goals. The inherent weaknesses in the implementation and
execution of previous plans have continued to retard Nigeria's economic progress.

Lack of political will and commitment to development plans and initiatives, plan
indiscipline, reflected in the abandonment of planned projects and the introduction of
unplanned ones. There was also the issue of ineffective linkage of budgets to plans and
institutional obstacles to plan/budget coordination. The incidence of corruption resulting in
limited funds being available for programme implementation, limited national capacity for
programme implementation; and inadequate data base for planning and policy formation
have been identified among others, that led to under fulfillment of plan goals and targets.

CAN THESE CHALLENGES BE OVERCOME?

In this Plan, attention is given to the following national imperatives:

- Linking the annual budget to the National Development Plan and effectively implementing these as approved;
- Linking of plans and budgets to strategic long term goals;
- Clear articulation of key performance indicators based on expected deliverables and outcomes;
- Design of strategies to combat corruption and misappropriation of public funds;
- Proper reflection of stakeholder expectations in the definition of strategic goals, objectives and measures of success;
- Institutionalizing monitoring and evaluation across all levels of government;
- Defining a clear strategy for mobilizing the citizenry towards greater demand for performance and accountability;
- Political will to imbibe the discipline of planning and providing a legal framework that will facilitate adherence to plans and policy initiatives;
- Providing incentives that will reward good performance and expose/discredit poor performance; and

able a change of course when performance gaps are

While the quality of government spending will be enhanced through institutional and financial reforms, government will continue to empower and strengthen the anti-corruption agencies, namely, the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices and other Related Offences Commission (ICPC). In addition, national capacity for programme implementation will be developed at all levels of government. An enhanced monitoring and evaluation (M & E) framework will also be put in place to provide regular information on the implementation of plans, projects and programmes.

Critical Success Factors

The plan stresses the following measures that will enhance the prospects of achieving its goals and empowering the citizenry:

- Limiting the size of the recurrent budget, especially the growth in expenditure on general administration i.e. the expenditure on governance: the burgeoning expenditure by the different arms of government at the various tiers shall be curtailed, including the proliferation of public institutions;
- Strong focus of investment on infrastructure and productive sectors. In this first implementation plan, for example, there is clear commitment to devote at least 55-60 per cent of the capital budget on these two critical factors;
- Provision of a globally competitive, economic environment, to enhance maximal flow of investment by the private sector. This will entail the attainment of peace and security, law and order, and enforcement of agreements and contracts. It also calls for a more effective service delivery by the public and private sectors;
- Placing the right emphasis on technological progress and innovations, and tapping from available global technological, common wealth. Science and technology and the need to move from a crude economy to a knowledge-based economy are to be vigorously pursued. Appropriate arms of government and the private sector will jointly develop policies and initiatives in these areas;
- Provision of a legal framework for enforcing relevant provisions of the plan and following due process for amending plan programmes and allocations.

LACE FOR EFFECTIVE PARTICIPATION IN

The following measures will be used to ensure effective participation of stakeholders in the implementation of the plan:

- Design and implementation of a robust communication action plan;
- Use of the electronic and print media to publicise the key elements of the plan, in terms of objectives, policies and strategies;
- Printing and wide circulation of reader-friendly brochures and pamphlets in local languages, containing the key elements of the plan to all segments of the society. These would be a handy instrument for holding the government accountable;
- Production and wide circulation of abridged versions of annual implementation reports, to inform the populace on progress in implementation and challenges, if any; and use of town hall meetings to brief stakeholders on progress in plan implementation.

The above strategies will ensure acceptability of the plan by a wide range of stakeholders and enable them to participate in the implementation and obtain maximum information on the plan.

How do we ensure that all tiers of government will move in the same direction?

The Nigerian Constitution provides for the delineation of responsibilities among the three tiers of government. In spite of this, the importance of collaboration among the tiers of government in the interest of one economy have long been accepted and practised in the country and institutions have long been established to strengthen such cooperation, collaboration, consultation and consensus building. The plan will strengthen these institutions and processes to achieve common national goals.

