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Letter dated 6 May 2013 from the Permanent Representative of Nigeria to the United Nations addressed to the President of the Economic and Social Council

Attached herewith is the national report of the Federal Republic of Nigeria on progress towards the achievement of the internationally agreed goals, including the Millennium Development Goals, for the annual ministerial review to be held during the high-level segment of the 2013 substantive session of the Economic and Social Council (see annex).

I should be grateful if you would have the present letter and the annex thereto circulated as a document of the Council, under item 2 (b) of the provisional agenda.

(Signed) U. Joy **Ogwu** Ambassador Permanent Representative



* E/2013/100.



Annex to the letter dated 6 May 2013 from the Permanent Representative of Nigeria to the United Nations addressed to the President of the Economic and Social Council

Office of the Senior Special Assistant to the President on Millennium Development Goals

National voluntary presentation of Nigeria on the theme "Science, technology and innovation, and the potential of culture for promoting sustainable development and achieving the Millennium Development Goals" for delivery at the annual ministerial review of the United Nations Economic and Social Council in Geneva, July 2013

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Summary

Over the past decade, the improved economic performance of Nigeria created a climate for enhanced social progress. The nation's economy grew at an annual average of 6.8 per cent between 2005 and 2011 and 6.9 per cent between 2012 and 2014, with the agriculture and petroleum sectors being the key contributors. Analysts have projected that the country will be the twelfth-fastest-growing economy in the world by 2014. Already, the current rate of growth has been impacting positively on the implementation of the Millennium Development Goals. Substantial progress has been recorded since 2008 on a number of targets, and the country is on track on many others. Some of the targeted areas have started to improve quite rapidly, e.g., under-5 and maternal mortality rates. Despite the high economic growth in the past decade, however, poverty and inequality remain major concerns.

Some policy and institutional innovations introduced by government have facilitated progress. For instance, the implementation of the Debt Relief Gains and the Conditional Grants Scheme has led to the construction and rehabilitation of over 2,844 primary health-care facilities; the training of 9,756 health workers (as of 2010); the recruitment of over 74,000 primary school teachers; the provision of 2.4 million long-lasting insecticide-treated nets; the construction of 10,437 boreholes and 3,709 ventilated improved pit toilets; investment in vocational and technical training, including the training of 7,673 people to enhance their vocational skills and 14,420 workers in agricultural extension; and the construction of 307 rural electrification schemes. Between 2007 and 2009, about 33.3 million people benefited from direct primary health interventions. This was in addition to the people who benefited from conditional cash transfers, the child savings scheme in Bayelsa state, the disability allowance in Jigawa and the old-age pension scheme in Ekiti and Osun states. Nigeria is also maximizing existing institutions and frameworks to strengthen coordination.

Science and technology are also facilitating socioeconomic transformation. This includes the use of solar and renewable energy, providing amenities to alleviate poverty, and innovations in telecommunications, which are providing a ripple effect in terms of job creation and income generation and addressing logistical and access bottlenecks in the area of maternal health. Other initiatives include improved technology to facilitate learning in schools, provide skills acquisition, enhance productivity and reduce gas-flaring; improved seedlings to produce better harvests and climate- and pest-resistant crops; and new technology to provide small dams, irrigation and silos to enhance all-season farming, improve post-harvest management and boost employment. Within a decade, access to telephone services rose from about 0.6 per cent of the population to about 60.0 per cent, thus making Nigeria the largest telecom market in Africa and among the 10 fastest-growing telecom markets in the world. However, without a culture that values education and research, as well as advancement in science and technology, it is difficult to maximize their impact.

The Government of Nigeria has also transformed the cultural and creative industry, and this has started to yield dividends. For instance, the Nigerian video-feature-film industry, known as "Nollywood", grew between the 1990s and the 2000s to become the largest African film industry and the second-largest in the world in terms of the number of annual film productions. The country has a \$500 million movie industry which serves the export market well.

Some national challenges, however, make it difficult to accelerate progress on the Millennium Development Goals and other internationally agreed goals. The insurgency of Boko Haram has not only paralysed economic activities in a few northern states; it has led to the death of close to 3,000 people and the destruction of properties worth hundreds of billions of naira. The recurring floods in many states of the federation is also a serious challenge. In 2012, 35 of the 36 states were ravaged by floods, affecting 3,870 communities and 4,199 schools and causing serious health problems in Kogi and Niger states. Addressing this threat is a key challenge that government must face.

I. Overview

1. The Millennium Development Goals are the globally agreed time-bound targets that the world aims to achieve to eliminate poverty and human suffering, by promoting the right to decent lives and nutrition; enhancing the dignity of women and children; providing access to basic education and health services as well as to improved safe drinking water, shelter and sanitation; and promoting environmental sustainability. Since Nigeria signed the Millennium Declaration in 2000, it has invested a lot of time and human and financial resources in the implementation of the Millennium Development Goals. These include the setting-up of the Presidential Committee on Millennium Development Goals, the establishment and continuous implementation of the Debt Relief Gains funds, the mainstreaming of the Millennium Development Goals into Vision 20: 2020 and the Transformational Agenda, and the preparation of a Millennium Development Goal acceleration priority action plan for maternal health.

2. The improved economic performance over the decade created a climate for enhanced social progress. The nation's economy grew at an annual average of 6.8 per cent between 2005 and 2011, with the agriculture and petroleum sectors being the key contributors. Recent estimates put the growth rate at 7.0 per cent in 2012, 7.2 per cent in 2013 and 6.6 per cent in 2014. Analysts have projected that the country will be the twelfth-fastest-growing economy in the world by 2014.¹ This is evidenced by the fact that its per capita income (purchasing power parity) in 2011 was estimated at about \$2,500. The improved macroeconomic environment, favourable weather and stability in the Delta region have been quite supportive of growth. Macroeconomic performance and a series of policy and institutional innovations, including applications in the area of science and technology, have yielded social dividends.

3. Although the country may not achieve all the Millennium Development Goal targets by 2015, substantial progress has been recorded on a number of targets since 2008, and the country is on track on many others. Some of the targeted areas have started to improve quite rapidly, e.g., under-5 and maternal mortality rates. Nigeria is one of the 12 countries in Africa that have achieved the target relating to the proportion of undernourished population. This figure fell from 19.3 per cent in 1990 to 8.5 per cent in 2011, against the 9.7 per cent target for 2015. This positive trend has, however, been reversed, owing to the global food and financial crises since 2008. Concrete efforts are needed to reverse the downward slide.

4. In 2012, Nigeria achieved gender parity in primary and secondary school enrolment. The ratio of girls to boys in primary school enrolment rose from 76:100 in 1990 to 100:100 in 2012, with the ratio in secondary school enrolment rising from 75:100 to 102:100 during the same period.² The country also continues to reverse the trend with respect to HIV and AIDS. HIV prevalence among pregnant young women aged 15-24 years, which rose consistently from 1.8 per cent in 1990 to 5.8 per cent in 2001, declined to 5.0 per cent in 2003 and further to 4.1 per cent in 2010. However, challenges remain in some states, where prevalence rates have remained high. Progress has also been recorded in the fight against malaria.

¹ See the Central Intelligence Agency World Factbook, June 2012.

² See results of the recent National Bureau of Statistics survey on the Millennium Development Goals, issued in February 2013.

5. Appreciable progress has also been made in the primary school completion rate, as well as in the infant, under-5 and maternal mortality rates. The primary school completion rate improved from 76 per cent in 1990 to 96.4 per cent in 2012, although it experienced some instability over time. The infant mortality rate fell from 100 per 1,000 live births in 2000 to 61 in 2012, while the under-5 mortality rate declined from 201 per 1,000 live births to 94 during the same period. Furthermore, maternal mortality fell from 1,000 deaths per 100,000 live births in 1990 to 350 in 2012, just 100 above the 2015 target. More vigorous implementation of the Debt Relief Gains and the Conditional Grant Scheme and innovations in some states, such as the "Abiye" project in Ondo state, made this possible.

