



**STRENGTHENING INSTITUTIONAL MECHANISMS  
FOR POVERTY REDUCTION AND INCLUSIVE  
DEVELOPMENT IN NIGERIA**

**CONCLUDING SEMINAR PAPER**

**(Abridged Report presented to the President)**

**by**

**Senior Executive Course 38, 2016**

**National Institute, Kuru**

**November 4, 2016**



## **PROTOCOLS**

Your Excellency,

Muhammadu Buhari GCFR, the President and Commander-in-Chief of the Armed Forces of the Federal Republic Nigeria,

Your Excellency, the Vice President Professor Yemi Osinbajo, GCON, SAN,  
Secretary to the Government of the Federation

Members of the Federal Executive Council,

Heads of Departments and Agencies,

Distinguished ladies and gentlemen,

## **PRELIMINARIES**

I am Col Umar I Mohammed, the Lead Presenter for this presentation and Monitor-General of the Course

Presenting with me are:

Group Captain Uche Nwagwu

Mr Luka Obiri

Mrs Iyabo Ogunyanwo and

Comptroller Sylvester Nwaku

Mr President, on behalf of the Senior Executive Course (SEC) 38 of the National Institute for Policy and Strategic Studies, may I express our appreciation for the rare opportunity given to us to present this Report. We hope



it will contribute immensely to the formulation of new policies to help reduce poverty and promote inclusive development in Nigeria.

Your Excellency Sir, please permit us to present an abridged version of the full report of our 10-month study on the theme: “*Strengthening Institutional Mechanisms for Poverty Reduction and Inclusive Development in Nigeria*”. This presentation covers the main findings and recommendations, while the details are in the submitted Main Report. In the course of the study, Participants of SEC 38 considered several commissioned papers presented by eminent Nigerians and some foreign citizens, on different aspects of the theme. We also undertook study tours of 11 States in the Federation and the Federal Capital Territory, 13 strategic institutions, six African countries and six other countries outside the continent of Africa. The tours afforded Participants the opportunity to learn from their experiences.

**Table 1 Nigerian States and Countries Visited by SEC 38, 2016**

<b>States visited in Nigeria</b>	<b>African Countries</b>	<b>Other countries</b>
Abia	Cote d’Ivoire	India
Adamawa	Ethiopia	Indonesia
Bauchi	Ghana	Poland
Delta	Kenya	Romania
Ebonyi	Namibia	Sri Lanka
Edo	Tunisia	Thailand
Gombe		
Kaduna		
Kwara		
Lagos		
Rivers		
Zamfara		



## **Background to the Study**

Mr President, poor implementation of programmes occasioned by policy inconsistency, corruption and political patronage have rendered most institutional mechanisms for poverty reduction and inclusive development ineffective and inefficient. Indeed, successive administrations in Nigeria have put in place various institutional mechanisms to reduce poverty and enhance inclusive development in the country. The Federal Government of Nigeria committed N525 billion as the federal component of funds for SURE-P, between 2012 and 2015, aside from funds released to States and Local Governments. Despite these efforts, Nigeria is ranked third among countries with the highest population of extreme poor or people living in abject poverty in the world. The high incidence of poverty and low inclusive development in the country therefore casts doubt as to the effectiveness of the institutional mechanisms.

The United Nations Development Programme estimated the proportion of Nigerians living in absolute poverty as at 2015 to be 62.6% of its population, while the Human Development Index was put at 0.514 and ranked 152 out of 188 countries. Nigeria's Multi-dimensional Poverty Index declined from 0.303 to 0.279 between 2010 and 2014. On the other hand, a 2016 National Bureau of Statistics survey across the six geopolitical zones estimated absolute poverty prevalence for 2015 to be 46.41%. Nevertheless, poverty and exclusive development remain major issues confronting Nigeria. This, Mr President is



inexcusable considering Nigeria's rich endowment and enormous human and mineral resources. It is against this background that you tasked the Participants of SEC 38, 2016 to assess the country's institutional mechanism for poverty reduction and inclusive development with a view to strengthening them.

## **Aim and Objectives of the Study**

### **Aim**

To develop strategies to strengthen the institutional mechanisms for poverty reduction and inclusive development in Nigeria.

### **Objectives of the Study**

The objectives of the study are to:

- a. Evaluate the nature of the institutional mechanisms for poverty reduction and inclusive development in Nigeria.
- b. Identify the frameworks for poverty reduction and inclusive development in Nigeria.
- c. Examine the impact of the institutional mechanisms on poverty reduction and inclusive development.
- d. Determine the issues and challenges of institutional mechanisms for poverty reduction and inclusive development in Nigeria.
- e. Make recommendations and proffer implementation strategies to strengthen the institutional mechanisms for poverty reduction and inclusive development in Nigeria.



## **INSTITUTIONAL MECHANISMS FOR POVERTY REDUCTION AND INCLUSIVE DEVELOPMENT: THE STRATEGIC ENVIRONMENT**

### **Political Environment**

Nigeria has had uninterrupted democracy from 1999 to date. The political situation in the country is characterised by high cost of governance thus denying vital sectors of ample resources to address issues of poverty reduction and inclusive development. These issues are also associated with the political culture and politicisation of poverty reduction and inclusive development programmes and projects.