The need to intensify collaboration and integration of programmes and projects of the sub-national governments (states and local governments) is recognised in the plan. This underscores the involvement of the state governments in the preparation of the 1st NIP and the development of their respective state medium-term plans. Consequently, their priority programmes and projects have been captured in the plan and largely harmonised to give the country a better chance of meeting the aspiration of Vision 20:2020 to which all Nigerians are committed.

Institutional Framework for Intergovernmental Coordination

s for inter-governmental co-ordination will be further

These include the:

- National Planning Commission (NPC)
- State Economic Planning Commissions or Boards (SEPBs)
- Joint Planning Board (JPB)
- National Council on Development Planning (NCDP)
- National Economic Council (NEC)
- Other national councils on key sectors, such as health and education will also be strengthened

The National Planning Commission

This is the central planning authority which co-ordinates the formulation and implementation of the National Development Plan and Strategies. The platform of NV 20: 2020 is being used to achieve better and more effective co-ordination of Nigeria's strategic planning efforts. In the current plan, the Commission is responsible for the overall co-ordination of the plans and national monitoring and evaluation across governments. This is to be accomplished through the Nigeria National Monitoring and Evaluation Department that will be established in the National Planning Commission during the plan period.

The State Economic Planning Board

The primary function of the State Economic Planning Board (SEPB) is to deliberate on common economic matters of state interest, with a view to developing policies that would yield the desired developmental outcomes. The SEPB provides opportunity for the local government authorities (LGAs) to engage with the states to discuss issues of development, and to be part of development planning. It also provides the State Planning Commission with an avenue to integrate the concerns of the different communities, through the LGA, into the state plan. Membership of the Board comprises the commissioners for the economic ministries in the state with the Governor as the Chairman.

The Joint Planning Board (JPB)

The Joint Planning Board is an institutional platform for integration and co-ordination of national plans between the states and the federal government. The membership comprises permanent secretaries and directors of planning bodies in the public sector. The National

at of the JPB. The NPC, in collaboration with other
ults the states on the policy directions and strategies of

government during JPB meetings. As the technical experts on planning, the permanent secretaries of state planning commissions provide technical opinions on proposals. The consensus forms the outcome documents of JPB meetings.

National Council on Development Planning

The National Council on Development Planning (NCDP) is the organ where the outcomes from JPB meetings are reviewed for policy support. This council is constituted by commissioners responsible for development planning in the states with technical support by the permanent secretaries. The meeting of the NCDP is convened and chaired by the Honourable Minister and Vice-Chairman of National Planning Commission. The outcomes of the NCDP meetings are subject to review and endorsement by the National Economic Council.