6. The performance on most targets of Millennium Development Goal 8 is also encouraging. For instance, debt service as a percentage of exports of goods and services fell from 22.3 per cent in 1990 to 9.0 per cent in 2000 and 0.5 per cent in 2008. The number of mobile phone subscriptions per 100 people also increased, from 0 per cent in 1990 to 41.7 per cent in 2008. A similar trend has been observed with regard to Internet users per 100 people.

7. However, the pace of progress on such targets as access to improved water supply and sanitation has been very slow. In spite of high economic growth over the past decade, poverty and inequality remain a major concern. While sub-Saharan Africa succeeded in reducing both the rate and the number of people living in poverty, both indices kept growing in Nigeria. Indeed, the poverty rate in the country (national poverty line) rose from 42.7 per cent in 1992 to a worrisome 69 per cent in 2010. The income inequality index, which has been established as an important determinant of poverty, also worsened, rising from 0.429 in 2004 to 0.447 in 2010. Essentially, high income inequality, inequitable access to social and economic opportunities, and weak infrastructure such as roads, electricity and water, in addition to food price volatility, frequent flooding, etc., are major impediments to progress. Inadequate and irregular generation of Millennium Development Goals statistics also makes monitoring progress quite challenging.

II. Innovations driving progress on the Millennium Development Goals in Nigeria

A. The Debt Relief Gains

8. In 2004, Nigeria faced an unsustainable debt profile, with a debt stock of \$36 billion. The country spent more on interest payments than it committed to health care and education. This made achieving the Millennium Development Goals difficult. The debt relief provided in October 2005 allowed Nigeria to obtain the sum of \$18 billion, representing an overall cancellation of about 60 per cent of its debt to the Paris Club of about \$30 billion.³ This led to the establishment in 2006 of a Virtual Poverty Fund, a mechanism for enhanced funding, tracking and monitoring of budget lines in key sectors aimed at meeting the Millennium Development Goals. Through the Debt Relief Gains, the Government has been able to deepen the implementation of compulsory free universal basic education, establish conditional

³ Paris Club creditors were paid an amount of \$12.4 billion, representing the regularization of arrears of \$6.3 billion, plus a balance of \$6.1 billion to complete the exit strategy.

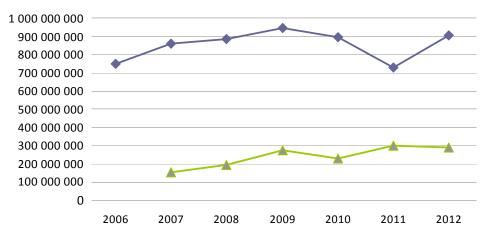
cash transfers to support the vulnerable, and introduce and continuously deepen the Conditional Grants Scheme to support Millennium Development Goal investment at the state and local government levels.

9. Based on the proportion of debt owed by the federal and state governments in 2004, the sharing arrangement of the Debt Relief Gains is a ratio of 70:30, respectively. In addition to the traditional annual budgets, the Fund aims at dedicating about \$1 billion to Millennium Development Goal interventions. Figure I shows the trend of allocation between 2006 and 2012. The figures rose consistently between 2006 and 2010 but declined in 2011, owing to political issues surrounding the illness and eventual demise of President Umaru Yar'Adua and the general elections in 2011. This, however, normalized in 2012. Among the various sectors, health had the largest share (about 17 per cent), followed by education (12 per cent), land, housing and urban development (7 per cent), water resources (6 per cent) and agriculture (4 per cent) (see figure II).

10. The implementation of the Debt Relief Gains has been fostering the expansion of socioeconomic facilities in the country. In addition to helping the various ministries, departments and agencies of government to deliver on their mandates, the Debt Relief Gains have contributed substantially to institutional and human development. In particular, they have helped to expand the activities of such institutions as the National Poverty Eradication Programme, the Small and Medium Scale Enterprise Development Agency, the Universal Basic Education Commission, the Education Tax Trust Fund and the Nigerian Educational Research and Development Council.

Figure I

Trends of the Debt Relief Gains and the Conditional Grants Scheme, 2006-2012 (United States dollars)



⁻⁻⁻⁻ Debt Relief Gains ----- Conditional Grants Scheme

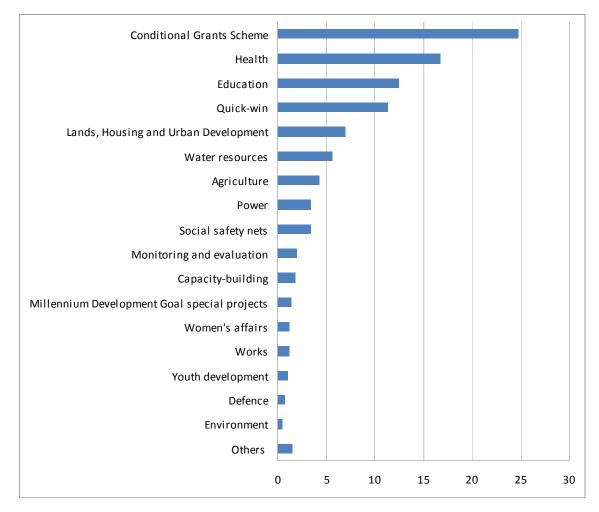


Figure II Percentage share of the Debt Relief Gains across sectors and programmes, 2006-2012

Source: Economic Policy Analysis Centre (2013a): Technical study on Nigeria's national voluntary presentation, March 2013.

11. For example, the implementation of the quick-win interventions in military formations and barracks through the Ministry of Defence (with just 0.78 per cent of the total Debt Relief Gains allocation) is quite revealing. The interventions have led to:

- (a) The construction of 30 classrooms and administrative blocks;
- (b) The rehabilitation of 53 classrooms and administrative blocks;
- (c) The rehabilitation of 19 medical reserve services;
- (d) The provision of 17 strategic medical supplies;
- (e) The procurement of 24 high-voltage electricity-generating sets;
- (f) The provision of 24 sets of furniture/equipment;

(g) The drilling of 19 boreholes and the construction of reticulation and reservoirs.

B. The Conditional Grants Scheme

12. Introduced in 2007, the Conditional Grants Scheme is an innovative strategy for fostering intergovernmental collaboration to accelerate the achievement of the Millennium Development Goals. It seeks to improve governance, service delivery, financial management, transparency and accountability at the state and local government levels for the attainment of the Goals.

13. The criteria for participating in the Conditional Grants Scheme include: (a) 50 per cent counterpart funding and a bank guarantee bond; (b) acceptance of the scaling-down of the maximum amount accessible from 3.0 billion to 1.0 billion naira; (c) evidence of institutional structure and human capacity to manage the Scheme transparently; (d) evidence of articulation of the focus of the Scheme in existing strategies, policies or programmes of the state government; (e) a commitment or promissory note duly signed by the state Governor; (f) evidence of consultation and collaboration between different tiers of government and stakeholders in project selection and location; and (g) the designation of a state focal person for the Scheme.