### **Economic Environment**

Nigeria is a mono-cultural economy with expanding financial, service, communications, technology and entertainment sectors. While the GDP is diversified, the foreign exchange earnings are mainly from the oil and gas industry. The GDP tripled from US\$170 billion in 2000 to US\$568.5 billion in 2015, with a corresponding GDP per capita increasing from US\$1,400 Purchasing Power Parity in 2000 to US\$5,600 PPP in 2015 (NBS, 2015). Ironically, as the GDP surged, the population of people living below the poverty line increased.

### **Social Environment**

Nigeria is a socially complex country with diverse ethnicities, cultures and languages. The cultural complexities manifest in issues of inheritance, gender discrimination and girl-child education, amongst others. An instance



where socio-cultural trends affect women is the exclusion of women from inheritance, despite existing laws and recent Supreme Court decisions on the matter in 2014. This impacts negatively on access to land and fixed assets for agricultural and other economic activities. Therefore, institutional mechanisms for poverty reduction and inclusive development must take into cognisance the varied cultures, for the desired impact on the poor.

### **Technological Environment**

The National Science Technology and Innovation (STI) Policy of 2011 emphasises the creation of awareness in the society on the relevance of STI culture for improvement of the quality of life of Nigerians and sustainable economic development. Unfortunately, STI culture is still in its infancy because official effort to upscale local knowledge and indigenous technology is minimal. Institutional mechanisms for poverty reduction and inclusive development could leverage on available technological advancement towards achieving the desired impact on the poor and vulnerable.

### **Legal Environment**

The Nigerian legal system is such that people living in poverty are confronted with enormous obstacles in accessing justice for the enforcement of their rights. The lapses within the legal environment manifests in inadequate legislation for the institutional mechanisms for poverty reduction and inclusive development in Nigeria impede their sustainability and impact on the poor and vulnerable.



## **Security Environment**

The rising and multinational nature of security threats in the country appear to correlate with increasing poverty rate. The various security challenges in the country such as militancy in the Niger Delta and the herdsmen/farmers conflicts have impacted negatively on the effective implementation of the various programmes for poverty reduction and inclusive development in the affected areas. Additionally, between 2009 and 2016, the worsening security situation in the North-East occasioned by the Boko Haram insurgency has drastically reduced socio-economic activities, thereby aggravating the poverty level in the region. This informed the focus of the current administration's activities on tackling insecurity and revamping the economy.

## **FRAMEWORKS FOR POVERTY REDUCTION AND INCLUSIVE DEVELOPMENT IN NIGERIA**

Frameworks for poverty reduction and inclusive development have been put in place at various levels. Some of these have direct bearing on Nigeria.

### **Global Frameworks**

The Global frameworks include the MDGs and SDGs. Others are provided by some International Development Partners which include Department for International Development (DFID), United States Agency for International Development (USAID) and the World Bank. Others are United Nations Development Programme (UNDP) and European Economic Commission (EEC).





## **Regional Frameworks**

Some of the regional frameworks are the African Development Bank's (AfDB) Rural Water and Sanitation Programmes of 2012; the New Deal on Energy for Africa, 2016-2025 and the Africa Union's New Partnership for African Development (NEPAD).

## **National/Sub-National Frameworks**

### **a. Policy Frameworks**

#### **i. National Policy on Poverty Eradication**

The Federal Government of Nigeria in 2005 formulated the National Policy on Poverty Eradication to guide all activities relating to poverty eradication. However, the policy has not been pursued in a deliberate, coordinated and comprehensive manner across all arms and levels of government.

#### **ii. National Economic Empowerment and Development Strategy I & II**

An evaluation of NEEDS I of 2003 & II of 2007 showed a mixed performance with real GDP growth rate improving substantially while gross national saving, infrastructural development, unemployment and inequality worsened. In addition, the programme suffered from inadequate monitoring and evaluation of activities and outcomes.



### **iii. The Seven-Point Agenda (2007)**

Some of the factors responsible for the poor performance delivery of the Seven-Point Agenda programmes include weak implementation frameworks and unclear target setting. Others are weak monitoring and evaluation mechanism and absence of effective coordination, collaboration and complementation between the agencies and among the three tiers of Governments leading to overlap and duplication of functions.

### **iv. The Nigerian Vision 20:2020**

In 2009, Vision 20:2020 was meant to grow Nigeria into a large, strong, diversified, sustained and competitive economy that should be among the top 20 economies in the world by 2020. However, when compared with the 20 advanced countries that Nigeria aspires to join, it has a long way to go, giving its slow development characterised by low human development index. Nigeria Vision 20:2020 is therefore too ambitious considering the antecedents of policy reversal, inconsistency and failure.

### **v. The Transformation Agenda**

The focal areas of the Transformation Agenda programme (2011-2015) included job creation, public expenditure management, foreign policy and economic diplomacy amongst others. These areas were carefully articulated as being critical to wealth creation



and attainment of inclusive growth. However, implementation challenges including inadequate funding undermined the performance of these programmes.

## **b. Legal Framework**

The 1999 Constitution of the Federal Republic of Nigeria provides the legal framework for all government powers and authority. Specifically, Chapter II of the Constitution provides the major source of policy framework for poverty reduction and inclusive development.

## **c. Institutional Frameworks**

### **i. National Directorate of Employment**

The National Directorate of Employment established in 1986 suffers from poor government funding. Its skills acquisition and loan-granting programmes were over-stretched. It was only able to recover 25% of its loans. There was also the problem of duplication of efforts among other agencies such as the Industrial Training Fund.