National Economic Council

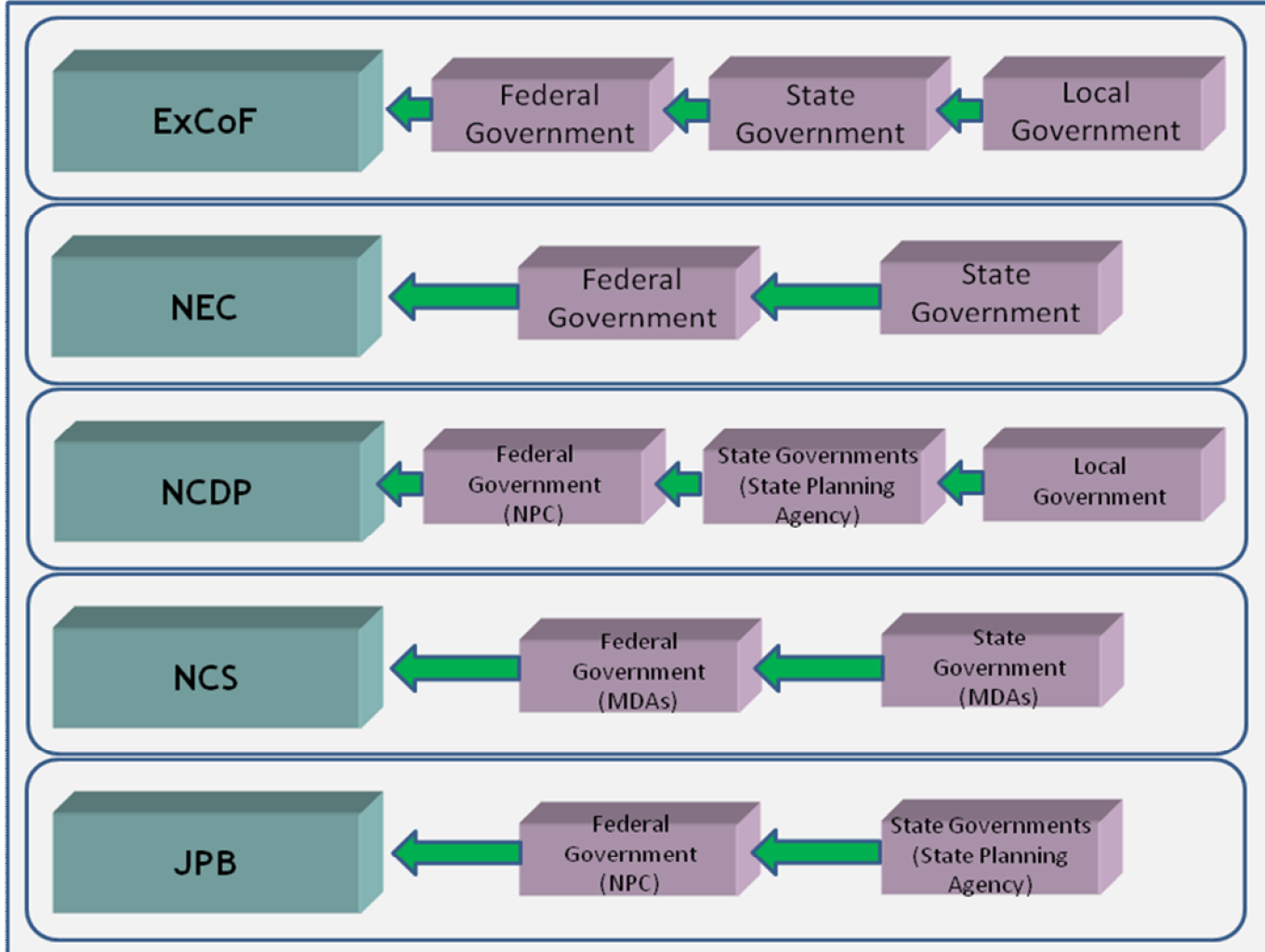
The National Economic Council (NEC) is the highest political body, which is constitutionally responsible for managing and co-ordinating national economic development. The NEC has as members the Governors of the 36 states, the Governor of Central Bank of Nigeria, the Minister of National Planning and the Minister of Finance. The council has the Vice-President (VP) of the Federal Republic of Nigeria as its Chairman and the National Planning Commission as the secretariat. Approvals by NEC on issues of national interest are implemented by the three tiers of government through their respective Executive Councils (ExCos).

Other National Councils

Developmental interventions aimed at addressing key challenges vary across sectors. Health, education, water supply, transportation and agriculture are some of the key areas requiring a co-ordinated policy framework across the three tiers of government, in order to provide the basis for sustainable development. The present yearly meetings of the various councils are inadequate in terms of providing a forum for sectoral policy and performance review across the three tiers of government. In view of the above, the national councils should meet more frequently possibly on a quarterly basis with a view to finding a more pragmatic approach

making and co-ordinated implementations of projects
ports.