14. Overall, the Conditional Grants Scheme has been a resounding success. Evidence from the monitoring reports, for instance, shows that projects funded through the Scheme between 2007 and 2009 have been successfully executed.⁴ The number of states covered rose from 18 in 2007 to 36 in 2012, including the Federal Capital Territory. Expectedly, too, disbursement rose from 20.00 billion naira in 2007 to 32.60 billion in 2009, 45.59 billion in 2011 and 45.45 billion in 2012. Figure I shows the trend in terms of United States dollars. By December 2012, total investment in the Scheme had reached 203.07 billion naira (approximately \$1.47 billion).⁵

15. The Conditional Grants Scheme investment has focused essentially on primary health care, education, water and sanitation, and it has targeted human and institutional development. Between 2007 and 2009, for instance, such achievement included:

(a) The construction and rehabilitation of over 2,844 primary health-care facilities;

- (b) The training of 9,756 health workers by 2010;
- (c) The recruitment of over 74,000 primary-school teachers;
- (d) The provision of 2.4 million long-lasting insecticide-treated nets;

(e) The construction of 10,437 boreholes (comprising 3,524 small town boreholes with solar-powered pumps, 6,031 boreholes with hand pumps, 489 motorized boreholes and 393 small town water supply schemes);

(f) The installation of 3,709 ventilated improved pit toilets;

⁴ Office of the Senior Special Assistant to the President on Millennium Development Goals, 2009.

⁵ See Economic Policy Analysis Centre (2013 a and b).

(g) Investments in vocational and technical training, including the training of 7,673 people in vocational skills, and 14,420 extension workers/farmers;

(h) The construction of 307 rural electrification schemes.

16. The total number of beneficiaries constitutes about 26 per cent of the population. About 28.4 million are benefiting from the investment in the primary health-care centres, while the distribution of insecticide-treated bednets is protecting 4.9 million people from malaria. This translates to about 33.3 million people benefiting from direct primary health interventions. Interventions in the area of water and sanitation also benefit about 8.85 million people. There are at least 213,437 beneficiaries of skills acquisition and economic enhancement interventions, such as vocational skills acquisition, the training of extension workers and rural electrification schemes.

17. The wide coverage of the Debt Relief Gains has contributed significantly to the 53.2 per cent reduction in the under-5 mortality rate and the 56.3 per cent reduction in the maternal mortality rate between 1990 and 2012; it also accounts for the 520 per cent increase in the number of children sleeping under insecticide-treated nets.

18. The stakeholders' monthly meetings have increased the capacity to manage Conditional Grants Scheme projects and to share knowledge between States and the Office of the Senior Special Assistant to the President on Millennium Development Goals. It has also fostered genuine consultations among the federal, state and local governments, communities and civil society. The use of experts in the management and monitoring of Conditional Grants Scheme projects and the focus on resultsbased management have increased the rigour of Scheme working practices. The political commitment at the state level is also an important factor in the progress achieved.

19. While the rising trend in the number of beneficiaries over the years is appreciated, there is still room for substantial improvement in terms of coverage, usage and access by the target groups. Experience has shown that placing emphasis on the voices of beneficiaries in project identification and management is critical. It should also be stated that the Conditional Grants Scheme does not provide funding for recurrent expenditure, despite the fact that many of the projects carried out under the programme require budgeting for, inter alia, allowances for workers, maintenance, medical consumables and other operational costs. It is assumed that the subnational governments, as partners, will provide this critical component of funding. The success of the Conditional Grants Scheme is therefore threatened by inadequate provision for the sustainability of the interventions implemented under it.

C. Conditional cash transfer programme

20. The National Poverty Eradication Programme coordinates the implementation of the conditional cash transfer scheme, which was launched in 2007 and is linked to education and health services. The programme is christened "In Care of the People" (COPE) and is already running as a pilot programme in 12 states. It aims at breaking the intergenerational transfer of poverty and reducing the vulnerability of the core poor. The beneficiary households receive a monthly Basic Income Guarantee for one year and then a lump sum Poverty Reduction Accelerator

Investment. The Basic Income Guarantee depends on the number of children in the household, while entrepreneurship and life-skills training are provided to beneficiaries of the Poverty Reduction Accelerator Investment. Payments are based on households' meeting two key conditions: the enrolment and retention of children of basic school age in basic education (primary 1 to junior secondary education), where a child must maintain at least 80 per cent school attendance and participate in all free health-care programmes.

21. The Debt Relief Gains allocation to three safety nets was 10 billion naira (\$78 million) in 2007 and 2 billion naira (\$13.2 million) in 2009.⁶ In its phase 1, the programme cost 1.0 billion naira (\$7.8 million), with 2.4 million naira (\$18,720) allocated to each of the 12 states and the Federal Capital Territory. In its phase 3 (currently under way), states are required to contribute a counterpart fund to match the contribution from the federal Government. For instance, each state allocates 30 million naira (\$234,000) to the Basic Income Guarantee, 42 million naira (\$327,600) to the Poverty Reduction Accelerator Investment and 2.4 million naira (\$18,720) to non-governmental organization paymasters.

22. The focus is state-specific. For example, conditional cash transfer programmes in Cross River and Niger states are focused on education and health, while those in Kano, Bauchi and Katsina states concentrate on girl-child education. In Kano, two benefit levels are being tested, depending on the age of the children benefiting from the programme: 5,000 naira (approximately \$32) and 2,500 naira (approximately \$16), contingent on 80 per cent school attendance per child. The programme is covering 12,000 beneficiaries.

23. The conditional cash transfer programme, which started with 3,790 households in 2009, reached 22,000 households in 2010 and was expanded to cover 113 local governments in 2011 to make the impact more broad-based. This intervention has started to yield appreciable results, especially in facilitating access to education, health and improved services. However, the implementation of conditional cash transfer programmes in Nigeria at both the federal and state levels is faced with a plethora of bottlenecks, including weak identification and registration of beneficiaries, an inadequate management information system, weak technical expertise in programme design and implementation, and weak monitoring and evaluation.

24. There are also other small-scale cash transfer programmes, such as the child savings scheme in Bayelsa state, the disability allowance in Jigawa and the old-age pension scheme in Ekiti and Osun states. In Jigawa, a social security allowance consisting of a monthly payment of 7,000 naira (approximately \$46) to physically disabled persons (as provided under the State Accountability and Voice Initiative) was initiated, covering 5,000 families. The senior citizen social security scheme in Ekiti state, the first in West Africa, which began in October 2011, transfers \$33 monthly to residents aged 65 and over who do not have a pension and whose monthly income is less than \$19 a month, but who have lived in the state for the past three years. As at May 2012, 20,000 elderly people were benefiting from the scheme. The Osun state government also pays 10,000 naira (\$66) to 1,602 elderly people identified as most vulnerable in the state. This also includes payment for medical treatment for these selected senior citizens.

⁶ See Economic Policy Analysis Centre (2013a): Technical report on Nigeria's national voluntary presentation on progress towards the achievement of the internationally agreed goals, including the Millennium Development Goals.

D. Other policy and institutional innovations

Promoting better coordination within and across tiers of government

25. Policy coordination is always an issue in a federal setting. The implementation of most of the Millennium Development Goals is the primary mandate of the state and local governments. For instance, primary health care, including neonatal and maternal health issues, primary education and sanitation are among the residual functions of subnational governments as prescribed by the 1999 Constitution. Despite this constitutional arrangement, political leadership is strongest at the federal level, followed by some state governments, while it is relatively weak in some other states and extremely weak at the local level, where the real actions are supposed to be taking place. Given the federal nature of government and the constitutional mandates of each tier, policy coordination across federal, state and local governments could be quite challenging, owing to the varying levels of commitment on the part of leaders.