### **ii. National Health Insurance Scheme**

NHIS is a system of easy access to affordable and qualitative healthcare to all Nigerians through advance financing. However, 11 years after its commencement, the coverage is only in the public sector, which accounts for less than 10% of the Nigerian population.



### **iii. Poverty Alleviation Programme**

Poverty Alleviation Programme was set up in 2000 to urgently create jobs for the unemployed youths in the face of increasing youth restiveness in Nigeria. Part of the problems identified with the Programme included over centralisation, unsustainable design, uncoordinated management, over politicisation, irregular payments and corruption among others.

### **iv. National Poverty Eradication Programme**

National Poverty Eradication Programme was designed in 2001 to address the shortcomings of Poverty Alleviation Programme. It was to coordinate and monitor all poverty eradication efforts in order to harmonise and ensure better service delivery, maximum impact and effective utilisation of available resources. Although NAPEP achieved some measure of success, it fell far short of its targets as the NBS 2010 report on poverty confirmed that the country had not yet reached where it wanted to be in poverty reduction with more than 69% of Nigerians living below the poverty line.

### **v. Small and Medium Enterprises Development Agency of Nigeria**

The Small and Medium Enterprises Development Agency of Nigeria was established on 19<sup>th</sup> June, 2003 as an umbrella agency to coordinate the development of the Micro, Small and Medium



Enterprises (MSMEs). The Agency's major challenge has been low budgetary allocation and difficulty in accessing its funds. For instance, SMEDAN was allocated ₦1.7 billion in the 2016 Budget for the development of MSMEs, out of which ₦1.4 billion was appropriated by the National Assembly for constituency projects, leaving only ₦300 million to SMEDAN. Thus, depriving SMEDAN the needed resources to support MSMEs.

**vi. Subsidy Reinvestment and Empowerment Programme**

The SURE-P commenced in 2012 and was expected to span 3 to 4 years as a subset of the Transformation Agenda. It was designed to mitigate the immediate impact of the removal of fuel subsidy and accelerate economic growth through investments in critically-needed infrastructure. Poor targeting of intended beneficiaries and political interference adversely affected the performance of SURE-P and its tenure ended in 2015.

**vii. Social Safety Nets**

In an effort to provide social protection to the poor and the vulnerable, the Federal Government initiated a National Social Protection Policy in 2016. The focus of the Draft Social Protection Policy, is to dedicate the nation's resources to improve the socio-economic levels of citizens and strengthen the role of social protection in facilitating broad distribution of resources. To achieve this, the



Federal Government budgeted ₦500bn in 2016 for social investments under the Medium Term Expenditure Framework. To avoid the pitfalls of previous efforts and ensure the sustainability of the programme, the draft policy needs to be approved, backed by enabling law with strong M&E framework.

**Other sectors of the polity that provide frameworks for poverty reduction and inclusive development are the Private Sector and Non-Governmental Organisations.**

## **IMPACT OF INSTITUTIONAL MECHANISMS FOR POVERTY REDUCTION AND INCLUSIVE DEVELOPMENT**

### **SECTORAL ANALYSIS**

#### **Agriculture**

Since 1999, Nigeria has initiated different agricultural programmes such as the National Special Programme on Food Security (NSPFS) and the Root and Tuber Expansion Programme (RTEP) and recently the Agricultural Promotion Policy (APP). Others are Agricultural Development Programme (ADP) and Strategic Grains Reserve Programme (SGRP). The Agricultural Transformation Agenda (ATA) (2011 – 2015). The impact of these programmes did not reduce the incidence of poverty in the country while it still imports N2.2billion of food annually.

The Agricultural Promotion Policy (2016-2020), which is the focus of this administration, has potentials to meet food security, reverse food



importation, promote agricultural export to earn foreign exchange and improve the nation's GDP. However, it is observed that there are no clear implementation strategies; the outcomes are not stated in measurable terms; no clear sources of funding; no accountability and M&E frameworks; and no clearly defined linkages with other relevant agencies.

## **Health**

Health services are not free in Nigeria, though the Federal Government introduced the National Health Insurance Scheme (NHIS) launched in 1999. There is also the National Health Act 2014. The Act sought to achieve the Universal Health coverage for all Nigerians under the NHIS especially the deprived, under five years, pregnant women and the elderly. It is noted that the failure to implement the National Health Act of 2014 has compounded healthcare delivery in Nigeria. There is therefore the need for the Nigerian Government to implement the National Health Act.

## **Education**

Nigeria's education sector has been characterised by poor quality of teachers, poor infrastructure, as well as limited and ill-equipped vocational and technical education training facilities. As at 2013, Nigeria had about 10 million out-of-school children. Though it is yet to take off, the National Schools Feeding Programme offers a good strategy for increasing school enrolment. The success of the programme is predicated on the provision of qualified



teachers, instructional materials and furnished classrooms. Investment in education is key to poverty reduction and inclusive development.

## **Housing**

The implementation of the Nigerian Housing Policy 2006, based on the set goals and objectives was to ensure that Nigerians own or have access to decent, safe and healthy housing at affordable cost. On 22<sup>nd</sup> March, 2016, the National Economic Council encouraged each State of the federation to build 250,000 homes per year. This would require adequate planning and necessary political will on the part of State governments to implement the programme.