Figure 1: Structure for National Integration and Co-ordination in Development Planning



KEY

ExCoF - Executive Council of the Federation

NEC - National Economic Council

NCDP - National Council on Development Planning

NSC - National Sectoral Council (e.g. National Council on Agriculture, National Council on Health)

JPB - Joint Planning Board

The MTEF and MTSS were developed during the period when there was no national development plan. Now that formal development planning is resuscitated, it is desirable that the Medium-term National Development Planning as represented by this first 1st NIP properly integrate the MTEF and MTSS. The MTEF would need to be reviewed. The essential principle is that of ensuring that all economic management instruments are in harmony and do not contradict one another.

Plan/Budget Priorities

The need for fast growth dictates that top priority be given to infrastructure and the productive sectors. The debt relief gains will continue to be used to augment the investment needs of Millennium Development Goals-related programmes and projects. The growing level of domestic and external indebtedness imposes constraints on the level of borrowing built in the plan. It is important that growth in recurrent expenditures be contained just as the efficiency of public investment is improved.

Feasibility Studies/Project Selection Criteria

The cost estimates for the programmes and projects contained in this plan would be subjected to continued appraisal with a view to fine-tuning their final costs for implementation. Consequently, beginning with the 2nd NIP (2014 ó 2017), only projects that are backed by feasibility studies or detailed write-up will be accorded priority for inclusion in the plan.

Institutional Reforms and Legal Framework for Plan Implementation

Past scepticism on the relevance of plans calls for a new approach that will make plans respectable and relevant instruments for economic development and social mobilisation. The focus of the legal framework shall be to create an enabling environment for implementing the plan. For this purpose, the legal framework is targeted at the following objectives:

- Enforce plan provisions;
- Ensure that capital budgets derive precisely from the plan;
- Enhance the establishment of a planning culture to make it mandatory for all tiers of government to prepare plans on a regular basis;

- Adopt due process in amending the plan;
- Ensure the continuity of projects and programmes; and
- Amend certain laws that conflict with the provisions of the draft plan in respect of monitoring and evaluation (M&E).

Plan Revision

The plan is subject to mid-term review and to further reviews in the event of a major shock that could undermine the underlying assumptions and pillars of the plan. Necessary guidelines for making changes to the plan will be developed and circulated appropriately

Monitoring and Evaluation Framework

The successful implementation of sectoral policies and programmes and projects identified in the 1st NIP, will require continuous tracking of inputs, activities and output, to ensure high performance and accountability. In this respect, government will establish a well-functioning monitoring and evaluation system that will create and sustain credible and timely evidence-based, regular measurement and tracking of the progress or performance of projects, programmes and policies and indeed the entire plan. It will facilitate the building of a knowledge-base (database) of projects, programmes and policies towards promoting institutional memory, organisational learning and informed decision-making. To this end, there will be quarterly monitoring reports and annual country reports.

The National Planning Commission in collaboration with all stakeholders will prepare detailed reporting formats for the monitoring of plan initiatives projects and programmes.

Institutional Framework for M&E

The framework for monitoring will involve institutions at the federal, state and local government levels. At the federal level, the following institutions will be fully involved in tracking the plan:

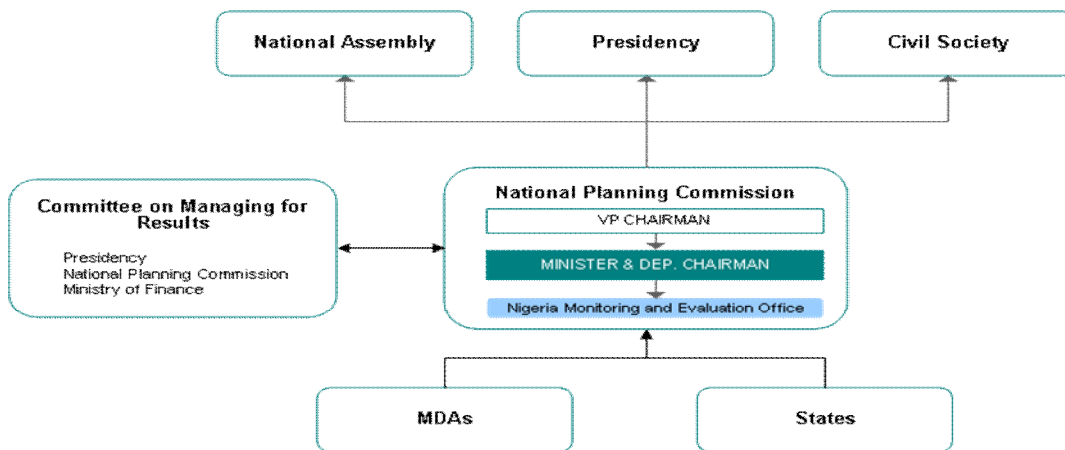
- The Presidency
- The National Assembly
- Committee for the management of results as the governing board of the monitoring and evaluation structure
- The NPC as the secretariat of the M&E department