26. In spite of this challenge, the use of existing institutions and frameworks is being maximized to achieve stronger coordination. First, the buy-in of states and local governments on Vision 20: 2020 is a very good opportunity. Second, the Presidential Committee on the Millennium Development Goals, with all actors on board, also creates an incentive for improved coordination. Third, the implementation of the Conditional Grants Scheme and the conditional cash transfer programme by the Millennium Development Goals Office also contributes to the process. Fourth, the use of the Joint Planning Board and the National Economic Council also provides impetus for stronger coordination. In addition, there is the challenge of horizontal coordination, which often leads to duplication of functions and unhealthy competition among ministries, departments and agencies. The formation of the National Economic Management Team has addressed this substantially at the federal level, but there is still room for improvement. It is important to replicate this at the state and local levels to ensure policy coherence on the Millennium Development Goals and the sustainable development agenda.

27. The governments (federal and state) have initiated several policy and institutional innovations to accelerate progress on the Millennium Development Goals since 2000.⁷ These include:

(a) Ensuring effective integration of the Millennium Development Goals into overall national and subnational development visions, strategies and plans;

(b) Establishing an Excess Crude Oil Account (now replaced by the Sovereign Wealth Fund) and promulgating the Fiscal Responsibility Legislation to ensure transparency in the use of public resources;

(c) Realizing the challenge of addressing absorptive capacity in the public sector, the Government introduced the service compact (SERVICOM), established a procurement cadre in the federal public service, undertook a needs assessment and introduced capacity-building for all levels of government in 2008;

(d) Improving the experience-sharing, learning and accountability environment, including the SEEDS benchmarking exercise and the State Peer Review Mechanism by Nigeria's Governors' Forum.⁸

⁷ See "Countdown Strategy — 2010-2015: Achieving the MDGs".

28. There are other sectoral or goal-specific innovations that are also contributing to progress:

(a) The establishment of the National Poverty Eradication Programme and the strengthening of such institutions as the National Directorate of Employment and the Industrial Training Fund are critical. However, their efficiency remains a concern. The establishment of universal basic education (to implement free primary and secondary education) and the Education Tax Trust Fund, and the deepening of non-formal education such as nomadic and riverine education, have also enhanced progress on Goal 2;

(b) Most progress on gender is associated with the implementation of the national gender policy and the political will of leaders at the federal and state government levels — e.g., the presidential target of 35 per cent of women in the Federal Executive Council;

(c) In the health sector, the formulation and implementation of the National Strategic Health Development Plan, free maternal care in some states, the setting-up of the National Agency for the Control of HIV and AIDS and its state and local government counterparts, the implementation of the "Abiye" maternal health project in Ondo state (see box 1), the implementation of Roll Back Malaria and the distribution of insecticide-treated nets are notable success factors;

(d) The establishment of the flood early warning system and the development of tools to forecast the occurrence of flood five days in advance in about 600 communities, the Community-based Urban Development Programme and the national water supply and sanitation policy, and the setting-aside of monthly environmental days in some states are instrumental to progress on Goal 7;

(e) Debt relief, the setting-up of the Debt Management Office, stronger collaboration with development partners and the liberalization of the communications sector have contributed to progress on Goal 8.

III. Harnessing the potential of science and technology for socioeconomic transformation

29. Science and technology, if effectively harnessed, are important drivers of economic growth, job creation and poverty reduction. Science and technology help to facilitate all-season farming and higher crop yields in the face of climate change, and accelerate climate change adaptation. They also advance scientific knowledge, and their application could facilitate the achievement of the Millennium Development Goals, especially in improving access to quality social services.

30. Nigeria had its first national science and technology policy in 1986; the current policy commenced in 2012. The policy aims to, among other things, popularize and inculcate the culture of science and technology; strengthen national capacity and capability to stimulate inventions and generate innovations for sustainable development; prioritize research and development; and develop capacity for technological transfer.

⁸ For further information, see "State Peer Review Mechanism — Base Document", Nigeria Governors' Forum, 2011.

31. The institutional framework for planning and managing science and technology in Nigeria includes the Federal Ministry of Science and Technology, the National Council on Science and Technology, the National Assembly committees on science and technology, state ministries and houses of assembly, research institutes and academia, and the National Centre for Technology Management. While these institutions are doing their best under the leadership of the Federal Ministry of Science and Technology, there is a need for the coherence and alignment of roles and responsibilities for better results.

32. The implementation of the national biotechnology policy, the national information technology policy and the policy on space science and technology is bearing fruit. The progress made in information and communications technology and space technology, food preservation technology, and science and engineering infrastructure are good examples.

33. The establishment of the National Biotechnology Development Agency in November 2001 has contributed to the nation's response to food security, sustainable environment, affordable health-care delivery and wealth creation. This takes the form of:

(a) Establishing tissue culture laboratories and aquaculture, snailery, mushroom and grass-cutter units, which have led to the development of improved varieties of crops and animals;

(b) Domesticating bioreactors and developing bioprocesses for the commercial production of various agro-based products;

(c) Embarking on the local production of diagnostic kits for HIV and AIDS, malaria, hepatitis B and C, syphilis, tuberculosis and pregnancy;

(d) Developing environmental biotechnology, including the bioremediation of the polluted environment, combating desert encroachment, and genetic research conservation and utilization;

(e) Developing the molecular genetic characterization of avian influenza virus and a genetic barcode for a database of various plants and animals in Nigeria;

(f) Developing human and infrastructural capacity in biotechnology, in partnership with selected universities.

34. The establishment of information and communications technology has led to the following:

(a) The popularization and propagation of the use of the Internet;

(b) The introduction of the Computer for All Nigerians Initiative;

(c) The creation of the Nigerian e-government strategies.

35. Through the implementation of the policy on space science technology, the following have been achieved:

(a) The launch of NigeriaSat-1 (Earth observation satellite) in 2003 and of NIGCOMSAT-1 (communications satellite) in 2007;

(b) The development of remote sensing and a Geographic Information System model for desertification;

- (c) The mapping and monitoring of the impact of gully erosion;
- (d) The domestication of space science technologies;
- (e) Mineral resources mapping, exploration and exploitation.

36. Through the National Atomic Energy Commission, a curriculum was developed for the introduction of degree programmes in nuclear science and engineering in the relevant knowledge centres, in addition to road maps for nuclear power generation of between 1,000 and 4,000 MW over a period of 12 years. The Raw Materials Research and Development Council is promoting the development of new and advanced knowledge-intensive materials from petrochemicals, minerals and agro resources.

37. Through the National Agency for Science and Engineering Infrastructure, the following has been achieved: (a) use of an advanced manufacturing technology technique to replicate the oilseed expeller process and the integrated cassava flour-processing plant; and (b) the establishment of a manufacturing facility in Abuja for the production of solar panels under a public-private partnership arrangement. These innovations are having an overarching impact on the implementation of the Millennium Development Goals as well as on social and economic transformation.

38. Evidence from stakeholders' consultations and feedback resulting from questionnaires administered during the forum reveal the following roles of science, technology and innovation in facilitating socioeconomic transformation:

(a) Solar and renewable energy, which provides amenities to alleviate poverty;

(b) Innovations in telecommunications, which provide a ripple effect in terms of job creation and income generation, and address logistical and access bottlenecks in the area of maternal health;

(c) Improved technology, which facilitates learning in schools, provides for skills acquisition, enhances productivity and reduces gas-flaring;

(d) Several farm-related benefits, which include improved seedlings, better harvests and climate- and pest-resistant crops;

(e) Mechanized agriculture, which makes farming attractive to youth and raises farm productivity;

(f) New technology that allows for small dams, irrigation, silos, etc., thereby enhancing all-season farming, improving post-harvest management and boosting employment.