The Federal Mortgage Bank of Nigeria, Federal Housing Authority, Federal Mortgage Finance Limited and the Infrastructure Bank require strengthening as housing deficit stood at about 21 million at the end of 2015. Additionally, the cumbersome procedures for obtaining Certificates of Occupancy and Letters of Consent in the Land Use Act have also contributed to the inability of individual landowners to use their land to access facilities from financial institutions.

## **Transportation**

Road transport has suffered from lack of maintenance and insufficient annual budgetary allocation by the government. The Infrastructure Concession Regulatory Commission (ICRC) established in 2005 to facilitate Public Private Partnership (PPP) is yet to record success on any Federal road. PPP appears to be the best option to finance the capital-intensive road projects in Nigeria in





view of the shortfall in the nation's income. Viable and bankable roads like Lagos-Ibadan Expressway could be executed by PPP rather than from the national treasury. This would save government funds, which could be used for other less viable roads. The Inland waterways transport is also the least developed and one of the untapped sectors of the Nigerian transport system.

## **Power**

The Nigerian power sector is bedevilled by erratic outages despite its being the cornerstone for wealth creation and employment. These outages inhibit the formal and informal sectors of the economy, as only about 10% of rural households and 40% of the country's total population have access to electricity. The total electricity generation in Nigeria peaked at 5,074MW in February, 2016 while it stood at 3,086MW as at 27<sup>th</sup> October, 2016. This is negligible in comparison to the power requirement of 80,000MW for the country. The impact of adequate power supply alone could lead to a surge in GDP profile and substantial employment generation. This would translate to poverty reduction and inclusive development.

## **Mining**

There are over 40 minerals found in various parts of Nigeria. The sector is regulated by the Nigerian Mineral and Mining Act of 2007. Artisanal and Small-scale Mining (ASM), is an important part of the Nigerian mining sector. Unfortunately, the sector has been underdeveloped and neglected for a long time due to over-dependence on oil. The challenges of the Nigerian mining



sector are low project funding, poor infrastructure development, inadequate security, illegal mining and community issues. These are being addressed by the recent government approval of the sum of ₦30 billion to develop the sector. If properly explored, the sector could augment foreign exchange earnings from oil and gas and provide employment for thousands of Nigerians, thereby contributing to poverty reduction and inclusive development.

## **ISSUES AND CHALLENGES OF INSTITUTIONAL MECHANISMS FOR POVERTY REDUCTION AND INCLUSIVE DEVELOPMENT IN NIGERIA**

### **Governance**

Good governance is vital to poverty reduction and inclusive development.

We shall now examine some issues relating to governance.

### **Transparency and Accountability**

In Nigeria, the low level of transparency and accountability has been responsible for political instability and by implication poor governance. Most of the States visited do not have structures that adequately enhance or promote transparency and accountability. Most of the M&E units were observed to be weak, understaffed and in some cases non-existent. During the study tours by SEC 38, 2016, it was found that Poland was rated 81.8% and Indonesia 53.2% in “Voice and Accountability” in 2014, while Nigeria was rated only 33%.



## **Corruption**

Corruption is generally acknowledged to have adversely affected previous poverty reduction and inclusive development efforts in Nigeria and is one of the indicators of bad governance. Although, Federal anti-corruption agencies like the Fiscal Responsibility Commission, Economic and Financial Crimes Commission (EFCC) as well as the Independent Corrupt Practices and other Related Offences Commission (ICPC) are present in the 12 States visited by members of SEC 38, 2016, there were only few cases of prosecution or conviction of offenders to establish their effectiveness and justify their mandate. It is envisaged that the anti-corruption crusade of the present administration will have favourable implications for poverty reduction and inclusive development if successfully sustained.

## **Inter-Governmental Relations, Policy Coordination and Monitoring**

The 1999 Constitution (As Amended) guarantees autonomy to the LGAs but most of the States have not allowed them exercise this autonomy, especially in the area of control of statutory allocation from the federation account. The Study Tour of some States and Strategic Institutions in Nigeria by participants of SEC 38, 2016 revealed that there were problems of poor or lack of policy coordination. Also, on the issue of policy formulation in Nigeria, the study observed that policies on poverty reduction are formulated and implemented using the top-down approach. In Ethiopia and Cote D'Ivoire in Africa, Romania



and Poland in Europe, policy formulation using predominantly bottom-up approach have been adopted, with attendant better outcomes.

### **Access and Equality**

There are some identified legal systems that impede access of citizens to certain rights in Nigeria. These include the Land Use Act of 1978, TETFUND Act 2011, independent candidacy and some cultural practices. For example, under the Land Use Act of 1978, prospective landowners are unable to obtain title documents for the purpose of using them as collaterals for loans and other related facilities from the banking sector. This is in contrast to what is obtainable in Romania where there exists a National Land Registration Policy, by which individuals who own lands are registered and certificates issued promptly to enable them access loans for entrepreneurship, thus addressing poverty.

### **Political Issues**

The cost of participation in politics is too expensive for full involvement of the citizens thereby infringing on their inalienable rights. Political patronage is also identified as a challenge to democracy in Nigeria. This is because wealthy individuals sponsor candidates into elective offices. The Electoral Act amendment and implementation would go a long way in militating against these untoward practices by spelling out strict rules and regulations in opening up the political space.



