



OPENING ADDRESS

BY

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**AT THE INFRASTRUCTURE CONFERENCE
ON PUBLIC-PRIVATE PARTNERSHIP IN NIGERIA
ROYAL AIRFORCE MUSEUM,
LONDON, FRIDAY, 26TH JUNE 2009**

Protocol

I am deeply delighted to be invited to the opening of this year's Forum of Nigerian Engineers in the United Kingdom. The conference could not have been more timely and the theme more apt, given the fundamental reforms taking place in Nigeria in the area of infrastructure. Without doubt, the development of modern infrastructure is very critical to the development and growth potentials of our country. This is demonstrated by Government's current programmes in the power sector, massive road construction, investment in the ports, water and railways as well as the education sector, among others.

Infrastructure remains one of the major challenges facing our country, and indeed, the African continent. Both within and across Africa, transport and communication links remain poor and weak. To effectively tackle the infrastructure deficit, experts have estimated that an annual investment of \$80 billion is required, if the continent is to become globally competitive in the next few years. For Nigeria, estimates put the sum required for the development of infrastructure over the next fifteen years at US \$510 billion or at least US\$100 billion in the next eight years.

It is the responsibility of Government to maintain a balanced growth of the economy without neglecting any sector. No matter the quantum of financial resources at the disposal of Government therefore, closing the funding gap for infrastructure is a huge challenge that cannot be met by Government alone. This is further exacerbated by the matrix of other competing and equally compelling priorities of Government. This is why the Federal Government has adopted the Seven-point Agenda and the Public-Private Partnership (PPP) model as a means of raising the much-needed resources, to generate jobs and skills as well as ensure

efficient service delivery. It is also intended to enhance Government's tax revenue and promote cost-effectiveness.

In furtherance of this policy framework, the Infrastructure Concession Regulatory Commission (ICRC) was established as the institutional and legal mechanism for the promotion and regulation of the partnership arrangements. It is also intended to ensure that the PPP process is transparent, auditable, properly-supervised and efficiently managed, to provide real value for money.

As you are aware, Government has already employed this model to concession the Murtala Mohammed Airport Terminal 2 in Lagos. The Lagos-Ibadan Express road is also being similarly concessioned at the cost of N90 billion over a 25 year period on the basis of Design, Build, Operate and Transfer scheme. Several other roads are scheduled to be concessioned in the same manner.

To actualise the Seven-Point Agenda, especially, in the critical area of infrastructure, the Federal Government has recently entered into a Memorandum of Understanding with General Electric (GE) of the United States. This is intended to strengthen Nigeria's commercial relationship with the global conglomerate and to raise funds for investment in the rehabilitation of the railways, while making Nigeria the regional export centre for GE's infrastructure technologies. Similarly, the United Arab Emirates recently signed a bilateral partnership with the Nigerian National Petroleum Corporation (NNPC) to invest US \$16 billion on infrastructure projects in Nigeria.

Just last week, the Federal Government approved the sum of N348 billion to boost power generation, distribution and transmission, based on the recommendations of the Presidential Council on the National Integrated Power Projects (NIPP). Some 14 million Euros and US\$1.97 billion account for the foreign

component of this massive project, which includes investment in gas network for the thermal stations that are currently being built. The objective is to deliver on the commitment of raising electricity generation level to 6000 megawatts by the end of the year and 10,000 megawatts by 2011.

As an illustration of Government's commitment to the development of infrastructure, I wish to invite your attention to the following projected expenditure:

- a. power generation and transmission projects - US \$2.6 billion
- b. development of infrastructure in 2009 - US \$7 billion
- c. highway rehabilitation and construction - US \$750 million
- d. gas pipeline projects - US\$1.5 billion
- e. Maintenance and repair work of 40,700 kilometres of Federal roads in 2009 and bridges during the same period, already awarded at the cost of over N140 billion.
- f. The construction industry is forecast to be worth US \$6.01 billion by 2012.

To provide the enabling environment, Government has continued to work hard on the challenges of doing business in Nigeria, by making the country the preferred investment destination, including the challenge of prudent management of scarce resources and accountability issues. There is, thus, a clear role for you as Engineers resident in the UK, to partner with Government to actualise the massive reconstruction and transformation programmes taking place in our country. You are especially positioned and privileged to have acquired the training, skills, rare expertise and exposure necessary to build technical systems, structures and processes that could transform Nigeria into the coveted league of the top twenty economies in year 2020, if fully mobilised.

Distinguished Ladies and Gentlemen,

While foreign partnership is essential to this process, given the universal and increasingly open nature of knowledge, technology and expertise, it is my view that the process of attaining the objectives of Government in the specific area of infrastructure must be driven, essentially, by Nigerians for Nigeria, on the basis of self-reliance and for long-term sustainability. You are endowed with the experience of best practices here in the UK, which you should adopt and adapt to the Nigerian condition and environment, for the benefit of our people.

I therefore urge you to promote various forms of partnership among yourselves, with the Nigerian Government at all levels and with the private sector, to identify specific areas of engagement in the task of rebuilding Nigeria through the development of functional infrastructure that is so critical to the future of our country.

On our part at the High Commission, I will like to pledge my unflinching support and cooperation with your association. The Mission is here to serve you, to promote and defend the interests of Nigeria and Nigerians in the UK. To achieve these objectives, we have sought to re-brand the High Commission by adopting various reform initiatives and to deliver on our service delivery mandate.

With these few remarks, I have the distinct honour and privilege to declare open, this year's Engineering Forum of Nigerians in the UK. I wish you fruitful and successful deliberations.

I thank you for your attention.