39. While it may be challenging to address the role of the various segments of science, technology and innovation in socioeconomic transformation in Nigeria, the present report uses information and communications technology as a case study. The deregulation of the telecommunications sector has been transforming social and economic activities in Nigeria. Prior to the advent of the Global System for Mobile Communications (GSM) in 2001, fewer than 0.45 million lines were serving about 120 million people.⁹ Then, telephone was a luxury only for the rich. As at the first quarter of 2011, the subscriber base had risen to 90 million. Within a decade, access

⁹ Telephone lines expanded from 18,724 in 1960 to 450,000 installed capacity in 2001, when GSM was introduced. In 40 years (1960-2001) it grew by 2,303.3 per cent, as opposed to 5,614.3 per cent in just 10 years. See "The revolution that means freedom", *IT and Telecom Digest*, 2011.

rose from about 0.6 per cent of the population to about 60.0 per cent.¹⁰ By 2008, Nigeria had become the largest telecommunications market in Africa, and it is among the 10 fastest-growing telecom markets in the world. The transformative role of GSM in Nigeria's development process is captured in the following excerpt from the introduction to an article by Chima Akwaja and Samson Akintaro, "GSM @ 10: the gains, the pains ... and what lies ahead", appearing in *IT and Telecom Digest* in 2011:

Just like yesterday; yet, it's already 10 years since GSM service providers began operations in Nigeria. An effort to free Nigerians from the communications barrier has led to technological, human capital and social-economic benefits, bringing voice, data and Internet communications to the citizens — who have never had a chance of savouring such freedom before.

40. Box 1 illustrates how pregnant women's access to mobile phones has transformed pregnancy from a death sentence to a life-upholding experience. It increased service utilization by over 700 per cent in one year. Box 2 shows how the Office of the Senior Special Assistant to the President on Millennium Development Goals is using technology to deliver on its mandates, especially in tracking the Conditional Grants Scheme at the state and local levels.

Box 1

Mobile phones have transformed pregnancy from a death sentence to a life-giving experience under the "Abiye" project in Ondo state

The "Abiye" (safe motherhood) programme is an innovation to address maternal health challenges in Ondo state. The 2008 National Demographic and Health Survey rated Ondo as one of the most burdened states with regard to maternal mortality in Nigeria — the worst in the south-western zone. Having access to maternal health services was an issue, especially in rural areas. A baseline survey conducted in 2009 showed that only 16 per cent of pregnant women registered with government facilities eventually gave birth at them. To address this challenge, the Abiye programme, aimed at reducing child and maternal mortality by 50 per cent and increasing facility utilization by 60 per cent in 2011, was initiated.

At the point of registration at the Abiye Centre, each pregnant woman is assigned a physician, a specially trained community health worker called a "health ranger", to monitor her. Twenty-five pregnant women are assigned to one health ranger, who calls and visits them regularly. The health rangers detect high-risk pregnancies, carry out birth plans, implement measures to ensure readiness for complications, carry out education on related areas of need, and administer first-aid kits. The pregnant woman also receives a mobile phone linked to a toll-free user group to ease communication with the physician. Ambulances (motorcycles and tricycles) are always on standby.

The programme achieved its target in one year. Prior to the commencement of the programme in the last quarter of 2009, fewer than

¹⁰ This was in the absence of dual ownership, which did not exist in Nigeria owing to poor-quality services which required people to have multiple lines.

100 pregnant women were registered for antenatal units in public clinics. By the end of 2009, the total number had risen to 346. By 2010, it had increased to 2,791, representing an increase of 706.65 per cent. It stood at 2,376 in 2011 and 2,427 in 2012, with no casualties recorded. Postnatal cares also rose appreciably. Owing to the success of the programme, it was replicated by all local governments in January 2013.

Success factors include willingness on the part of community leaders to mobilize people, on the part of non-governmental organizations to provide health materials and help with sensitization, and on the part of community health volunteers to help to reduce the capacity gap. Challenges abound, including ensuring that health rangers have the capacity to cope with the rising number of registrations and with resistance on the part of traditional birth attendants, and that government has the capacity to cope with the day-to-day running of the programme. Addressing these challenges is vital to sustaining its progress.

Source: Rapid assessment survey of the "Abiye" project implemented by the Ifedore local government, Ondo state, Economic Policy Analysis Centre, March 2013.

41. The boom in the telecommunications market has attracted substantial investment to the country. Private sector investment rose from about \$50 million in 1999 to over \$18 billion in 2009. This included more than 300 billion naira (about \$2.17 billion) in revenue to the federal Government through frequency spectrum sales. The annual revenue from mobile services is also very high — about 4 per cent of Nigeria's nominal gross domestic product (GDP). For instance, the four GSM operators in the country — MTN, Globacom, Airtel and Etisalat — remit over 264 billion naira (\$1.9 billion) to government annually through company income tax, annual operating levy, education tax and government agency tax. There has been phenomenal growth in the telecom market's share of GDP, which rose from 0.06 per cent in 1999 to 3.66 per cent in 2009.¹¹

Box 2

The Office of the Senior Special Assistant to the President on Millennium Development Goals is applying technology to manage baseline date and track progress on the Conditional Grants Scheme

The Office of the Senior Special Assistant to the President on Millennium Development Goals is applying technology in discharging its mandates, especially in the deployment of the Conditional Grants Scheme and the conditional cash transfer programme. To be able to do this effectively, the Office created the Nigerian Millennium Development Goals Information System. In order to make the support provided under the Scheme context-specific, the Office conducted a baseline facility inventory and a needs assessment in all 774 local government areas. Android phones were used to collect and collate data on existing infrastructure at this subnational level, with pictures of health centres, primary schools and water schemes, inter alia, taken and stored in a

¹¹ See "GSM @ 10: the gains, the pains ... and what lies ahead", IT and Telecom Digest, 2011.

database. The data were eventually cleaned up and analysed and are now resident in the Nigerian Millennium Development Goals Information System, which helps to target Conditional Grants Scheme investment in the states and local government areas. The database provides a basis for the effective monitoring of progress at the subnational level in a more scientific way.

The Office is also adopting the use of e-payment and e-registration in the scaling up of the conditional cash transfer scheme to 56,000 households in 24 states of the Federation. The Office is in partnership with Ecobank, which has provided 56,000 Android phones to these households to help in the process of e-disbursement and the e-registration of these families. The deployment of science and technology has enhanced transparency, accountability and efficiency in the management of the Debt Relief Gains, allowing funds to reach intended beneficiaries.

The Nigerian Millennium Development Goals Information System tracks information on efforts related to the nation's Conditional Grants Scheme. One of the greatest strengths of the System platform is the ability to spatially map facility information. The System is helping to identify service delivery performance gaps; effectively site project interventions to maximize impact and avoid duplication; provide up-to-date information on the facilities; provide a baseline for monitoring and evaluating progress under the various initiatives; and avail local governments of relevant information on grant applications under the Scheme.

42. The growth of this market has led to substantial job creation, improved business performance and timely information exchange. In particular, the wide availability of digital mobile service has led to improvements in efficiency and productivity, reduced transaction costs, increased service innovation and a better quality of life. It has facilitated business by drastically reducing the time, energy and resources spent by businesspeople on transactions. In addition, the use of GSM has spurred complementary growth in information and communications technology. For instance, the various GSM service providers also provide Internet services,¹² thereby increasing the Internet penetration rate.

43. In addition to over 15,000 direct jobs created by the GSM companies across the 36 states and the Federal Capital Territory, millions of GSM-related jobs have been created, mostly for youth. More than 71.0 per cent of the people engaged in retail GSM services are those who were never employed before.¹³ The empirical findings of Kafilah Lola Gold, Muibi Olufemi Saibu and Hammed Agboola Yusuf (2012) summarize the impact of this sector on the Nigerian economy as follows:

Firstly, it has impacted on the transaction cost by reducing the cost of transportation and information gathering on their daily business. Secondly, it has also increased their market access and reduced distribution cost which

¹² As of 2011, 44 million Nigerians are now accessing the Internet, mostly through their mobile phones.