ment Agency (NASRDA)

- Development partners; and
- Civil Society

At the states and local government levels, similar institutional structures may be created as properly modified to monitor the implementation of the respective state and local government plans.

Figure 2: National M&E Governance Framework



Roles and Responsibilities of Key M & E Institutions

Functions of the Committee for Management of Results

The committee shall perform the following functions:

- Review all reports submitted by the M&E department including the score cards from the MDAs;
- Undertake targeted monitoring of selected projects to validate the submissions of the MDAs;
- Adopt and enforce a code of ethics for M&E functions and exercise;
- Recommend rewards for high performance and sanctions for failure and disinformation;
- Recommend measures that will expedite plan implementation.

Functions of the M&E Department of the NPC should cover M&E exercise performed by all arms of government including the legislatives

- Anchor the overall co-ordination of the National M&E System
- Establish the results framework for the plan, and
- Ensure that reports from the MDAs and states synchronise with the reporting format

performance indicators and the methodology to be used in the 2015 Nigeria annual country report for the President and the

Nigerian public.

QUARTERLY AND ANNUAL SCORE CARDS

Federal Ministries: Ministries, Departments and Agencies (MDAs) will be responsible for tracking and reporting progress through the NPC in the implementation of their projects and programmes, and submitting quarterly and annual reports to the government.

States and local government are to replicate the structure and functions of the Central M&E framework of the federal government

National Bureau of Statistics (NBS): The NBS will continue to collect data and, administer surveys in accordance with its mandates. The NBS infrastructure shall form the central data access platform for all M&E-related data. In this respect, the NBS will work closely with MDAs and the states to ensure data collection, production and quality assurance. The NBS shall also provide a web-based data/ information portal, which will network all the states and federal MDAs for online data sharing and reporting.

Development Partners and Non- State Actors

Government will encourage the development partners and non-state actors to undertake independent monitoring of projects and programmes.

Plan Size

The total size of the plan is approximately N32 trillion, that is about USD214.4b at an exchange rate of \$1=N150

Of this the federal government's share is N10 trillion. The states and local governments share N9 trillion while the private sector account for N13 trillion.

Financing the Public Sector Programme

The major sources of funding government projects and programmes. The private sector is indicative and therefore can be surpassed. In Nigeria are revenue from oil and gas, internal generated revenue from, various forms of taxation, domestic borrowing, bond financing, and surpluses of some revenue generating public enterprise

Size and Structure of Programme Allocations

ned in the plan are those considered vital (priority the Vision and the 1st NIP. The total allocation of approximately N10 trillion is distributed as contained on the tables below:

Table 4: Size and Structure of the Federal Government programmes and Projects:

Sector	TOTAL (N' million)	2010 (Budget) (N' million)	2011 (N' million)	2012 (N' million)	2013 (N' million)
Productive Sector	1,557,062.08	209,060.89	381,809.98	427,937.82	538,253.39
General Administration	283,474.39	77,447.72	65,036.96	69,492.15	71,497.56
Regional Development	1,002,381.07	255,393.79	225,813.61	251,858.25	269,315.43
Governance & Security	1,042,839.23	342,338.17	226,952.30	235,037.73	238,511.04
Human Capital Development	1,894,046.33	195,131.05	512,731.79	583,319.18	602,864.30
Physical Infrastructure	3,318,497.42	599,874.06	838,596.51	930,482.44	949,544.41
Knowledge-Based Economy	294,709.29	51,174.41	73,806.32	81,856.00	87,872.56
Capital Supplementation & Residual Items	606,990.19	123,486.63	165,680.27	158,911.64	158,911.65
GRAND TOTAL	10,000,000.00	1,853,906.72	2,490,427.75	2,738,895.20	2,916,770.33