## **Economic Issues**

The major pro-poor and inclusive development economic initiative in Nigeria is the framework for entrepreneurs to engage in business and investment activities. Micro-Finance banking in Nigeria is confronted with challenges ranging from infrastructural inadequacies, social misconception, poor legal and regulatory frameworks, competition from other financial institutions, abandonment of core micro-finance functions, paucity of qualified manpower, default in loan repayment and lack of penetration into the rural areas.

## **Employment and Industrialisation**

To reduce poverty in Nigeria, it is pertinent that employment is created mostly through industrialisation and the growth of the informal sector. Job creation through small and medium enterprises is therefore considered necessary. In Ethiopia for instance, the industrial growth is anchored on Agricultural Development-led Industrialisation (ADLI), which is aimed at making agriculture development play a leading role in the industrialisation process of the country. There is a role for the technology incubation centres spread out across Nigeria in this regard. Their potentials could be properly harnessed to promote employment and industrialisation in the country.



## **Implementation Constraints**

### **Policy Inconsistency**

Nigeria has suffered from political and policy instability which has resulted in frequent policy changes and inconsistent implementation, which in turn have prevented continuous progress. These programmes were mostly regime specific as there was no continuity, which was largely attributed to lack of legal framework backing them. In the foreign countries visited, it was observed that most of their programmes were backed by law. This ensured consistency and continuity in policy formulation and implementation.

### **Monitoring and Evaluation Framework**

During the study tours of States and strategic institutions in the country, it was observed that the M&E Frameworks were either lacking or weak and have been the bane of the successful implementation of programmes. The poverty reduction programmes were only subjected to periodic auditing. On the contrary, there are strong M&E frameworks in Romania and Ethiopia. There is therefore the need to put in place strong M&E frameworks.

### **Inadequate Statistics and Data**

The availability of adequate data was observed to be lacking in most of the States visited during the tours, and even where available, they were inadequate, inaccurate and not current. This affects evidence-based decision and policy-making in Nigeria. However, it was observed that India, Romania and Poland have statistical data on all poverty reduction programmes and



activities in their countries, which were adequate, accurate and up-to-date. This can be emulated by Nigeria.

## **STRATEGIC GAP ANALYSIS OF INSTITUTIONAL MECHANISMS FOR POVERTY REDUCTION AND INCLUSIVE DEVELOPMENT IN NIGERIA**

### **National Directorate of Employment**

#### **Expected Outcome**

In order to actualise its mandate, the NDE developed various strategies that have mass employment generation potentials under some broad programmes. However, the SEC 38, 2016 observed that these strategies and programmes were devoid of timelines.

#### **Actual Outcome**

In three decades, a total of 3,625,930 unemployed Nigerians were impacted by NDE in collaboration with both local and international organisations and private individuals.

#### **Strategic Gap Analysis**

In spite of its legislative backing, nationwide structures and sustainability, the challenge of inadequate funding to efficiently run and maintain its various programmes remain a major gap. It was reported during the strategic tour of the institution that an average of only ₦2 billion annually was earmarked for the implementation of the Agency's programmes.



## **National Poverty Eradication Programme**

### **Expected Outcome**

The aim of NAPEP was to attain the first goal of the MDGs as enunciated in the NEEDS, which it later keyed into. This required a coordinated effort of Government and the private sector to attain the goal in a measurable and objectively verifiable manner.

### **Actual Outcome**

With the sum of ₦2.265 billion available for the MDGs, 500 households were reached in the scaled up phase. About ₦7 billion was also disbursed as micro-credit loans to 5,786 participating cooperative societies nationwide. Additionally, 40,000 unemployed graduates of diverse disciplines were selected and attached to relevant institutions nationwide. The Keke NAPEP Programme was another initiative which facilitated the creation of 17,898 jobs among youths across the country. It is evident that though NAPEP has benefitted quite a number of Nigerians, the burden of poverty still remains within the country. According to the NBS (2010), poverty rate increased from 54.4% in 2004 to 69% in 2010. The inability of NAPEP to achieve the feat of reducing poverty led to the winding up of the programme.

### **Strategic Gap Analysis**

The Goal One of the MDGs was not achieved by NAPEP. The major drawbacks were its lack of vision and mission statements, legislative backing and absence of a clear-cut strategic planning document from inception. In





addition, the absence of accurate data on its target populace as well as sub-optimal M&E mechanism for its programmes undermined its achievements. It was also reported that choice of beneficiaries in NAPEP was often not based on merit.

## **Small and Medium Enterprises Development Agency of Nigeria (SMEDAN)**

### **Expected Outcome**

The main expected outcome of SMEDAN was to facilitate the activation of all MSMEs as well as access to credit. This would further enhance their contribution towards employment generation, poverty reduction and inclusive development.

### **Actual Outcome**

SMEDAN's programmes include the National Enterprise Development Programme, the One Local Government One Product Programme as well as the Growth and Empowerment Programme. The institutional mechanism is represented in all six geo-political zones with 23 Industrial Development Centres providing extension services across the country though most of them have gone moribund.