¹³ See Fasoranti, M. M., "The influence of the deregulated telecommunication sector on urban employment generation in Nigeria", *Research Journal of Social Sciences*, 5:1-6, 2010.

invariably affected the service provider cost. Lastly it leads to reduction in poverty level and incidence through increase in income generating capacity and business expansion of households.¹⁴

44. In spite of this, the issues of poor quality of service, high call rates and poor customer relations still haunt the achievements recorded so far. Although the history of science, technology and innovation is long in Nigeria, the country still has a lot to learn. Some of the challenges of the science, technology and innovation system in Nigeria include an inadequate number of scientists and researchers; limited international cooperation between Nigerian academics/institutions and international academics/institutions; poor research funding; poor infrastructure to support science and technology; and limited integration of science and technology into national development strategies. Limited linkage between research and development and the manufacturing sector, weak political will and inadequate funding are other bottlenecks.¹⁵ There is also limited coherence and coordination among relevant institutions involved in the planning, management and implementation of science, technology and innovation.

45. Without a culture that values education and research, advancement in science and technology will be difficult. To effectively leverage the explosion in new knowledge of science, technology and innovation in the context of limited capacity, it is important to put in place a policy framework that supports the adoption of appropriate policies, strategies and activities to facilitate human resources development, especially through an education system that promotes sound science education at all levels; to increase demand for knowledge in the private sector;¹⁶ to raise public support for science and technology;¹⁷ and to accelerating access to information and communications technologies. While deepening science, technology and innovation infrastructure is critical, having appropriate technological applications and engineering that can help drive sectors such as manufacturing, health, agriculture and natural resource management is also pivotal.

46. The implementation of science, technology and innovation is not yet strong. To achieve synergy, a system that is strong in linkages and collaboration between industry and university research and among educational and research institutions, policy and regulatory agencies, financial institutions and industry is needed. The present report also supports the establishment of a National Research and Innovation Fund with a capital base of not less than 1.0 per cent of GDP.

¹⁴ "Mobile telecom (GSM): its impacts on household income generating capacity and business expansion in selected states in Southwest Nigeria", Las Vegas International Academic Conference, 2012.

¹⁵ National Centre for Technology Management, 2010.

¹⁶ This includes promoting competitive markets that allow for the emergence of innovative firms that demand knowledge; encouraging financial infrastructure that supports innovative firms; protection of indigenous knowledge, subsidizing firm-based training to encourage technology deepening, and providing tax incentives for firms engaged in research and development.

¹⁷ This includes competitive, merit-based allocation of funding to basic research priorities and evaluation and accountability mechanisms for research output and effectiveness.

IV. Maximizing the benefits of culture and the creative sector as well as minimizing threats to development

47. Culture is the enabler, the progenitor and the conditioner of all human endeavours. It is a productive force and an effective instrument for social change and development. It promotes social inclusion and the ownership of development processes. In June 1999, to maximize the nation's immense and rich cultural heritage, the Federal Ministry of Culture and Tourism was carved out of the Federal Ministry of Information and Culture and the Federal Ministry of Commerce and Tourism. To use culture as a source of growth and transformation, the Ministry built 12 cultural industries centres in the six geopolitical zones, namely, Sokoto, Taraba, Enugu, Edo, Benue and Ondo states, and the Federal Capital Territory. The centres provide physical infrastructure to enable cultural activities to thrive and serve as one-stop shops for cultural goods and services.

48. The Nigerian video feature film industry, known as "Nollywood", grew between the 1990s and 2000s to become the largest African film industry and the second-largest in the world in terms of the number of annual film productions, placing it ahead of the United States and behind the Indian film industry.¹⁸ The country has a \$500 million movie industry, creating some 200 videos for the home video market every month. The products of Nollywood have become a major source of export to various parts of the world. The major export destinations of the output include West Africa (50 per cent), the rest of Africa (18.8 per cent), Europe (12.5 per cent) and others (18.7 per cent).

49. A major challenge today is how to empower Nigerian artists and creators and strengthen their capacity for better productivity and improved quality of products and services. A large part of creative revenues originates from copyrights, licensing, and marketing and distribution practices, with a meagre part reaching the creators of the films. Accelerating the development of the creative economy requires strengthening the regulatory and promotional agencies to promote the industry, facilitating healthy competition, upgrading quality, ensuring appropriate controls and standardization, and monitoring and enforcing standards. Encouraging the development of a window of special funding is also vital.

50. In spite of the progress made in the creative economy, there are some pockets of cultural practices that are impinging on the achievement of the Millennium Development Goals and other types of development progress in the country. Critical among these are the following:

(a) The fact that some inheritance structures still discriminate against women, especially with respect to landed properties;

- (b) The negative aspects of widowhood;
- (c) The prevalence of early marriage for girls in some parts of the country;
- (d) The preference for the education of boys at the expense of girls;

¹⁸ See "Nigeria surpasses Hollywood as world's second largest film producer", United Nations News Centre, 2013, available at http://www.un.org/apps/news/story.asp?NewsID= 30707#.UW5zn2dvAfg.

(e) The negative perception of Western education, especially in some northern states;

(f) The practice whereby boys go into business at an early age, thereby forfeiting their educational opportunities, especially in some parts of the south-east;

(g) The fact that gender-based violence is still an issue, especially female genital mutilation and violence against women and children.

To address this, the Government should create a well-targeted awareness campaign about these negative cultural practices while emphasizing cultural attitudes that support social inclusion, resilience and development.

V. Mainstreaming sustainable development into national development strategies

51. Sustainable development is about ensuring socially responsible and environmentally responsive economic development in the context of protecting the national resource base (including ecological assets) for the benefit of future generations. This strategic framework was adequately captured in the 1999 Constitution in subsection 2, Articles 1, 17 and 20. In addition to ensuring an individual's equal access to economic activities, it also states: "exploitation of human or natural resources in any form whatsoever for reasons, other than the good of the community, shall be prevented" and "the State shall protect and improve the environment and safeguard the water, air and land, forest and wild life of Nigeria".¹⁹

52. Operationally, sustainable development was mainstreamed into national development strategies including Vision 20: 2020. In addition to two of the six goals of the National Implementation Plan for the Vision (improving social advancement and fostering accelerated, sustainable social and economic development), the three main pillars of sustainable development (economic, social and environmental dimensions) are important objectives of the Plan. The integration has improved advocacy, policy focus and implementation commitment.

53. A number of innovations have been put in place to accelerate sustainable development in the country. They include formulating an inclusive financial strategy (including a microfinance policy), improving the investment climate through a onestop shop arrangement, revamping the 23 industrial development centres,²⁰ establishing the National Small and Medium-Sized Enterprises Credit Guarantee Scheme to facilitate easier access for small and medium-sized enterprises to credit, and promoting industry-wide standards through social corporate responsibility among banks by forming the Strategic Sustainability Working Group, which aims at improving environmental and community well-being. Others include forming several employment programmes, including those managed by the Small and Medium Enterprises Development Agency, such as the Youth Enterprise With Innovation in Nigeria Programme (YouWiN),²¹ focusing on training, providing finance and mentoring for youth; promoting a "One Local Government One Product"

¹⁹ See Article 17 (subsection 2) and Article 20 (subsection 2) for the first and second quotations, respectively.

²⁰ This is expected to generate about 69,000 jobs in a year.

²¹ This is targeted at 3,600 young people over a three-year period.

programme, which is expected to generate about 332,400 jobs in 10 years; and promoting the Women Entrepreneurship Development Programme, which provides capacity-building, counselling, mentoring, coaching and other business support services for 3,700 women.