Table 5:

Physical infrastructure (power, transportation, housing)	33%
Productive sector	16%



PDF Complete

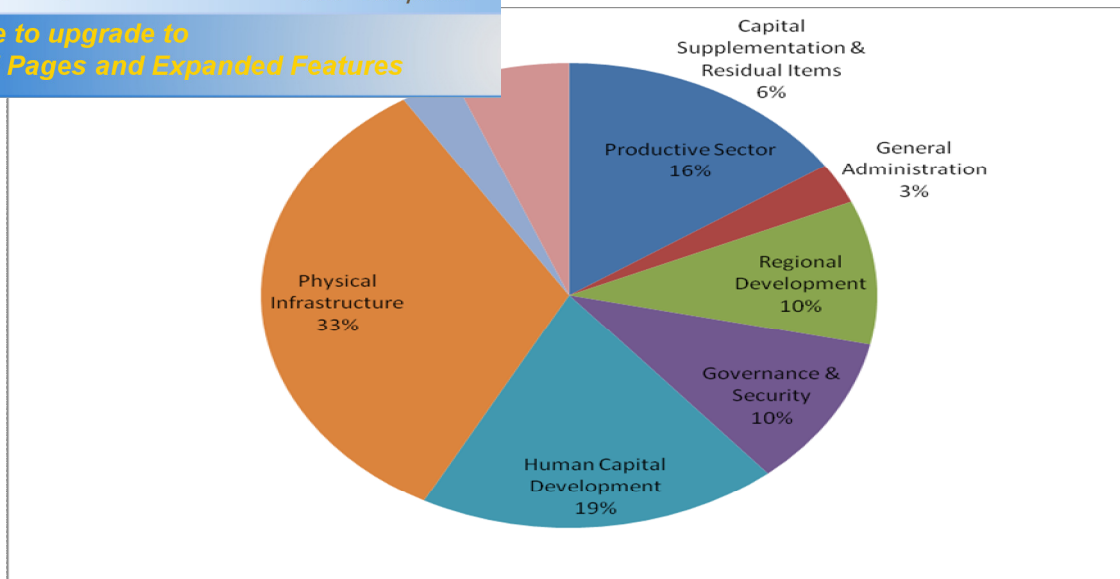
Your complimentary use period has ended. Thank you for using PDF Complete.

[Click Here to upgrade to Unlimited Pages and Expanded Features](#)

	3%
	10%
Governance & Security	10%
Human Capital Development	19%
Knowledge-Based	3%
Capital Supplementation & Residual Items	6%

Allocations have been made only to priority projects which account for about 80 per cent of the total programme cost. The remaining 20 per cent is reserved for other ongoing projects contained in the 2010 budget but not captured on the priority list. The allocation of this proportion to individual projects will be undertaken in collaboration with the NPC as part of the 2011 annual budget

Figure 3: Size and Structure of Programme Allocations



Federal Government Programme

The federal government capital programme of N10 trillion reflects the component of the plan programmes to be financed by the national treasury. There are parastatals such as FIRS, NCS, NDIC, NDDC, etc that are self-financing or receive direct statutory allocations and therefore, are able to finance their own programmes. There are also resources of special funds such as Sugar Development fund, Education Trust Fund and the Infrastructure Development Fund, which would also finance the independent projects domiciled in those institutions. In effect the public sector investment programme is slightly higher than N10 trillion that will be financed through FGN revenue surpluses, borrowing and external technical cooperation grants.