### **Strategic Gap Analysis**

SMEDAN has been unable to achieve its goals for a variety of reasons including lack of a clear-cut strategic plan, absence of sustainable funding windows, diminishing statutory allocations, slow recovery of credit given to



MSMEs and banks' demand for huge collateral instruments to access funds. Others are difficult environment and high operating costs due to infrastructural decay and poor human capital development. It is important that duplication of SMEDAN's roles by other government agencies be discouraged. In addition, funds allocated for its activities could be increased, and collateral security reduced to enable more MSMEs access government supported banks' credit facilities. Finally, there is need for amendment of the Act to enable SMEDAN generate funds from external sources.

### **Subsidy Re-Investment and Empowerment Programme**

#### **Expected Outcome**

Some of the set targets of SURE-P were to provide 50,000 temporary jobs under the Graduate Internship Scheme (GIS) and 111,000 Community Service for Women and Youth Employment across the 36 States and the FCT.

#### **Actual Outcome**

For the programme period, about 40,000 interns benefitted from the Graduate Internship Scheme. Under the Community Service for Women and Youth Employment programme, there were 102,000 beneficiaries.

#### **Strategic Gap Analysis**

The set targets of SURE-P were considered too low when compared with the teeming number of unemployed graduates, vulnerable women and youths in the country.



## Conclusion

The study examined the institutional mechanisms for poverty reduction and inclusive development in Nigeria with a view to finding ways of strengthening them to achieve better performance. The issues and challenges of institutional mechanisms for poverty reduction and inclusive development in Nigeria were also analysed in the study. The Study observed some strengths, weaknesses and potentials of some institutional mechanisms put in place for poverty reduction and inclusive development in Nigeria. These were compared with best practices obtainable in some of the countries visited by the Participants. Consequently, it was noted that there is no synergy of efforts among the three tiers of government and major stakeholders in policy formulation and implementation. This led to the failure of many of the programmes. The study also showed that there are duplications and overlaps of responsibilities by most institutions as well as weak implementation of M&E frameworks put in place by the Federal, States and Local Governments on poverty reduction and inclusive development mechanisms. In addition, absence of credible, reliable and current demographic data has hindered effective implementation on poverty reduction and inclusive development programmes.

In view of the foregoing, the following recommendations and implementation strategies are hereby proffered:



## **Recommendation One**

Federal Government of Nigeria should integrate and consolidate all poverty reduction and inclusive development agencies and programmes into a Commission.

### **Implementation Strategies**

- i. Mr President to direct the Secretary to the Government of the Federation and Head of Civil Service of the Federation to merge the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN), National Directorate of Employment (NDE), National Centre for Women Development and other related agencies and to work out modalities for the establishment of a National Commission for Poverty Reduction and Inclusive Development.
- ii. Mr President to present an executive bill to the National Assembly for the establishment of the new Commission.
- iii. The Commission to be under the chairmanship of the Vice President and be responsible for streamlining data-driven national policies on poverty reduction and inclusive development.
- iv. The Commission in collaboration with the National Institute for Policy and Strategic Studies to formulate a strategic 5-year Rolling Plan for poverty reduction and inclusive development.
- v. The Head of the Commission to sign a performance contract with the Vice President to ensure that the targets of the Commission are met.



## **Recommendation Two**

The Federal Government should take the lead to improve synergy in intergovernmental relations to accelerate implementation of poverty reduction policies across the three tiers of government.

### **Implementation Strategy**

The National Council of State to encourage all States to harmonise poverty reduction and inclusive development policies.

## **Recommendation Three**

The FGN should adopt an Agricultural Development-Led Industrialisation Policy in Nigeria.

### **Implementation Strategies**

- i. The Federal Ministry of Agriculture, Federal Ministry of Industry, Trade and Investment and relevant research institutes to collaborate in developing the Agriculture Development-Led Industrialisation Policy.
- ii. The Federal Ministry of Industry, Trade and Investment to promote the establishment of sector-specific Export Processing Zones and Industrial Parks in Nigeria.
- iii. The Federal Government to accord priority status to the implementation of the Cotton, Textile and Garment Policy.
- iv. The Federal Government of Nigeria to hasten the recapitalisation of the Bank of Agriculture and Bank of Industry to enable them provide funding to the agricultural sector.



## **Recommendation Four**

Federal and State governments should invigorate agricultural extension services across the country to boost agricultural production.

### **Implementation Strategies**

- i. National Council on Agriculture and Rural Development to ensure that State Ministries of Agriculture carryout a comprehensive Needs Assessment of agricultural extension services.
- ii. National Council of Agriculture and Rural Development to ensure that State governments adequately support (recruitment, training and logistics) agricultural extension services for boosting agricultural production.
- iii. The 100,000 extension workers to be employed by the FGN for a period of two years to be extended to five years.
- iv. The extension workers to be employed from the communities where they are domiciled and to be trained by NAERLS, Ahmadu Bello University, Zaria.
- v. Federal Ministry of Agriculture and Rural Development to draw from the Development of Natural Resources Account to fund agricultural extension services in the country.
- vi. Federal Ministry of Agriculture and Rural Development to complete and deploy the electronic agricultural extension services developed by NAERLS, Ahmadu Bello University, Zaria.



- vii. Agricultural Science graduates from Universities, Colleges of Agriculture and Polytechnics to be deployed for agricultural extension duties during their National Youth Service Year.
- viii. The sum of ₦10,000 to be paid as stipend to each of the NYSC agricultural extension workers instead of the proposed ₦30,000 set aside by the Federal Government for each extension worker.