54. All of this has yielded benefits. The economy grew at an annual average of 6.8 per cent between 2005 and 2011, and the prospects are bright for 2013 and 2014: growth of about 6.9 per cent, according to projections.²² The country also succeeded in reducing gas-flaring from 26 billion cubic metres (BCM) per year in 2003 to 15 BCM in 2009. Of Nigeria's total population, which stood at 167 million in 2011, 45 per cent is under 15 years of age, while 4 per cent is 65 or older — an indication of a high dependency ratio. While several other countries have succeeded in reducing poverty, this remains a serious challenge in Nigeria. The poverty rate rose from 42.7 per cent in 1992 to 69.0 per cent in 2010. Unemployment remains very high, standing at 24 per cent in 2011.

55. Specific policies and action plans to address environmental challenges have been put in place. They include: (a) the national policy on drought and desertification; (b) the drought preparedness plan; (c) the national policy on erosion, flood control and coastal zone management; (d) the national environmental sanitation policy and action plan; (e) the national policy guidelines on solid waste management, market and abattoir sanitation, excreta and sewage management, sanitary inspection premises and pests and vector control; (f) the national forest policy; (g) the national biodiversity strategy and action plan; (h) the national health-care waste management policy/action plan and guidelines; and (i) the State of the Environment Report of 2008. In spite of the country's environmental endowment, Nigeria still faces the challenge of substantially addressing biodiversity; the coastal and marine environment; deforestation; drought and desertification; flooding and erosion; human displacement; land resource use; pollution; water resources; and waste.

VI. The emerging national challenges

56. A number of national challenges are making it difficult to accelerate progress on the Millennium Development Goals and other internationally agreed goals. The present report focuses on two: the security challenge and recurrent flooding.

Addressing the security threats to national transformation and development

57. Security is a state of being free from danger, fear, threat, anxiety and uncertainty. It is a public good. This is duly recognized by the 1999 Constitution of Nigeria (Section 14 (2) (b)), which states that "the security and welfare of the people shall be the primary purpose of government". Insecurity, the presence of fear and the absence of economic or physical protection for persons, buildings, organizations or the country against destruction or threats such as crime or attacks are having serious implications not only for the implementation of the Millennium Development Goals, but also for overall development. Evidence abounds on the role that conflict and insecurity have played in constraining progress in terms of the Millennium Development Goals and overall development progress in Africa.²³ Until

²² See the Central Intelligence Agency World Factbook, June 2012.

²³ See, for instance, Economic Policy Analysis Centre (2013a) for detailed references.

recently, armed robbery, communal clashes (especially in Plateau and Benue states) and turbulence from the Niger Delta militancy as well as ethnic militants such as those associated with the Egbesu Boys, the Odua People's Congress, the Movement for the Actualization of the Sovereign State of Biafra, religious clashes and post-election violence were considered to be the main security concerns in Nigeria. Recently, kidnapping (especially in the south-east and south-south) has also become another source of insecurity. This crime has become a commercial trend in recent times. In fact, it has caused the country to be designated as the global capital of kidnap-for-ransom²⁴ by the African Insurance Organization, as indicated at its 18th African Reinsurance Forum, held in Mauritius in October 2012.

58. Since 2009, however, the insurgency of Boko Haram²⁵ has become the most challenging security issue. Boko Haram has introduced a new dimension into the country's security situation: frequent bomb explosions and attacks on innocent citizens by gunmen. More than 2,800 lives were lost to terror-related violence between 2009 and 2012, with 815 people killed in 275 suspected attacks by the Boko Haram group between January and September 2012. This represents more than the total number of deaths recorded in 2010 and 2011 combined. Over 60 police stations have been attacked in at least 10 northern states, including the attack on the police headquarters in Abuja. The United Nations offices in Abuja were also bombed.

59. The results of the National Crime Victimization and Safety Survey²⁶ indicate that the percentage of people fearful of becoming victims of crime, which declined from 86 per cent in 2010 to 72 per cent in 2011, increased to 75 per cent owing to the rising wave of bomb and gun attacks by the Islamic sect in 2012. Taraba and other states most affected by the sect had the worst performance. The actual crime rate follows the same pattern.

60. Insecurity in Nigeria has been linked to the prevalence of poverty, inequality and high unemployment in the midst of opulence. The Boko Haram insurgency is also being perceived as a political weapon.²⁷

61. The wave of insecurity is having serious economic and social impacts on the country. For weeks, social and economic activities were paralysed in such states as Borno, Bauchi, Yobe, Gombe and Kano. Students did not go to school, and public and private sector workers could not go to their offices. In some situations, schools were attacked (e.g. in Borno state) and, occasionally, health workers, including the killing of nine female polio vaccination workers in Kano in February 2013. This has started to take a serious toll on education performance. For instance, the impressive progress achieved in primary school net enrolment between 1990 and 2006, from

²⁴ This is due to the huge record of kidnapping cases reported in the country yearly, accounting for a quarter of globally reported cases. For further information, see Chiedu, A., "Economic implications of insecurity in Nigeria", 2013, available at http://www.spyghana.com/economicimplications-of-insecurity-in-nigeria/.

²⁵ This sect, which rejects Western education and Western culture, has international links with other terrorist groups such as Al-Qaida in the Islamic Maghreb and the Arabian Peninsula and Al-Shabaab in Somalia.

²⁶ Conducted by the CLEEN Foundation (2012): "Summary of findings of 2012 National Crime and Safety Survey", Lagos, 2012.

²⁷ See Katsina, Aliyu Mukhtar, "Nigeria's security challenges and the crisis of development: towards a new framework for analysis", *International Journal of Developing Societies*, Vol. 1, No. 3, 2012; and Nwagboso, C. I., "Security challenges and economy of the Nigerian State (2007-2011)", *American International Journal of Contemporary Research*, Vol. 2, No. 6, June 2012.

58.0 per cent to 91.1 per cent, nosedived to about 70.0 per cent in 2008, a period when the insurgency of Boko Haram was becoming intense. In the 2008 education survey, more than 15.0 per cent of parents mentioned safety considerations as the reason why their children had stopped attending school.

62. The Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture, has linked the collapse of more than 800 companies in Nigeria between 2009 and 2011 to insecurity and the harsh operating business environment in the country. The National Employers' Consultative Assembly stated that 73.3 per cent of businesses had partially closed operations in northern Nigeria. The spate of kidnappings in the commercial cities of Port Harcourt, Aba and Onitsha obviously forced investors, businessmen and manufacturing companies to relocate to other, peaceful cities in Nigeria. For instance, companies such as NBL, Seven-Up PLC, Unilever PLC and PZ PLC relocated from Aba to Enugu owing largely to constant kidnappings of their expatriate staff.²⁸

63. The negative impact goes beyond low education performance to poor health outcomes, low women's empowerment and increased poverty, owing particularly to a loss of access to land, property, jobs, assets and therefore means of livelihood. The states most affected by the Boko Haram insurgency are among those with the highest incidence of poverty. This increases people's vulnerability to shocks and a high likelihood of slippage into poverty and heightened inequality.

64. Moving forward, the support and strong collaboration of the state governments in providing logistical and financial support to the joint task forces across the country have been quite helpful. The progress made by the Lagos state government in stamping out "area boys" through the rehabilitation of erstwhile hoodlums has reduced armed robbery substantially. Other states need to learn from this. The amnesty provided to the Niger Delta militants has brought unprecedented calm in the Niger Delta region, which has contributed appreciably to crude oil production in the past three years. It is also important to note that improved intelligence-gathering and better coordination and collaboration among the security agencies are important.

65. The federal Government is also creating platforms for effective governmentcivil society collaborations to address the root and proximate causes of insecurity in Nigeria. A programme on arms control with a view to managing the proliferation of arms and the production of locally made arms in Nigeria is under way.