Financing the Plan

Public sector programmes will be financed essentially from public revenues, domestic borrowing, and foreign loans. In view of Nigeria's previous experience with external loans, borrowing at commercial rates is not contemplated during the plan period. However, only foreign loans on exceptionally concessionary terms will be accommodated, subject to the limits imposed by the Fiscal Responsibility Act. Substantial private sector funding is expected under various public private partnership programmes (PPP). A significant proportion of power (electricity) and gas projects, transport projects and others will be funded under these special funding arrangements.

The funding of FGN programme will come from its share of revenue from the federation account, borrowing and external grants.

Funding of States' Programmes

States and local governments will fund their programmes from their share of the federation account's allocation and internally generated revenue. In order to finance the public sector plan, the tax base will be broadened and efforts will be made to enhance revenues from taxation. However, the need to encourage private investment and lift the standard of living of the people will be taken into account in mobilising resources from the private sector to finance public sector programmes.

Measures to Increase Public Revenues

During the plan period, the following measures will be undertaken to shore up non-oil revenues:

- Introduction of user-based charges on goods and services provided by the government. This is to be done in such a way that the poor are not prevented from enjoying the services;
- Introduction of taxes on property with variants such as tax on holding wealth, transfer of wealth, and capital gains
- Broadening the base of some existing taxes, for example, personal income tax and introducing tax reforms to optimise tax administration at different levels of government;
- Tapping of non-oil, mineral and other resources in the states;
- Adequate development of tourism which, at present, is totally neglected in some areas and not fully developed in others;
- Improvement in the revenue generating capacity of state revenue boards.

Other measures to improve the prospects of financing the plan:

External Loans and Grants

Nigeria's experience with external finance suggests the need for caution in relying on such sources of funding. Aid inflows have not lived up to expectations as the experience of the First National Development Plan, 1962 ó 1968, and subsequent plans suggest. High exposure to external loans resulted in a burdensome external debt overhang for the country from which it extricated itself only in 2006.

Private Investment

Investment is approximately N13.0 trillion (approximately 10 per cent of GDP). To achieve the target of 10 per cent of GDP, and improved business environment, this target could be surpassed. Although public investment accounts for 59.4 per cent of total investment during the period, this does not undermine the role of the private sector as the engine of growth as public investment will mainly focus on critical areas such as infrastructure, human capital development, security, law and order, the Niger Delta, regional development and other investments aimed at providing an enabling environment for the private sector to grow. The private sector is expected to play a leading role in manufacturing, agriculture, oil and gas, communication, financial services, etc, and to partner with the public sector in the areas of infrastructure development, including energy, roads, railways and ports.

The Infrastructure Concession Regulatory Commission (ICRC) is expected to play an effective role in mobilising private resources to augment those of the public sector to expand and strengthen the country's infrastructure.

Fostering Growth in Private Sector Investment

To realise the NV20: 2020 objectives, private sector investment in various sectors of the economy is critical. This is expected to be made within the private sector, or in partnership with government.

The government is committed to building an open, efficient, effective and globally competitive business environment for the private sector to thrive. This will be achieved by embarking on necessary reforms and the pursuit of market-friendly policies targeted at attracting foreign and domestic investment.

International Cooperation

Nigeria will continue to foster international collaboration and co-operation during this plan period in order to promote a healthier and friendlier global environment that supports international peace and security, fairness and equity, as well as our national goals. Effort would be intensified to strengthen the fundamentals of citizen diplomacy which places Nigerians everywhere, at the centre of diplomatic actions, in line with contemporary global realities.

Strategies



PDF Complete

Your complimentary use period has ended. Thank you for using PDF Complete.

[Click Here to upgrade to Unlimited Pages and Expanded Features](#)

foreign policy as a key facilitator in achieving the top 20 countries by 2020;

- Improving the image of Nigeria and mobilising Nigerians in the Diaspora for national development, and
- Redefining the operating model of government agencies interfacing with development partners to improve the country's foreign policy objectives.