### **Recommendation Five**

The Local Government system in Nigeria should be bolstered to perform its constitutional role of providing inclusive development at the grassroots level.

### **Implementation Strategies**

- i. The Attorney General and Minister of Justice to take steps to ensure the enforcement of Constitutional provision of Section 7(1) and relevant court judgements on elections into Local Government Councils.
- ii. The President to present an executive bill to the National Assembly to amend relevant sections of the 1999 Constitution (7{1}, 162), and other related provisions in the legislative list to provide autonomy to Local Governments as an enabler of grassroots development.
- iii. Association of Local Governments of Nigeria and other key stakeholders to follow-up the passage of the relevant amendments with the National Assembly and State Houses of Assembly.



- iv. The release of funds to Local Government Areas after securing financial autonomy to be performance-based in line with the provisions of the Appropriation Act.
- v. The National Assembly to legislate the Office of the Auditor-General for Local Government for the purpose of auditing Local Government accounts.

### **Recommendation Six**

The Federal Ministry of Health should fully implement the National Health Act of 2014 to promote access to healthcare for all Nigerians.

### **Implementation Strategies**

- i. The Federal Government to make provision for the establishment of the Basic Healthcare Provision Fund as provided for in the Act in the 2017 Budget.
- ii. The Federal Ministry of Health to organise massive advocacy on the provisions of the National Health Act among stakeholders including the Nigerian Governors' Forum by the first quarter of 2017.

### **Recommendation Seven**

Federal and State Governments should revitalise all existing Technical, Vocational Education and Training Centres.

### **Implementation Strategies**

- i. National Board for Technical Education to develop a 5 year master plan for improving TVET in the country.





- ii. Federal and State Ministries of Education to fully equip existing TVET Centres.
- iii. Federal and State Ministries of Education and NBTE to ensure the training of instructors and technicians to operate and service the equipment.
- iv. The UBEC law to be amended to allow for inclusion of TVET institutions as beneficiaries of its funding intervention programmes.

### **Recommendation Eight**

The Federal Government of Nigeria should review the Land Tenure System to enhance access to, and utilisation of, land resources.

### **Implementation Strategies**

- i. Federal Government to provide technical assistance to State and Local Governments in the provision of land cadastral nationwide.
- ii. All State governments to establish depository for land title holding and records, as well as fast-track the titling of land including customary land holdings.
- iii. National Assembly to amend Sections 5 and 6 of the Land Use Act to allow easier access to land by Nigerians.
- iv. The National Assembly to amend Sections 22 and 26 of the Land Use Act to require consent of governor only in cases of outright alienation of interest in land.



- v. The National Economic Council to encourage States to amend relevant provisions of their Land Registration Laws to allow for a maximum of 5 procedures for their land registration and bring down the cost to not more than 10% of the value of the land.
- vi. The National Economic Council to encourage States to enact laws outlawing any customary laws that inhibit access to land on the basis of gender, ethnic group and other vulnerable groups.

**NOTE: ELEVEN ADDITIONAL RECOMMENDATIONS AND IMPLEMENTATION STRATEGIES ARE IN THE MAIN REPORT**



## INSTITUTIONAL INFORMATION

### MANAGEMENT STAFF OF THE NATIONAL INSTITUTE

1. Mr. Jonathan Mela Juma, mni - Ag Director-General
2. Prof. Celestine O. Bassey - Director of Studies
3. Prof. Habu Galadima - Director of Research
4. Dr. Emmanuel S. Mamman - Institute Librarian

### MEMBERS OF THE DIRECTING STAFF

- 1 Amb Adamu Abbas - Directing Staff SG 1
- 2 AIG Umaru A Manko (Rtd), mni - Directing Staff SG 2
- 3 Dr Nasirudeen Usman, mni - Directing Staff SG 3
- 4 Gp Capt MG Gumi (Rtd), mni - Directing Staff SG 4
- 5 Air Vice Marshall CKS Majekwu, fdc - Directing Staff SG 5
- 6 Brig Gen AD Chiniko, mni - Directing Staff SG 6
- 7 Prof OJ Para-Mallam, mni - Directing Staff
- 8 AIG MM Kastina, mni - Directing Staff
- 9 Rear Admiral BT Yusuf, mni - Directing Staff



## SENIOR EXECUTIVE COURSE 38, 2016 PARTICIPANTS

S/ No	Name	Rank/Status	Sponsor
1	ABDULLAHI, Maimuna	Permanent Secretary	Niger State Government
2	ABDULLAHI, Suleiman Saulawa	Permanent Secretary	Katsina State Government
3	ABUBAKAR, Kabir	MD/CEO	Presidency
4	ADENIRAN, Musibau Adelekan	Colonel	Nigerian Army
5	ADERANTI, Cornelius Kayode	Asst. Inspector General of Police	The Nigeria Police Force
6	AGBAKOSI, Samson Olagoke	Executive Director	Galaxy Backbone Limited
7	AKHIMIEN, Anthony	President, African Pharmaceutical Forum	Pharmaceutical Society of Nigeria (PSN)
8	ALIGWE, Gabriel Sunday Martins	Navy Captain	Nigerian Navy
9	ALIYU, Muhammad Kabir	Professor	Presidency
10	AMOS, Olufunke Esther	Director	Department of State Services
11	AROKOYO, Adedoyin Mike	Director	Defence Intelligence Agency
12	ASAOLU, Gabriel Olufemi	Director	Ministry of Foreign Affairs, Abuja/NIA
13	AUDI, Ahmed Abubakar	Asst. Commandant General	NSCDC, NHQ Abuja