66. The public is not yet fully satisfied with the handling of terrorism in the country.²⁹ Some of the policy options suggested to government include improved dialogue with the sect, strengthening the capacity of security personnel and the combined use of force and dialogue. In recent weeks, however, as mandated by the National Economic Council, four Governors of the most affected states (Bauchi, Yobe, Borno and Gombe) have initiated dialogue with the leadership of the sect. The federal Government has set up a committee to advise it on the desirability or otherwise of amnesty for the Islamist sect. Ensuring improved development

²⁸ See "Security challenges and economy of the Nigerian State (2007-2011)", American International Journal of Contemporary Research, Vol. 2, No. 6, June 2012.

²⁹ The CLEEN Foundation's national crime and safety survey conducted in 2012 reveals that 54 per cent of the respondents interviewed were not satisfied, while 31 per cent felt satisfied with the performance security agencies in the fight against terrorism in the country.

outcomes and results and the intensification of programmes that fully engage youth and promote livelihoods are also critical.

Tackling the threats posed by natural disasters (floods) to the implementation of the Millennium Development Goals in Nigeria

67. Natural disasters often cause enormous damage, leaving large proportions of the population at risk of losing their livelihoods, their homes and, many times, their lives. Population groups that are typically most at risk include smallholder farmers, the rural landless poor, fishers and the urban poor. Natural disasters, especially floods and droughts, are a major source of vulnerability for the poor. Given the nation's poor infrastructure and weak response capacity, when such disasters as floods happen, the impact is always very serious.³⁰

68. Over the past three decades, many parts of the country have been prone to flooding, with many states experiencing serious flooding that often claims properties, livelihoods and lives. States including Anambra, Bayelsa, Niger and Oyo have been experiencing recurrent flooding. However, in 2012 Nigeria witnessed an unprecedented flood that ravaged 35 out of the 37 states of the federation. It affected 3,870 communities in 256 local government areas. The flood wreaked havoc on no fewer than 14 states in terms of its intensity and impact. In these 14 states, 395,631 households in 116 out of the 291 local government areas were severely affected; this translates to about 2.769 million people.³¹ About 20.0 per cent of the population in Bayelsa was affected, followed by Delta, Jigawa and Kebbi states, with close to 10.0 per cent, while about 5.0 per cent of the population was affected in Niger, Kogi and Anambra states (see figure III). Kogi and Adamawa states had the highest numbers of traditional houses that were totally destroyed: 124,085 and 117,829, respectively.

69. About one of every three people affected by the flood had serious health problems in such states as Kogi (29.4 per cent) and Niger (28.5 per cent). Most of them suffered from malaria, cough and diarrhoea. Because hospitals and/or health personnel were affected, when flood victims went to hospitals they complained about unavailable or unaffordable medicines as well as overcrowding and inadequate health workers. Owing to the aforementioned challenges in public hospitals, affected people resorted to traditional sources of health services. For instance, in Adamawa and Taraba states the use of traditional sources rose from 30 per cent before the flood to 40 per cent after.

70. The impact of the flood disaster on education is even worse, especially in terms of damaged school infrastructure. In 11 states alone,³² 4,199 schools were affected, comprising 3,205 primary schools and 994 secondary schools. Of the primary schools, 2,478 (77.3 per cent) were partially damaged and 22.7 per cent were totally destroyed, while 79.8 per cent of the secondary schools were partially damaged and 20 per cent totally destroyed. Anambra accounted for 40.7 per cent of the affected primary schools (of which 42.3 per cent were partially damaged and 35.2 per cent totally destroyed).

71. Income and livelihood also had their share of damage. There were reductions in agriculture, forestry and fishing as main sources of livelihood in Kogi and Niger

³⁰ See Economic Policy Analysis Centre (2013a) and Figure III.

³¹ See the Nigeria 2012 flood post-disaster needs assessment.

³² Adamawa, Anambra, Bayelsa, Delta, Edo, Jigawa, Kebbi, Kogi, Nasarawa, Rivers and Taraba.

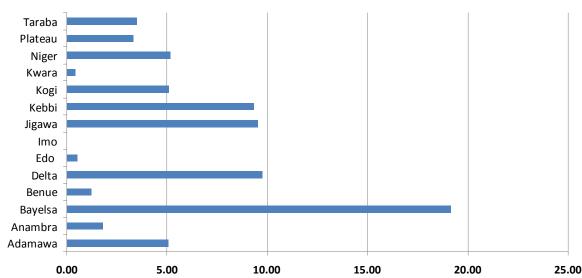


Figure III **Percentage of population affected by the 2012 flood, by state**

Adamawa and Taraba).

states after the flood. The coping strategy is recourse to other sources of livelihood, such as mining and small trading (Zamfara) and part-time teaching (cases in

Source: Author's calculation using Nigeria 2012 flood post-disaster needs assessment.

72. Managing the crisis was quite challenging, but the outcome is rewarding. There was strong collaboration among governments (federal and state), the private sector, non-governmental organizations and international development agencies, especially in providing water, food, shelter, sanitation/toilets and support for the restoration of livelihoods, security and health care. To avoid an epidemic, clinics were established in settlements for internally displaced persons, as well as systems providing referrals to still-functional health facilities. This was complemented with strengthened disease surveillance and the suspension of user fees for internally displaced persons in government facilities.

73. A number of interventions were put in place to ameliorate the educational impact. These include:

(a) The integration of affected schools into others to accommodate their pupils;

(b) The provision by state governments of alternative buildings or rented accommodation for schooling;

(c) The formation of flood relief distribution committees in the state ministries of education.

74. Other rapid actions taken to cushion the impact of damaged houses in the affected states include:

(a) The immediate evacuation of the affected population away from the flooded areas;

(b) The relocation of the affected population in temporary shelters/ accommodation;

(c) The provision of food and non-food items and medical and other humanitarian assistance;

(d) The repair of roads to link cut-off towns/settlements.

75. The federal Government, in collaboration with development partners, carried out the national 2012 flood post-disaster needs assessment. The Federal Ministry of Environment, with the support of development partners such as the United Nations Development Programme (UNDP), developed a flood early warning system and tools to forecast the occurrence of flood five days in advance in about 600 communities. The National Emergency Management Authority, in collaboration with UNDP and the Office for the Coordination of Humanitarian Affairs, has developed a draft action plan on disaster risk reduction, with particular focus on disaster risk reduction policies, education and innovations as well as the identification and monitoring of risks.

76. To facilitate early recovery and to prevent a recurrence of flooding, key areas on which to focus attention include:

(a) Developing early warning systems, vulnerability mapping, technological transfer and the training of communities to avoid and manage floods;

(b) Developing response plans and actions as well as associated guidelines;

(c) Promoting partnerships, improving scientific research on the causes of natural disasters, and better international cooperation to reduce the impact of climate variables;

(d) Encouraging governments to address the problems created by megacities, the location of settlements in high-risk areas and other man-made determinants of disasters;

(e) Mainstreaming disaster risk reduction into national strategic plans and planning and budgeting processes;

(f) Developing adequate infrastructure to prevent the recurrence of floods.

VII. Conclusion

77. The Federal Republic of Nigeria is committed to the realization of Millennium Development Goals and other internationally agreed development goals. Our Vision 20:2020 aims at optimizing the country's human and natural resources to achieve rapid, sustained economic growth and translating such growth into inclusive, equitable and sustainable development for its citizens. It articulates policies and strategies to achieve economic, social, environmental and institutional dimensions of development. Achieving this goal requires that the challenges identified in the present report be addressed and that a strong partnership and collaboration with national and international partners be built. Scaling up commitment to the implementation of the sustainability agenda and development transformation based on science, technology and innovation is critical. Sustained development is possible only in a peaceful and stable society.