14	BAKO, Yusuf	Colonel	Nigerian Army
15	BANDE, Aminu	Colonel	Nigerian Army
16	BULUS, Amos Sitdang	Group Captain	Nigerian Air Force
17	BURROMVYAT, Nanbyen Patience	Comptroller of Customs	Nigeria Customs Service
18	CHOJI, Ibrahim Dinju	Senior Fellow	NIPSS, Kuru
19	COBHAM, Emmanuel Edet	Director General	Nigerian Association of Chambers of Commerce, Industry, Mines & Agric
20	DANBATTA, Yusuf Asir	Director (Finance & Accounts)	National Assembly Service Commission Utako, Abuja
21	DANMADAMI, Musa	Colonel	Nigerian Army
22	DANWAWU, Abdul Dahir	Asst. Inspector General of Police	The Nigeria Police Force
23	DEPSIA, Mohammad Salihu	Colonel	Nigerian Army
24	ELAMAH, Oseni Salawe	Executive Chairman	Edo State Government
25	ENEMO, Ifeoma Pamela	Deputy Vice Chancellor	National Universities Commission
26	GIZA, Jibril Okaku	Permanent Secretary	Nasarawa State Government
27	IBRAHIM, Abdulmajid Majidadi	Navy Captain	Nigerian Navy
28	IBRAHIM, Sani Mohammed	Director (Procurement)	Supreme Court of Nigeria
30	INAKWU, Nicodemus Nkpa	Commissioner of	Nigerian Police Force



		Police	
31	IRABOR, Oduware Irenuma	Colonel	Nigerian Army
32	ISA, Abubakar Ismaila	MD/CEO	The Presidency
33	JAGUSAH, Olivet Iornenge Wuheh	Dean/Director, Academic Planning	Presidency
34	KOLO, Nart Augustine	Director	Ministry of Foreign Affairs
35	LADAN, Shehu Usman	1 <sup>st</sup> Vice President ANAN	Association of National Accountants of Nigeria (ANAN)
36	LAGUNJU, Olawale	Managing Director/CEO	Nigerian Society of Engineers
37	LAMORDE, Ibrahim Abdullahi	Commissioner of Police	The Nigeria Police Force
38	LAWAL, Zakariya'u	Director	Ministry of Budget & National Planning Abuja
39	MAIYANGA, Alexius Abdullahi	Director	National Commission for Colleges of Education, Garki Abuja
40	MAMMAN, Dayyabu	Director	Federal Ministry of Power, Works and Housing
41	MANDA, Andrew Isa	Comptroller of Immigration	Nigeria Immigration Service
42	MOHAMMED, Abubakar Adamu	Asst. Inspector General of Police	Nigeria Police Force



43	MOHAMMED, Sani Usman	Asst. Inspector General of Police	Nigeria Police Force
44	MOHAMMED, Umar Ibrahim	Colonel	Nigerian Army
45	MUSA-LAWAL, Mohammed Ozigi	Secretary General	Trade Union Congress of Nigeria
46	NABASU, Bitrus Bako	Director	Office of Head of Service of the Federation
47	NTOMCHUKWU, Uzoh Valentine	Deputy Inspector General of Police	Nigeria Police Force
48	NWAGWU, Uchechi Clavartrinitas	Group Captain	Nigerian Air Force
49	NWAKANMA, Joy Ezinwanyi	Permanent Secretary	Abia State Government
50	NWAKUCHE, Sylvester Ndidi	Controller	Nigerian Prisons Service
51	OBIRI, Luka Wellington	Permanent Secretary	Bayelsa State Government
52	OCHEI, Raymond Nkem	Colonel	Nigerian Army
53	ODUBANJO, Kehinde John	Navy Captain	Nigerian Navy
54	OGUNYANNWO, Adetumininu Iyabode	Director	Federal Ministry of Youth and Sports Development/Office of the Head of Service
55	OLADELE, Temitope Olalekan	Permanent Secretary	Osun State Government
56	OSIFESO, Iyabo Funmilola	President, N.C.W.S Lagos State	National Council of Women's Societies



57	OYENEYIN, Olawale Lawal	Chief Consultant Obstetrician & Gynaecologist	Ondo State Government
58	SALLAU, Haruna	Permanent Secretary	Zamfara State Government
59	SARKI, Edwards Awak	Director	Ministry of Foreign Affairs, Abuja
60	SINTALI, Okpovie Pius	Colonel	Nigerian Army
61	TAFIDA, Hassan Gadam	Colonel	Nigerian Army
62	TOKMA, Dabwel Richard	Permanent Secretary	Plateau State Government
63	UMAR, Kabiru Mukhtar	Group Captain	Nigerian Air Force
64	UMAR, Samaila Sifawa	National Treasurer (IPAC)	Inter Party Advisory Council (Presidency)
65	USMAN, Bello Zunnuraini	Permanent Secretary	Gombe State Government
66	USMAN, Lawal Safana	Director	Department of State Services
67	USMAN, Sadiu Abdulmumini	Permanent Secretary	Bauchi State Government